Certain Carbon and Alloy Steel Cut-To-Length Plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey

Investigation Nos. 701-TA-559-561 and 731-TA-1317-1328 (Preliminary)

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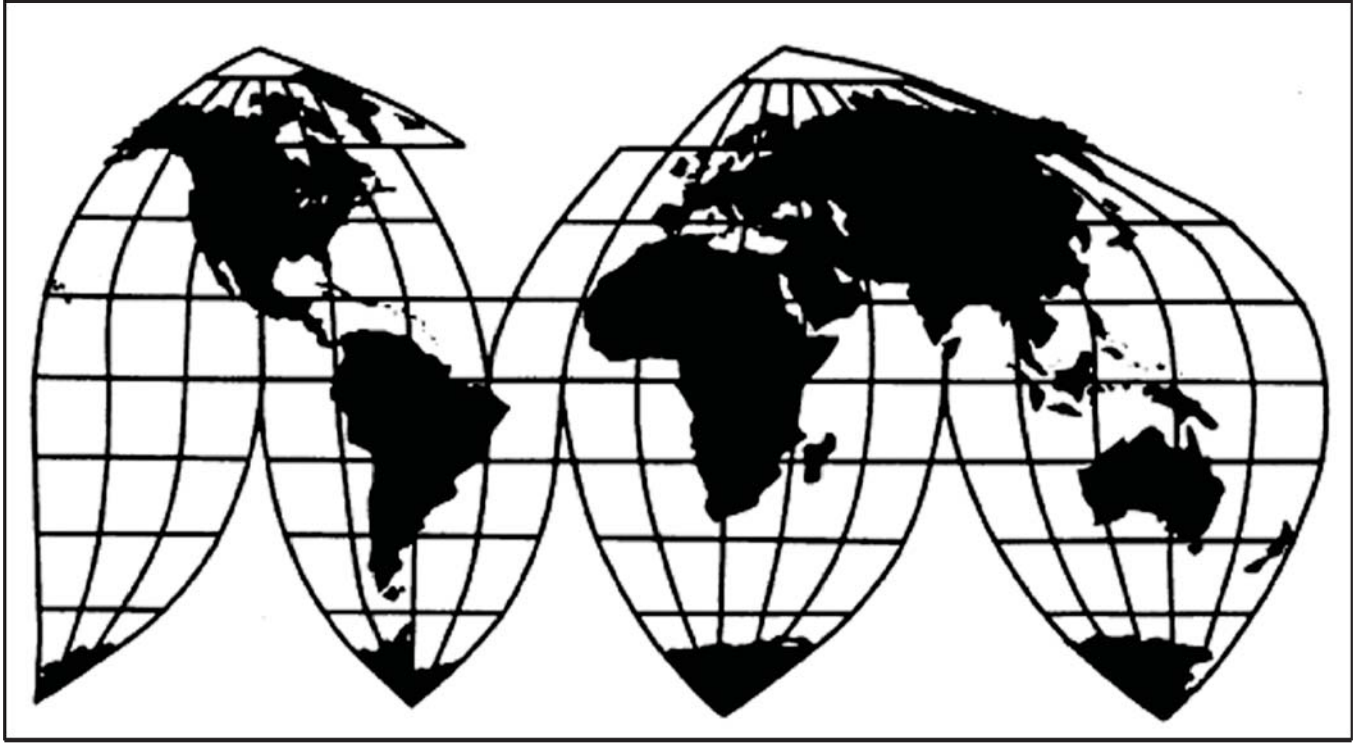
U.S. International Trade Commission



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CONTENTS

Page

Determinations 1
Views of the Commission 3
Part I: Introduction **I-1**
Background I-1
Statutory criteria and organization of the report I-2
Statutory criteria I-2
Organization of report I-3
Market summary I-3
Summary data and data sources I-6
Previous and related investigations I-7
Safeguard investigations I-11
Nature and extent of alleged subsidies and sales at LTFV I-11
Alleged subsidies I-11
Alleged sales at LTFV I-16
The subject merchandise I-16
Commerce's scope I-16
Tariff treatment I-22
The product I-22
Description and applications I-22
Manufacturing processes I-23
Domestic like product issues I-30
Physical characteristics and uses I-31
Manufacturing facilities and production employees I-31
Interchangeability and customer and producer perceptions I-32
Channels of distribution I-33
Price I-33
Part II: Conditions of competition in the U.S. market **II-1**
U.S. market characteristics II-1
Channels of distribution II-2
Geographic distribution II-2
Supply and demand considerations II-4
U.S. supply II-4
U.S. demand II-6
Substitutability issues II-10
Lead times II-10
Factors affecting purchasing decisions II-11
Comparison of U.S.-produced and imported CTL plate II-11

CONTENTS

Page

Part III: U.S. producers' production, shipments, and employment III-1
U.S. producers III-1
Related firms III-4
Tolling operations III-4
Changes in operations III-4
U.S. production, capacity, and capacity utilization III-6
CTL plate III-6
Alternative products III-7
U.S. producers' U.S. shipments and exports III-8
U.S. producers' inventories III-9
U.S. producers' imports and purchases III-9
U.S. employment, wages, and productivity III-10
Part IV: U.S. imports, apparent U.S. consumption, and market shares IV-1
U.S. importers IV-1
U.S. imports IV-2
U.S. imports from subject and nonsubject countries IV-2
Ratio of subject imports to U.S. production IV-9
Historical U.S. imports IV-9
Negligibility IV-9
Cumulation considerations IV-13
Fungibility IV-13
Presence in the market IV-14
Geographical markets IV-15
Apparent U.S. consumption IV-18
U.S. market shares IV-20
Part V: Pricing data V-1
Factors affecting prices V-1
Raw material costs V-1
U.S. inland transportation costs V-3
Pricing practices V-3
Pricing methods V-3
Sales terms and discounts V-4
Price data V-5
Price trends V-17
Price comparisons V-19
Lost sales and lost revenue V-19

CONTENTS

Page

Part VI: Financial experience of U.S. producers VI-1
Background VI-1
Operations on CTL plate VI-1
Net sales VI-1
Cost of goods sold and gross profit or (loss) VI-3
SG&A expenses and operating income or (loss) VI-4
All other expenses and net income or (loss) VI-4
Variance analysis VI-4
Capital expenditures and research and development expenses VI-6
Assets and return on investment VI-7
Capital and investment VI-8
Part VII: Threat considerations and information on nonsubject countries VII-1
The industry in Austria VII-3
Overview VII-3
Operations on CTL plate VII-3
Alternative products VII-4
Exports VII-4
The industry in Belgium VII-7
Overview VII-7
Operations on CTL plate VII-7
Alternative products VII-8
Exports VII-8
The industry in Brazil VII-11
Overview VII-11
Operations on CTL plate VII-11
Alternative products VII-12
Exports VII-12
The industry in China VII-15
Overview VII-15
Operations on CTL plate VII-15
Alternative products VII-16
Exports VII-16
The industry in France VII-19
Overview VII-19
Operations on CTL plate VII-19
Alternative products VII-20
Exports VII-20

CONTENTS

Page

The industry in Germany VII-23
Overview VII-23
Changes in operations VII-23
Operations on CTL plate VII-24
Alternative products VII-26
Exports VII-26
The industry in Italy VII-29
Overview VII-29
Changes in operations VII-29
Operations on CTL plate VII-29
Alternative products VII-30
Exports VII-31
The industry in Japan VII-34
Overview VII-34
Changes in operations VII-34
Operations on CTL plate VII-34
Alternative products VII-36
Exports VII-37
The industry in Korea VII-39
Overview VII-39
Operations on CTL plate VII-39
Alternative products VII-40
Exports VII-40
The industry in South Africa VII-43
Overview VII-43
Changes in operations VII-43
Operations on CTL plate VII-43
Alternative products VII-44
Exports VII-44
The industry in Taiwan VII-47
Overview VII-47
Operations on CTL plate VII-47
Alternative products VII-48
Exports VII-48
The industry in Turkey VII-51
Overview VII-51
Operations on CTL plate VII-51
Alternative products VII-52
Exports VII-52

CONTENTS

Page

The industries in the subject countries (combined) VII-55
U.S. inventories of imported merchandise VII-56
U.S. importers' outstanding orders VII-56
Antidumping or countervailing duty orders in third-country markets VII-57
Information on nonsubject countries VII-59
The industry in Canada VII-59
The industry in Mexico VII-60

Appendixes

A. *Federal Register* notices A-1
B. Conference witnesses B-1
C. Summary data C-1
D. Nonsubject country price data D-1

Note.—Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-559-561 and 731-TA-1317-1328 (Preliminary)

Certain Carbon and Alloy Steel Cut-To-Length Plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey

DETERMINATIONS

On the basis of the record[1] developed in the subject investigations, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of certain carbon and alloy steel cut-to-length plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey, provided for in subheadings 7208.51.00, 7208.52.00, 7211.13.00, 7211.14.00, 7225.40.11, 7225.40.30, 7226.20.00, and 7226.91.50 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value ("LTFV") and that are alleged to be subsidized by the governments of China and Korea. The Commission further determines that allegedly subsidized imports of certain carbon and alloy steel cut-to-length plate from Brazil are negligible pursuant to section 771(24) of the Act, and its countervailing duty investigation with regard to certain carbon and alloy steel cut-to-length plate from this country is thereby terminated pursuant to section 703(a)(1) of the Act.

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations on which it has made preliminary determinations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in section 207.21 of the Commission's rules, upon notice from the Department of Commerce ("Commerce") of affirmative preliminary determinations in the investigations under sections 703(b) or 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in those investigations under sections 705(a) or 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Industrial users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

[1] The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

BACKGROUND

On April 8, 2016, ArcelorMittal USA LLC (Chicago, Illinois), Nucor Corporation (Charlotte, North Carolina), and SSAB Enterprises, LLC (Lisle, Illinois) filed a petition with the Commission and Commerce, alleging that an industry in the United States is materially injured or threatened with material injury by reason of subsidized imports of certain carbon and alloy steel cut-to-length plate from Brazil, China, and Korea, and LTFV imports of certain carbon and alloy steel cut-to-length plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey. Accordingly, effective April 8, 2016, the Commission, pursuant to sections 703(a) and 733(a) of the Act (19 U.S.C. 1671b(a) and 1673b(a)), instituted countervailing duty investigation Nos. 701-TA-559-561 and antidumping duty investigation Nos. 731-TA-1317-1328 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of April 14, 2016 (81 FR 22116). The conference was held in Washington, DC, on April 29, 2016, and all persons who requested the opportunity were permitted to appear in person or by counsel.

Views of the Commission

Based on the record in the preliminary phase of these investigations, we find that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of certain carbon and alloy steel cut-to-length plate ("CTL plate") from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey that are allegedly sold in the United States at less than fair value and imports of the subject merchandise that are allegedly subsidized by the governments of China and Korea. We also determine that imports of CTL plate that are allegedly subsidized by the government of Brazil are negligible, and therefore terminate the countervailing duty investigation on CTL plate from Brazil.

I. The Legal Standard for Preliminary Determinations

The legal standard for preliminary antidumping and countervailing duty determinations requires the Commission to determine, based upon the information available at the time of the preliminary determinations, whether there is a reasonable indication that a domestic industry is materially injured or threatened with material injury, or that the establishment of an industry is materially retarded, by reason of the allegedly unfairly traded imports.[1] In applying this standard, the Commission weighs the evidence before it and determines whether "(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury; and (2) no likelihood exists that contrary evidence will arise in a final investigation."[2]

II. Background

Three domestic producers of CTL plate filed the petitions in these investigations on April 8, 2016: ArcelorMittal USA LLC ("AMUSA"), Nucor Corporation ("Nucor"), and SSAB Enterprises, LLC ("SSAB"). Representatives of each petitioner appeared at the Commission's staff conference on April 29, 2016, and each submitted a postconference brief. Additionally, EVRAZ, Inc. NA ("Evraz"), a domestic producer, submitted a postconference brief in support of the petitions.

Several respondent entities participated in these investigations. Voestalpine USA Corp., voestalpine Grobblech GmbH, and voestalpine Edelstahl ("voestalpine" or "Austrian Respondents"), an Austrian producer and exporter and U.S. importer of CTL plate, appeared at the conference and submitted a postconference brief. NLMK Clabecq SA ("Clabecq"), a

[1] 19 U.S.C. §§ 1671b(a), 1673b(a) (2000); *see also American Lamb Co. v. United States*, 785 F.2d 994, 1001-04 (Fed. Cir. 1986); *Aristech Chem. Corp. v. United States, 2*0 CIT 353, 354-55 (1996). No party argues that the establishment of an industry in the United States is materially retarded by the allegedly unfairly traded imports.

[2] *American Lamb Co*., 785 F.2d at 1001; *see also Texas Crushed Stone Co. v. United States*, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

producer and exporter of subject merchandise in Belgium, submitted a postconference brief. Aktiengesellschaft der Dillinger Hüttenwerke; Dillinger France, S.A.; Dillinger America Inc.; Salzgitter Mannesmann GmbH; Universal Steel America Inc.; Thyssenkrupp Steel Europe AG; Thyssenkrupp Steel North America, Inc.; Berg Steel Pipe Corp.; and Friedr. Lohmann GmbH, German and French producers and exporters and their related U.S. importers of subject merchandise (collectively "German and French Respondents"), appeared at the conference and submitted a joint postconference brief. Deutsche Edelstahlwerke GmbH ("DEW"), a German producer and exporter of subject merchandise, submitted a postconference brief. Japanese producers and exporters Tokyo Steel, Nippon Steel & Sumitomo Metal Corporation, Kobe Steel Ltd., and JFE Steel Corporation (collectively "Japanese Respondents") appeared at the conference and submitted a joint postconference brief. POSCO, a Korean producer and exporter of subject merchandise ("POSCO" or "Korean Respondent"), appeared at the conference and submitted a postconference brief. China Steel Corporation ("CSC") and Shang Chen Steel Co., Ltd. ("SCS") (collectively "Taiwan Respondents"), producers and exporters of subject merchandise in Taiwan, appeared at the conference and submitted a postconference brief. A representative from the Brazilian Embassy appeared at the conference but did not file a brief. A representative of Liebherr Mining Equipment Newport News Co., an original equipment manufacturer that is an end user of CTL plate, appeared at the conference and submitted a postconference brief.[3]

U.S. industry data are based on the questionnaire responses of 11 firms (seven mills and four processors) accounting for a substantial majority of U.S. production of CTL plate during 2015.[4] In light of the less-than-complete questionnaire coverage of data for imports from several subject countries, import data are based on official Commerce statistics, as supplemented by importer questionnaire responses.[5]

The Commission received responses to its questionnaires from three producers of subject merchandise in Austria, accounting for *** production and *** of U.S. imports in 2015;[6] two producers of subject merchandise in Belgium, accounting for *** of production and ***

[3] No parties appeared or filed briefs on behalf of the industries in Brazil, China, Italy, South Africa, or Turkey.

[4] Confidential Report ("CR") at I-8, Public Report ("PR") at I-5. The largest U.S. producers of CTL plate are ***. These firms responded to the Commission's U.S. producer questionnaire in this proceeding. Other U.S. producers that responded to the Commission's questionnaire include ***. Additional firms that are believed to have the capacity to produce CTL plate include ***. CR at I-4, PR at I-3, CR/PR at Table III-1.

[5] CR at I-9, PR at I-6, CR/PR at IV-1. Questionnaire responses were received from 66 importers, representing 96.9 percent of U.S. imports from Austria, all U.S. imports from Belgium, 58.9 percent of U.S. imports from Brazil, 29.1 percent of U.S. imports from China, 99.6 percent of U.S. imports from France, all U.S. imports from Germany, 80.8 percent of U.S. imports from Italy, 93.7 percent of U.S. imports from Japan, all U.S. imports from Korea, 32.4 percent of U.S. imports from South Africa, 72.9 percent of U.S. imports from Taiwan, 57.9 percent of U.S. imports from Turkey, and 73.1 percent of U.S. imports from other sources during 2015. CR at I-9, PR at I-6.

[6] CR at VII-3, PR at VII-3.

U.S. imports;[7] two producers of subject merchandise in Brazil, accounting for *** production and *** of U.S. imports;[8] one producer of subject merchandise in China, accounting for *** of production and *** of U.S. imports;[9] two producers of subject merchandise in France, accounting for *** of production and *** of imports;[10] six producers of subject merchandise in Germany, accounting for *** production and *** U.S. imports;[11] three producers of subject merchandise in Italy, accounting for *** of production and *** of U.S. imports;[12] four producers of subject merchandise in Japan, accounting for *** of production and *** of U.S. imports;[13] one producer of subject merchandise in Korea, accounting for *** of production and *** U.S. imports;[14] two producers of subject merchandise in South Africa, accounting for *** production and *** of U.S. imports;[15] three producers of subject merchandise in Taiwan, accounting for *** of production and *** of U.S. imports;[16] one producer of subject merchandise in Turkey, accounting for *** of production and *** U.S. imports.[17]

III. Domestic Like Product

In determining whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the "domestic like product" and the "industry."[18] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Tariff Act"), defines the relevant domestic industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[19] In turn, the Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation."[20]

The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[21] No single factor is

[7] CR at VII-10, PR at VII-7.
[8] CR at VII-16, PR at VII-11.
[9] CR at VII-22, PR at VII-15.
[10] CR at VII-29, PR at VII-19.
[11] CR at VII-35, PR at VII-23.
[12] CR at VII-42, PR at VII-29.
[13] CR at VII-49, PR at VII-34.
[14] CR at VII-56, PR at VII-39.
[15] CR at VII-62, PR at VII-43.
[16] CR at VII-69, PR at VII-47.
[17] CR at VII-75, PR at VII-51.
[18] 19 U.S.C. § 1677(4)(A).
[19] 19 U.S.C. § 1677(4)(A).
[20] 19 U.S.C. § 1677(10).
[21] *See*, *e.g.*, *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United*
(Continued…)

dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.[22] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[23] Although the Commission must accept Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value,[24] the Commission determines what domestic product is like the imported articles Commerce has identified.[25]

A. Scope Definition

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

> Certain carbon and alloy steel hot-rolled or forged flat plate products not in coils, whether or not painted, varnished, or coated with plastics or other non-metallic substances. Subject merchandise includes plate that is produced by being cut-to-length from coils and plate that is rolled or forged into a discrete length. The products covered include (1) Universal mill plates (i.e., flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a thickness of not less than 4 mm, which are not in coils and without patterns in relief),

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(…Continued)
States, 19 CIT 450, 455 (1995); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991) ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case'"). The Commission generally considers a number of factors including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

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

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

[24] *See*, *e.g.*, *USEC, Inc. v. United States*, 34 Fed. App'x 725, 730 (Fed. Cir. 2002) ("The ITC may not modify the class or kind of imported merchandise examined by Commerce."); *Algoma Steel Corp. v. United States,* 688 F. Supp. 639, 644 (Ct. Int'l Trade 1988), *aff'd*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

[25] *Hosiden Corp. v. Advanced Display Mfrs.,* 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Cleo*, 501 F.3d at 1298 n.1 ("Commerce's {scope} finding does not control the Commission's {like product} determination."); *Torrington*, 747 F. Supp. at 748-52 (affirming the Commission's determination defining six like products in investigations where Commerce found five classes or kinds).

and (2) hot-rolled or forged flat steel products of a thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are not in coils, whether or not with patterns in relief. The covered products described above may be rectangular, square, circular or other shapes and include products of either rectangular or non-rectangular cross-section where such non-rectangular cross-section is achieved subsequent to the rolling process, i.e., products which have been ''worked after rolling,'' (*e.g.*, products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above, the following rules apply:

(1) where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above unless the product is already covered by an existing order (e.g., orders on hot-rolled flat-rolled steel); and

(2) where the width and thickness vary for a specific product (e.g., the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

Steel products included in the scope of these investigations are products in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is 2 percent or less by weight.

Subject merchandise includes cut-to-length plate that has been further processed in a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, beveling, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the cut-to-length plate.

All products that meet the written physical description are within the scope of these investigations unless specifically excluded or covered by the scope of an existing order. The following products are outside of, and/or specifically excluded from, the scope of these investigations:

(1) products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances;

(2) military grade armor plate made to a domestic (e.g., MIL-DTL, MIL-S, NAV-SEA) or foreign (e.g., IDF, CMS, Def-Stan 95) armor plate specification;

(3) stainless steel plate, containing 10.5 percent or more of chromium by weight.

(4) CTL plate meeting the requirements of ASTM A-829, Grade E 4340 that are over 12 inches (305 mm) thick.

(5) Alloy forged and rolled CTL plate greater than or equal to 6 inches (152.4 mm) thick meeting each of the following requirements:

(a) Electric Furnace melted, Ladle Refined & Vacuum degassed and having a chemical composition (expressed in weight percentages):

- Carbon 0.23-0.28,
- Silicon 0.05-0.20,
- Manganese 1.20-1.60,
- Nickel not greater than 1.0,
- Sulfur not greater than 0.007,
- Phosphorus not greater than 0.020,
- Chromium 1.0-2.5,
- Molybdenum 0.35-0.8,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm,
- Nitrogen not greater than 60 ppm.

(b) With a Brinell hardness measured in all parts of the product including mid thickness in the range of:

(i) 270-300 HBW,
(ii) 290-320 HBW, or
(iii) 320-350 HBW;

(c) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.0, C not exceeding 0.5, D not exceeding 1.5; and

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 2 mm flat bottom hole.

(6) Alloy forged and rolled steel CTL plate over 16 inches (407 mm) in thickness and meeting the following requirements:

Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.23-0.28,
- Silicon 0.05-0.15,
- Manganese 1.2-1.50,
- Nickel not greater than 0.4,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.2-1.5,
- Molybdenum 0.35-0.55,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm;

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.5, C not exceeding 1.0, D not exceeding 1.5;

(c) Having the following mechanical properties:

(i) With a Brinell hardness not more than 237 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 75ksi min and UTS 95ksi or more, Elongation of 18% or more and Reduction of area 35% or more; having charpy V at -75 degrees F in the longitudinal direction equal or greater than 15 ft. lbs (single value) and equal or greater than 20 ft. lbs (average of 3 specimens) and conforming to the requirements of NACE MR01-75; or

(ii) With a Brinell hardness not less than 240 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 90 ksi min and UTS 110 ksi or more, Elongation of 15% or more and Reduction of area 30% or more; having charpy V at -40 degrees F in the longitudinal direction equal or greater than 21 ft. lbs (single value) and equal or greater than 31 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

(7) Alloy forged and rolled steel CTL plate over 16 inches (407 mm) in thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.25-0.30,
- Silicon not greater than 0.25,
- Manganese not greater than 0.50,
- Nickel 3.0-3.5,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.0-1.5,
- Molybdenum 0.6-0.9,
- Vanadium 0.08 to 0.12,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm.

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.0(t) and 0.5(h), B not exceeding 1.5(t) and 1.0(h), C not exceeding 1.0(t) and 0.5(h), and D not exceeding 1.5(t) and 1.0(h);

(c) Having the following mechanical properties: A Brinell hardness not less than 350 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 145ksi or more and UTS 160ksi or more, Elongation of 15% or more and Reduction of area 35% or more; having charpy V at -40 degrees F in the transverse direction equal or greater than 20 ft. lbs (single value) and equal or greater than 25 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

At the time of the filing of the petitions, there was an existing antidumping duty order on certain cut-to-length carbon-quality steel plate products from Korea. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Korea*, 64 Fed. Reg. 73,196 (Dep't Commerce Dec. 29, 1999), as amended, 65 Fed. Reg. 6,585 (Dep't Commerce Feb 10, 2000) ("1999 Korea AD Order"). The scope of the antidumping duty investigation with regard to CTL plate from Korea covers only (1) subject CTL plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea AD Order, regardless of producer or exporter; and (2) CTL plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea AD Order as of April 8, 2016. Those revoked or excluded companies are POSCO and any POSCO affiliates.

At the time of the filing of the petition, there was an existing countervailing duty order on certain cut-to-length carbon-quality steel plate from Korea. *See Final Affirmative*

Countervailing Duty Determination: Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea, 64 FR 73176 (Dep't Commerce Dec. 29, 1999), as amended, 65 FR 6587 (Dep't Commerce Feb. 10, 2000) (1999 Korea CVD Order). The scope of the countervailing duty investigation with regard to cut-to-length plate from Korea covers only (1) subject cut-to-length plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea CVD Order regardless of producer or exporter, and (2) cut-to-length plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea CVD Order as of April 8, 2016. The only revoked or excluded company is Pohang Iron and Steel Company, also known as POSCO.

Excluded from the scope of the antidumping duty investigation on cut-to-length plate from China are any products covered by the existing antidumping duty order on certain cut-to-length carbon steel plate from the People's Republic of China. *See Suspension Agreement on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China; Termination of Suspension Agreement and Notice of Antidumping Duty Order*, 68 FR 60081 (Dep't Commerce Oct. 21, 2003), as amended, *Affirmative Final Determination of Circumvention of the Antidumping Duty Order on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China*, 76 FR 50996, 50996-97 (Dep't of Commerce Aug. 17, 2011). On August 17, 2011, the U.S. Department of Commerce found that the order covered all imports of certain cut-to-length carbon steel plate products with 0.0008 percent or more boron, by weight, from China not meeting all of the following requirements: aluminum level of 0.02 percent or greater, by weight; a ratio of 3.4 to 1 or greater, by weight, of titanium to nitrogen; and a hardenability test (*i.e.*, Jominy test) result indicating a boron factor of 1.8 or greater.[26]

CTL plate is a flat-rolled carbon or alloy steel product that is generally 4.75 millimeters or more in thickness. CTL plate is available in a wide variety of widths, thicknesses, and shapes that are incorporated or further processed into other products. The term "cut-to-length" refers to a flat plate product with a defined length. Most CTL plate is hot-rolled on a reversing plate mill, although it also may be rolled in Steckel mills and in continuous hot strip mills. CTL plate is used in load-bearing and structural applications, such as agricultural and construction equipment, bridges, machine parts, electricity transmission towers and light poles, buildings (especially nonresidential), and heavy transportation equipment, including railroad cars and ships. CTL plate is also used in the production of tanks, sills, floors, offshore drilling rigs, pipes, petrochemical plant and machinery, various other fabricated pieces, utility applications, such as wind towers, and pressure vessels.[27]

Two domestic like product issues are presented in these investigations: (1) whether carbon steel CTL plate and alloy steel CTL plate are separate domestic like products; and (2) whether CTL plate used to produce X-70 pipeline is a separate domestic like product.

[26] 81 Fed. Reg. 27089, 27096-97 (May 5, 2016); 81 Fed. Reg. 27098, 27102-04 (May 5, 2016).
[27] CR at I-26-27, PR at I-22-23.

Petitioners argue that all CTL plate corresponding to the scope is a single domestic like product. They contend specifically that carbon and alloy steel CTL plate are encompassed in that single domestic like product.[28] No party opposes inclusion of both products in the same like product. German and French Respondents, Japanese Respondents, and POSCO assert, however, that CTL plate used to produce API Specification 5L, Grade X-70 pipeline, for oil or gas transmission ("X-70 CTL plate"), is a domestic like product separate from the other CTL plate corresponding to the scope.[29]

B. Arguments of the Parties

Petitioners. Petitioners argue that all CTL plate products, including carbon and alloy CTL plate, share basic physical properties and fall at various points along a continuum of all CTL plate corresponding to the scope of these investigations. They contend, without opposition, that there is no clear dividing line between carbon and alloy CTL plate.[30]

They further contend that, as the Commission has previously found, X-70 CTL plate is simply one grade on a continuum of a large number of individual CTL plate products with varying chemistries, mechanical properties, and other characteristics.[31] They assert that the fact that other grades cannot be used interchangeably with X-70 CTL plate in specific applications is consistent with a single continuum of products. They argue, moreover, that the lack of interchangeability between a specific grade of CTL plate and other grades is not unique to X-70 CTL plate but, rather, is true for numerous CTL plate grades.[32]

According to Petitioners, the predominant channel of distribution for domestically produced X-70 CTL plate is sales directly to end users, which is also the predominant channel of distribution for many other types of CTL plate.[33] They contend that X-70 CTL plate is produced in the United States at the same manufacturing facilities, using the same production processes and employees, as other grades of CTL plate. They argue specifically that the raw steel for X-70 CTL plate is melted in the same furnaces and is rolled on the same rolling mills as other CTL plate products. They assert that domestic producers do not have separate production and rolling facilities or employees dedicated solely to X-70 CTL plate.[34]

Regarding customer and producer perceptions, Petitioners assert that the specialized application of X-70 CTL plate does not make it a separate domestic like product given that many

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[28] Nucor's Postconference Br., Ex. 1 at 8-15.

[29] German and French Respondents' Postconference Br. at 2-10, Japanese Respondents' Postconference Br. at 7-8, POSCO Postconference Br. at 5-7.

[30] Nucor's Postconference Br. at 5-6.

[31] AMUSA's Postconference Br., Ex. 1 at 8-9, *citing Certain Cut-to-Length Steel Plate from France, Italy, India, Indonesia, Japan, and Korea*, Inv. Nos. 701-TA-387-391 (Final) and 731-TA-816-821 (Final), USITC Pub. 3273 (Jan. 2000) at 6-7 (the Commission concluding that X-70 plate was part of the domestic CTL plate product continuum, not distinct from other CTL plate, and explaining that it generally does not consider an individual product within a product continuum to be a separate like product).

[32] AMUSA's Postconference Br., Ex. 1 at 11.

[33] AMUSA's Postconference Br., Ex. 1 at 13.

[34] AMUSA's Postconference Br., Ex. 1 at 13-14.

other CTL products also have specialized applications. Petitioners maintain that, contrary to Respondents' suggestion, the amendments to pipeline safety guidelines and regulations issued by the Department of Transportation's Pipeline and Hazardous Materials Safety Administration ("PHMSA") have not caused X-70 CTL plate to be perceived as distinct from other grades, given that PHMSA standards apply to all steel designated for use in production of line pipe.[35] Finally, Petitioners contend that, while X-70 CTL plate is more expensive than most commercial grades of carbon plate, it is not the most expensive grade of CTL plate.[36]

Respondents. German and French Respondents, Japanese Respondents, and POSCO advocate defining X-70 CTL plate as a separate domestic like product.[37] They argue that X-70 CTL plate is manufactured with added alloy components and more exacting manufacturing processes, including thermomechanical rolling with accelerated cooling, which impart particular physical characteristics suited to manufacture of oil and gas pipelines.[38]

German and French Respondents also argue that there is minimal interchangeability between X-70 CTL plate and other CTL plate products.[39] They note that channels of distribution for domestically produced CTL tend to be divided overall between sales to distributors and end users, whereas subject imports of X-70 CTL plate tends to be sold directly to a small number of end user producers of large diameter welded line pipe.[40]

German and French Respondents assert that customers of X-70 CTL plate used in production of pipelines perceive X-70 CTL plate and lower grades of CTL plate to be different products.[41] In particular, concerns with pipeline safety reflected in regulatory amendments on pipe safety issued by PHMSA in 2009 support defining X-70 CTL plate as a separate domestic like product.[42] They claim that X-70 CTL plate is manufactured on specialized equipment that few producers possess and requires specialized manufacturing procedures incorporating thermo-mechanics and accelerated cooling.[43]

German and French Respondents contend, finally, that the pricing data on the record show that pricing dynamics for X-70 CTL plate are distinct from those for lower grade CTL plate products.[44]

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[35] AMUSA's Postconference Br., Ex. 1 at 14.

[36] AMUSA's Postconference Br., Ex. 1 at 14-15.

[37] German and French Respondents' Postconference Br. at 2-10, POSCO's Postconference Br. at 4-8, Japanese Producers' Postconference Br. at 6-7. German and French Respondents state that the separate domestic like product they request would encompass X-70 CTL plate and higher (referred to herein simply as X-70 CTL plate). *See*, *e.g.*, German and French Respondents Br. at 3.

[38] German and French Respondents' Postconference Br. at 2-10; POSCO's Postconference Brief at 5.

[39] German and French Respondents' Postconference Br. at 5-6.

[40] German and French Respondents' Postconference Br. at 6-7, *citing Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine*, Inv. Nos. 731-TA-753, 754, and 756 (Third Review), USITC Pub. 4581 (Dec. 2015) at 22; POSCO's Postconference Brief at 6-7.

[41] German and French Respondents' Postconference Br. at 8.

[42] German and French Respondents' Postconference Br. at 4.

[43] German and French Respondents' Postconference Br. at 9.

[44] German and French Respondents' Postconference Br. at 9-10.

C. Analysis and Conclusion

For the reasons explained below, we define a single domestic like product consisting of all CTL plate coextensive with the scope of these investigations.

1. Carbon Steel CTL Plate and Alloy Steel CTL Plate Are Not Separate Domestic Like Products

As discussed above, the scope of subject merchandise in these investigations includes both carbon steel and alloy steel CTL plate.[45] Therefore, we consider whether these are separate like products or encompassed within a single domestic like product.

Physical Characteristics and Uses. Carbon steel and alloy steel CTL plate share basic physical characteristics. In particular, they both have two percent or less carbon content, are at least 4.75 mm thick and generally less than two inches thick. In CTL plate production, various amounts of different alloying elements may be added to the melt to obtain a range of physical and mechanical characteristics, such as varying yield strengths, tensile strengths, hardness, work-hardening ability, heat treatability, machinability, and surface quality. Minor variations in the chemistries determine whether plates are considered carbon steels or alloy steels.[46]

Manufacturing Facilities, Production Processes, and Employees. Both carbon steel and alloy steel CTL plate are made on basically the same equipment at the same plants.[47] Each of the petitioners produces both products on the same equipment using the same employees and in the same manufacturing facilities.[48]

Channels of Distribution. The record indicates that the channels of distribution for carbon steel and alloy steel CTL plate are the same, including both sales through service centers or distributors and sales directly to end users.[49] Service centers and processors in particular generally handle all types of plate products, whether carbon steel or alloy steel.[50]

Interchangeability. The available information indicates a notable degree of interchangeability between carbon steel and alloy steel CTL plate. Several different types of plate may be able to be used for a given application, with the decision whether to use carbon

[45] By contrast, the scope of subject merchandise in prior Commission investigations and reviews concerning CTL plate was limited to carbon and carbon-equivalent steel CTL plate. *See, e.g., Certain Cut-to-Length Steel Plate from France, Italy, India, Indonesia, Japan, and Korea*, Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final), USITC Pub. 3273 (Jan. 2000); *Certain Carbon Steel Plate from China, Russia, South Africa, and Ukraine*, Inv. Nos. 731-TA-753-756 (Final), USITC Pub. 3076 (Dec. 1997) at 10-12; *Carbon Steel Plate from China, Russia, South Africa, and Ukraine*, Inv. Nos. 731-TA-753-756 (Review), USITC Pub. 3626 (Sep. 2003) (in finding that the like product encompassed "micro-alloy" steel plate, the Commission made clear it was doing so because micro-alloy was considered equivalent to carbon steel rather than to alloy steel).

[46] Petition, Vol. 1 at 24.

[47] *See* Conf. Tr. at 71 (Skagen); Petition, Vol. 1 at 24; Nucor's Postconference Brief at Ex. 3.

[48] Petition, Vol. 1 at 24.

[49] *See* Petition, Vol. 1 at 24.

[50] *See* Conf. Tr. at 101 (Moskaluk).

steel or alloy steel CTL plate in a particular application frequently involving trade-offs between weight and price.[51]

Producer and Customer Perceptions. The record indicates that, over time, the CTL plate industry has come to consider carbon steel and alloy steel CTL plate as comprising a single product range. That carbon steel and alloy steel CTL plate may be interchanged within a given application has also caused customers to perceive carbon steel and alloy steel CTL plate as occupying the same product range.[52]

Price. Individual CTL plate products differ by price, reflecting such characteristics as their dimensions, chemistries, and any special processing required. In some cases, alloy steel CTL plate prices for a given application may be lower than prices for certain types of carbon steel CTL plate. A heat treated carbon steel product, for instance, may be higher priced than an equivalent alloy steel product. The record also indicates that changes in prices for alloy steel plate affect prices for carbon steel plate, and *vice versa*.[53]

Conclusion. The record of these preliminary phase investigations indicates that there is not a clear dividing line between carbon steel and alloy steel CTL plate. The two products share certain physical characteristics; there is at least some interchangeability between them; and they are produced using the same manufacturing facilities, production processes, and employees; and are sold in the same channels of distribution. Moreover, customers and producers do not perceive a clear dividing line between carbon steel and alloy steel CTL plate. In view of the foregoing, we find that carbon steel and alloy steel CTL plate are not separate domestic like products.

2. CTL Plate Used to Produce X-70 Pipeline Is Not a Separate Domestic Like Product

Physical Characteristics and Uses. CTL plate made to an X-70 specification is used to produce large diameter welded line pipe that meets the API 5L, Grade X-70 specifications for oil and gas pipelines.[54] There are, however, other API-5L "X" grades of line pipe used to produce large diameter line pipe, including X-52, X-60, X-65, and X-80, and other grades of CTL plate are used to produce other large diameter pipes generally.[55] While X-70 CTL plate may be used in particularly demanding environments, many CTL grades are used in demanding environments that require high strength, particular grain structure, and other particular characteristics. Witnesses for the crane boom industry, for example, testified that their products require special strength qualities to be suitable for that use.[56] Similarly, CTL plate for shipbuilding,

[51] *See* Conf. Tr. at 69 (Moskaluk), 70 (Insetta).

[52] Conf. Tr. at 47 (Cannon), 69 (Moskaluk), 70 (Insetta).

[53] Nucor Postconference Brief at Ex. 3; Conf. Tr. at 69 (Moskaluk), 71 (Skagen, Whiteman). The Commission did not seek quarterly pricing data on alloy CTL plate products. *See* CR at V-5-6, PR at V-5.

[54] Conf. Tr. at 119-20.

[55] AMUSA's Postconference Brief at 10.

[56] Conf. Tr. at 130-31, 174.

pressure vessels, and wind towers all have demanding specifications particular to their intended uses.[57]

Manufacturing Facilities, Production Processes, and Employees. The record indicates that X-70 grade CTL plate is produced in the same manufacturing facilities, using the same production processes and employees, as other grades of CTL plate.[58] The raw steel is melted in the same furnaces and rolled on the same rolling mills as other CTL plate products. While the production of X-70 CTL plate is controlled by exacting specifications and requires close attention to detail, that appears also to be true of many other specialized CTL plate products, such as pressure vessel plate, plate for offshore use, and plate for wind towers.[59] Domestic producers do not have separate production and rolling facilities or employees dedicated to X-70 CTL plate.[60]

Channels of Distribution. Virtually all X-70 CTL plate that is produced in the United States was sold directly to end users.[61] Domestic producers reported selling *** of their total shipments of CTL plate to end users.[62] Thus, domestically produced X-70 CTL plate is sold through a channel of distribution that is also commonly used for other grades of CTL plate.

Interchangability. Although other grades of CTL plate cannot be substituted for X-70 CTL plate in pipelines where X-70 CTL plate is specified, the same is generally true for many specialized grades of carbon or alloy steel CTL plate that are designed for a particular use.[63]

Producer and Customer Perceptions. That X-70 CTL plate may have a specialized application, and thus be perceived by producers and customers to be a distinct product without substitutes in these applications, does not distinguish it from other specialized CTL products.[64] Although X-70 CTL plate is subject to PHMSA's safety guidelines and regulations, so are other CTL plate products used in pipeline production.[65]

Price. Prices for the domestically produced X-70 CTL plate product were appreciably higher than those for the other four domestically produced CTL plate pricing products.[66] Nevertheless, domestic producers have submitted information that X-70 plate is not the most expensive grade of CTL plate that they produce.[67]

Analysis and Conclusion. The record of the preliminary phase of these investigations does not indicate the existence of a clear dividing line between X-70 CTL plate and all other CTL

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[57] Conf. Tr. at 144 (Yoon); AMUSA's Postconference Br., Ex. 1 at 13-14.

[58] Conf. Tr. at 77-78, 92-94.

[59] Conf. Tr. at 77-78, 92-94.

[60] AMUSA's Postconference Br., Ex. 1 at 13-14.

[61] AMUSA's Postconference Br., Ex. 1 at 13**.**

[62] CR/PR at Table II-1.

[63] *See* AMUSA's Postconference Br., Ex. 1 at 13-14; Conf. Tr. at 179 (Riemer) (X-70 is just the headline of a variety of customized, specialized products).

[64] AMUSA's Postconference Br. at 13-14; *see also* Conf. Tr. at 112 (Skagen) (X-70 grade CTL plate is rolled the same way everything else is and producers roll many other products that require just as much attention to detail), 179 (Riemer).

[65] AMUSA's Postconference Br., Ex. 1 at 14.

[66] *See, e.g.*, CR at I-43, PR at I-33; CR/PR at Tables V-3-7.

[67] AMUSA's Postconference Br., Ex. 1 at 14-15.

plate. The record indicates that X-70 CTL plate shares common manufacturing facilities and channels of distribution with other CTL plate products. It is not the sole CTL plate product used to produce large diameter line pipe. While X-70 CTL plate has distinctive characteristics that limit its interchangeability with other CTL plate, causing it to be perceived somewhat differently by purchasers and priced higher than most other CTL plate products, the record indicates that it is not the only CTL plate product with such distinctive characteristics. Moreover, many of the distinctions respondents cite are between imported X-70 CTL plate and domestically produced CTL plate products, and not between different domestically produced CTL plate products. The Commission's domestic like product analysis focuses on distinctions between domestically produced products.[68] When the scope definition contains numerous different items with some distinctive characteristics, the Commission generally does not consider each item of the merchandise to be a separate like product.[69]

Based on the above analysis, we find that X-70 CTL plate should not be treated as a domestic like product separate from other CTL plate within the scope. Accordingly, we define a single domestic like product coextensive with the scope of these investigations.

IV. Domestic Industry

The domestic industry is defined as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[70] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.[71]

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[68] *See Torrington Co. v. United States*, 747 F. Supp. 744, 749 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991). *See also 1-Hydroxyethylidene-1, 1-Diphosphonic Acid from China*, Inv. Nos. 701-TA-558, 731-TA-1316 (Preliminary), USITC Pub. 4612 (May 2016).

[69] *See Certain Hot-Rolled Steel Flat Products from Australia, Brazil, Japan, Korea, the Netherlands, Turkey, and the United Kingdom*, Inv. Nos. 701-TA-545-547 and 731-TA-1291-1297 (Preliminary), USITC Pub. 4570 at 9-10 (Oct. 2015) (specifically rejecting proposition that thick-walled hot-rolled steel used to produce X-70 line pipe was a separate domestic like product); *see also Corrosion-Resistant Steel Products from China, India, Italy, Korea, and Taiwan*, Inv. Nos 701-TA-531-538 and 731-TA-1274-1278 (Preliminary), USITC Pub. 4547 (July 2015) at 10-11. As petitioners correctly note, the Commission declined to find X-70 CTL plate a separate domestic like product on this basis when it considered the issue in 2000. *Certain Cut-to-Length Steel Plate from France, Italy, India, Indonesia, Japan, and Korea*, Inv. Nos. 701-TA-387-391 (Final) and 731-TA-816-821 (Final), USITC Pub. 3273 (Jan. 2000) at 7.

[70] 19 U.S.C. § 1677(4)(A).

[71] There is no dispute that steel service center processors that transform steel plate products that do not correspond to the scope definition, *e.g.*, plate in coil, into CTL plate are part of the domestic industry. The Commission has consistently treated steel service center processors as domestic producers of CTL plate in prior proceedings. *See, e.g.*, *Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine*, Inv. Nos. 731-TA-753-56 (Third Review), USITC Pub. 4581 (Dec. 2015) at 10; *Certain Cut-to-Length Carbon Steel Plate from France, India, Indonesia, Italy, Japan, and Korea*, Inv. Nos. 701-TA-
(Continued…)

We must determine whether any producer of the domestic like product should be excluded from the domestic industry as a related party pursuant to Section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[72] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[73]

As discussed below, three domestic producers – *** – are related parties.[74] No party addressed the issue of related parties.

***. *** is a related party because *** directly imported subject merchandise *** during the January 2013-December 2015 period of investigation ("POI").[75] *** was responsible

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(…Continued)
388-391 and 731-TA-816-821 (Second Review), USITC Pub. 4296 (Dec. 2011) at 7-8*; Certain Cut-to-Length Carbon Steel Plate from France, India, Indonesia, Italy, Japan, and Korea*, Inv. Nos. 701- TA-388-391 and 731-TA-816-821 (Final), USITC Pub. 3273 (Jan. 2000) at 10; *Certain Carbon Steel Plate from China, Russia, South Africa, and Ukraine*, Inv. Nos. 731-TA-753-756 (Final), USITC Pub. 3076 (Dec. 1997) at 9-12.

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

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

(1) the percentage of domestic production attributable to the importing producer;

(2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);

(3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;

(4) the ratio of import shipments to U.S. production for the imported product; and

(5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int'l. Trade 2015); see *also Torrington Co. v. United States*, 790 F. Supp. at 1168.

[74] Domestic producer *** shares ownership with ***. CR/PR at Table III-2. Because the record does not indicate that any *** entity imported or that *** exported subject merchandise during the period of investigation, *** is not a related party. CR/PR at Table IV-1, CR at VII-16 & n.11, PR at VII-11 & n.11 ; CNIF File, EDIS Doc. 581281. While *** purchased subject merchandise during the period of investigation, it is not a related party on that basis. A purchaser of subject merchandise is a related party only if it was responsible for a predominant proportion of an importer's purchases and these purchases were substantial. *See Electrolytic Manganese Dioxide from Australia and China*, Inv. Nos. 731-TA-1124-25 (Final), USITC Pub. 4036 (Sep. 2008) at 6 n.26. Because *** purchases were so small, CR/PR at Table III-9, it is not a related party. Domestic producer *** also purchased subject imports during the POI. *Id*. *** did not submit usable trade or financial data. CR/PR at III-1 n.2, IV-1 n.1. Consequently, even assuming *arguendo* it is a related party, there are no trade or financial data for the firm to exclude.

[75] CR/PR at Table III-9.

for *** percent of U.S. production of CTL plate in 2015.[76] As such, it was the *** largest domestic producer.[77] *** the petitions.[78]

*** imported small quantities of subject merchandise from *** throughout the POI.[79] The ratio of *** subject imports to *** domestic production were *** to *** percent during each year of the POI.[80] Because *** subject imports were minimal throughout the POI, the record indicates that *** principal interest lies in domestic production. In view of the above factors, and because no party has argued for *** exclusion from the domestic industry, we do not find that circumstances are appropriate for its exclusion.

***. *** is a related party because it ***.[81] *** was responsible for *** percent of U.S. production of CTL plate in 2015.[82] As such, it was the *** largest domestic producer.[83] *** the petitions.[84] *** imported small and declining quantities of subject merchandise from *** in 2013 and 2014, but did not import any subject merchandise in 2015.[85] As a ratio of U.S. production, its subject imports were *** percent in 2013, and were less than *** percent in 2014.[86] Because its subject imports were minimal throughout the POI, the record indicates that *** principal interest lies in domestic production. In view of these factors, and because no party has argued for *** exclusion from the domestic industry, we do not find that circumstances are appropriate for its exclusion.

***. *** is a related party because it ***.[87] *** was responsible for *** percent of U.S. production of CTL plate in 2015.[88] As such, it was the *** largest domestic producer.[89] *** the petitions.[90] *** imported small quantities of subject merchandise *** in 2013, but did not import any subject merchandise in 2014 or 2015.[91] As a ratio of U.S. production, its subject imports were *** percent in 2013.[92] The record indicates that *** principal interest lies in domestic production. In view of these factors, and because no party has argued for ***

[76] CR/PR at Table III-1.
[77] CR/PR at Table III-1.
[78] CR/PR at Table III-1.
[79] CR/PR at Table III-9.
[80] CR/PR at Table III-9.
[81] CR/PR at Table III-9.
[82] CR/PR at Table III-1.
[83] CR/PR at Table III-1.
[84] CR/PR at Table III-1.
[85] CR/PR at Table III-9.
[86] CR/PR at Table III-9.
[87] CR/PR at Table III-9.
[88] CR/PR at Table III-1.
[89] CR/PR at Table III-1.
[90] CR/PR at Table III-1.
[91] CR/PR at Table III-9. *** also purchased subject imports during the POI. Its purchases of subject imports were relatively low as a ratio to U.S. production ranging on an annual basis from *** percent to *** percent. *Id*.
[92] CR/PR at Table III-9.

exclusion from the domestic industry, we do not find that circumstances are appropriate for its exclusion.

For the above reasons, we find that appropriate circumstances do not exist to exclude any firms from the domestic industry. We therefore define the domestic industry as all domestic producers of CTL plate.

V. Negligible Imports

A. Legal Standard

Section 771(24) of the Tariff Act, which defines "negligibility," provides that imports from a subject country that are less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or self-initiation, as the case may be, shall be deemed negligible.[93] The statute further provides that subject imports from a single country which comprise less than 3 percent of total such imports of the product may not be considered negligible if there are several countries subject to investigation with negligible imports and the sum of such imports from all those countries collectively accounts for more than 7 percent of the volume of all such merchandise imported into the United States.[94] In the case of countervailing duty investigations involving developing countries (as designated by the United States Trade Representative), the statute indicates that the negligibility limits are 4 percent and 9 percent, rather than 3 percent and 7 percent.[95]

Additionally, even if subject imports are found to be negligible for purposes of present material injury, they shall not be treated as negligible for purposes of a threat analysis should the Commission determine that there is a potential that subject imports from the country concerned will imminently account for more than 3 percent (4 percent for developing countries in CVD investigations) of all such merchandise imported into the United States.[96] The Commission also assesses whether there is a potential that the aggregate volumes of subject imports from all countries with currently negligible imports will imminently exceed 7 percent of all such merchandise imported into the United States.[97]

B. Arguments of the Parties

Petitioners. AMUSA contends that the Commission should not find imports from any subject country to be negligible.[98] It specifically asserts that subject imports from Brazil should

[93] 19 U.S.C. § 1677(24)(A)(i).
[94] 19 U.S.C. § 1677(24)(A)(ii).
[95] 19 U.S.C. § 1677(24)(B).
[96] 19 U.S.C. § 1677(24)(A)(iv).
[97] 19 U.S.C. § 1677(24)(A)(iv).
[98] AMUSA's Postconference Br., Ex. 1 at 4-7. The data regarding individual country negligibility at Table IV-4 of the Commission report differ from those upon which petitioners based their arguments (Continued…)

not be determined to be negligible for purposes of the countervailing duty investigation on subject merchandise from Brazil.[99] AMUSA argues that in determining whether the 9 percent aggregate threshold is met, the Commission should add to Brazil's share the shares of countries subject only to antidumping duty investigations that are individually negligible.[100] Even if the higher 4 percent threshold were to apply to developing countries in countervailing duty investigations in the threat context, AMUSA contends, the record evidence demonstrates that imports from Brazil are likely imminently to exceed the 4 percent threshold.[101]

Respondents. Clabecq argues that the Commission should accept the Austrian Respondents' request that subject imports from Austria not be cumulated with those from other subject countries. It argues that, after doing so, the Commission should exclude subject imports from Austria from its negligibility analysis. It contends that, if the imports from Austria are eliminated from the negligibility analysis and the imports from South Africa are based on questionnaire data, subject imports from Belgium will be negligible.[102]

C. Analysis

The import volumes for five of the 12 subject countries are clearly above the statutory negligibility threshold. These subject countries, and their percentages of total imports for April 2015 through March 2016, the 12-month period preceding filing of the petitions, are as follows: China (6.9 percent), France (14.0 percent), Germany (17.1 percent), Japan (4.9 percent), and Korea (20.7 percent).[103] We find that imports from these five subject countries are not negligible.

The import volumes for seven of the 12 subject countries are below the 3 percent individual subject country statutory negligibility threshold applicable to antidumping duty investigations. These subject countries and their percentages of total imports for April 2015 through March 2016 are as follows: Austria (1.0 percent), Belgium (1.1 percent), Brazil (2.4 percent), Italy (2.99 percent), South Africa (1.5 percent), Taiwan (1.6 percent), and Turkey (1.2 percent).[104] The aggregate percentage of total imports from these seven countries is 11.9

(…Continued)
at the staff conference and in their postconference briefs because data for the final month preceding the filing of the petitions, March 2016, became available only after the briefs were filed.

[99] AMUSA's Postconference Br., Ex. 1 at 3-7.

[100] AMUSA's Postconference Br. at 3-5. AMUSA acknowledges that the Commission rejected this approach in a 1999 case involving cold-rolled steel products from several countries. AMUSA's Postconference Brief, Exhibit 1 at 3-4, *citing Certain Cold-Rolled Steel Products from Argentina, Brazil, China, Indonesia, Japan, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela*, Inv. Nos. 701-TA-393-396 and 731-TA-829-840 (Preliminary), USITC Pub. 3214 (July 1999) at 16 & n.105. It states that it disagrees with this interpretation of the statute.

[101] AMUSA's Postconference Br., Exhibit 1 at 6-7.

[102] Clabecq's Postconference Br. at 8-11.

[103] CR/PR at Table IV-4.

[104] CR/PR at Table IV-4. Clabecq's argument that the Commission should rely on questionnaire data for the negligibility analysis pertaining to South Africa overlooks that the questionnaires did not ask (Continued…)

percent.[105] Because this level exceeds the 7 percent statutory threshold pertinent to aggregated imports from individually negligible sources, we find that subject imports are not negligible for purposes of the antidumping duty investigations on CTL plate from Austria, Belgium, Brazil, Italy, South Africa, Taiwan, and Turkey.[106]

The remaining question is whether subject imports from Brazil are negligible for purposes of the countervailing duty investigation of subject imports from Brazil. As previously stated, subject imports from Brazil accounted for 2.4 percent of total imports over the applicable 12-month period prior to the filing of the petitions.[107] This is below the 4 percent negligibility threshold for developing countries required by section 771(24)(B) of the Tariff Act in the countervailing duty context; thus subject imports from Brazil are individually negligible.[108] There are no subject imports from any country subject to a countervailing duty investigation that are eligible to be aggregated with those from Brazil for purposes of the 9 percent statutory threshold because subject imports from each of the other countries subject to countervailing duty investigations, China and Korea, individually exceed the 3 percent negligibility threshold applicable to them.

We reject AMUSA's request to aggregate subject imports from countries solely subject to antidumping duty investigations with those from Brazil for purposes of determining whether the negligibility thresholds established by section 771(24)(B) are satisfied. The Commission previously declined to follow such a practice in the 1999 *Cold-Rolled Steel* investigations. There, the Commission referred to a statement in the Uruguay Round Agreements Act Statement of Administrative Action ("SAA") (the substance of which is also clear on the face of the underlying statutory provision), that the special alternative 4 and 9 percent thresholds apply only to subject imports from developing countries in countervailing duty investigations, and it read this limitation as precluding it from cross-aggregating dumped imports with subsidized imports for purposes of assessing developing country negligibility.[109] We continue to apply this

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(…Continued)
for data concerning the 12-month negligibility period. Moreover, as indicated above, questionnaire coverage concerning subject imports from South Africa is considerably less than complete.

[105] CR/PR at Table IV-4.

[106] The contrary argument that Clabecq has asserted originates from the premise that the Commission may ascertain reasonable overlap of competition before it determines negligibility. This is erroneous; the statute establishes lack of negligibility as a threshold for cumulation. *See* 19 U.S.C. § 1677(7)(G)(ii)(II). Consequently, the Commission must conduct its negligibility analysis before it considers the issue of reasonable overlap of competition with respect to cumulation.

[107] CR/PR at Table IV-4.

[108] CR/PR at Table IV-4. Brazil is designated a developing country by the United States Trade Representative and, therefore, the higher thresholds established in 19 U.S.C. § 1677(24)(B) apply to the countervailing duty investigation concerning CTL plate from Brazil. *See* 15 C.F.R. § 2013.1. AMUSA does not dispute that subject imports from Brazil do not exceed the 4 percent individual country threshold. AMUSA's Postconference Br. at 7, 9.

[109] Certain *Cold-Rolled Steel Products from Argentina, Brazil, China, Indonesia, Japan, Russia, Slovakia, South Africa, Taiwan, Thailand, Turkey, and Venezuela*, Inv. Nos. 701-TA-393-396 and 731-TA-829-840 (Preliminary), USITC Pub. 3214 (July 1999) at 16 & n.105.

interpretation here, and do not agree with AMUSA's argument that the Commission's prior interpretation cannot be reconciled with the statute's language.[110]

We consequently determine that the applicable negligibility threshold for the countervailing duty investigation concerning subject imports from Brazil is 4 percent, that there are no other negligible countries subject to countervailing duty investigation that could be aggregated with Brazil, and that subject imports from Brazil are consequently negligible for our present injury analysis in the countervailing duty investigation.

We next examine whether subject imports in the countervailing duty investigation of CTL plate from Brazil are negligible for purposes of our threat analysis. The pertinent negligibility threshold for this purpose is still 4 percent, notwithstanding AMUSA's contrary contention.[111]

We find that subject imports from Brazil are not likely imminently to exceed the 4 percent threshold. Although subject imports from Brazil were well above the threshold in 2014, their share of total imports has since declined; it was below the threshold in 2015 when it was 3.0 percent of total imports, and declined further to 2.4 percent of total imports in the 12-month period preceding the filing of the petition.[112] In light of the recent downward trend of subject imports from Brazil as a percentage of total imports, the 2014 data cannot be considered a harbinger of future trends.[113] This is corroborated by other information in the record. U.S. importers' arranged imports from Brazil for the second, third, and fourth quarters

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[110] It is true that the statutory language does not provide explicit instructions concerning which imports the Commission may aggregate for purposes of calculating the 9-percent threshold specified in section 771(24)(B) of the Tariff Act; that section cross-references section 771(24)(A)(ii), which simply refers to "all countries described in clause (i)." This could conceivably be read as encompassing all countries subject to investigation, or all countries subject to countervailing duty investigations. We follow the latter interpretation. Section 771(24)(B) is limited to countervailing duty investigations, which indicates that the negligible imports provision distinguishes between antidumping and countervailing duty investigations, and does not mandate the one-size-fits-all approach that AMUSA endorses. Because section 771(24)(B) refers exclusively to countervailing duty investigations, it is reasonable to consider only imports subject to countervailing duty investigations in making the negligibility calculation for developing countries.

[111] The Commission has previously concluded that the statutory language and legislative history require that section 771(24)(A)(iv) of the Tariff Act (concerning negligibility for threat analysis) is applicable to the developing country negligibility provision in section 771(24)(B). *Coated Free Sheet Paper from China, India, and Korea*, Inv. Nos. 701-TA-444-446, 731-TA-1107-1109 (Preliminary), USITC Pub. 3900 (Dec. 2006) at 11 n.73. Consequently, the higher negligibility thresholds established by section 771(24)(B) controls the analysis pursuant to 771(24)(A)(iv) in countervailing duty investigations concerning developing countries.

[112] CR/PR at Tables IV-2, IV-4. The decline in exports from 2014 to 2015 occurred notwithstanding that the industry in Brazil reported substantial unused capacity and declining home market shipments. CR/PR at Table VII-10.

[113] In 2013, subject imports from Brazil constituted 2.4 percent of total imports. CR/PR at Table IV-2. Historically, the volume of CTL plate imports from Brazil has fluctuated substantially on an annual basis, but since 2007, has exceeded the 2015 volume of 44,833 tons only in 2012 and 2014. CR/PR at Table IV-3.

of 2016 are well below 4 percent of all such arranged imports.[114] Reporting subject producers of CTL plate from Brazil project only a very modest increase in exports to the United States in 2016 over 2015 levels.[115]

Finally, we find that there is not a likelihood that evidence leading to a contrary result will arise in any final phase of these investigations. The import data in these preliminary phase investigations are based on Commerce import statistics that required relatively little adjustment.[116] Consequently, any further adjustments to data for either subject imports from Brazil or total imports in any final phase investigations would be minor. Given the relatively large amount by which the percentage of subject imports from Brazil falls below the 4 percent negligibility threshold, and that the available data indicate that the percentage of total imports represented by subject imports from Brazil declined during the latter portion of the POI, it is unlikely that these minor changes would affect the negligibility analysis.

Accordingly, we find that allegedly subsidized subject imports from Brazil are negligible and terminate the countervailing duty investigation on CTL plate from Brazil.

VI. Cumulation

For purposes of evaluating the volume and effects for a determination of reasonable indication of material injury by reason of subject imports, section 771(7)(G)(i) of the Tariff Act requires the Commission to cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market. In assessing whether subject imports compete with each other and with the domestic like product, the Commission generally has considered four factors:

(1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality related questions;

(2) the presence of sales or offers to sell in the same geographic markets of subject imports from different countries and the domestic like product;

(3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and

[114] CR/PR at Table VII-55.

[115] CR/PR at Table VII-10. While these producers project a more substantial increase in exports to the United States in 2017, most of that year goes beyond the "imminent" time frame that the Commission typically considers in threat analysis.

[116] *See* CR/PR at IV-1 n.3.

(4) whether the subject imports are simultaneously present in the market.[117]

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.[118] Only a "reasonable overlap" of competition is required.[119]

A. Arguments of the Parties

Petitioners. Petitioners argue that the Commission should cumulatively assess imports from all subject countries.[120] They contend that domestically produced CTL plate and subject imports from all sources are highly fungible.[121] In particular, they argue that there is no merit to Respondents' argument that subject imports of X-70 CTL plate are not fungible with domestic CTL plate.[122] They contend that the domestic like product competes with subject imports across all grades and end uses of CTL plate, including X-70 CTL plate.[123]

Petitioners assert that there is overlap in the channels of distribution for both the domestic like product and subject imports.[124] They observe that both domestically produced CTL plate and subject imports from all sources are sold in substantial quantities to distributors and end users.[125] They further contend that the domestically produced CTL plate and imports from all subject countries are sold throughout the United States and that the domestic like product and subject imports were simultaneously present in the U.S. market throughout the POI.[126]

Respondents. German and French Respondents argue that subject imports from France and Germany should not be cumulated with other subject imports.[127] They claim that subject

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[117] *See Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan*, Inv. Nos. 731-TA-278-80 (Final), USITC Pub. 1845 (May 1986), *aff'*d, *Fundicao Tupy, S.A. v. United States*, 678 F. Supp. 898 (Ct. Int'l Trade), *aff'd*, 859 F.2d 915 (Fed. Cir. 1988).

[118] *See*, *e.g.*, *Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int'l Trade 1989).

[119] The SAA expressly states that "the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition." H.R. Rep. No. 103-316, Vol. I at 848 (1994) (*citing Fundicao Tupy*, 678 F. Supp. at 902); *see Goss Graphic Sys., Inc. v. United States*, 33 F. Supp. 2d 1082, 1087 (Ct. Int'l Trade 1998) ("cumulation does not require two products to be highly fungible"); *Wieland Werke, AG*, 718 F. Supp. at 52 ("Completely overlapping markets are not required.").

[120] AMUSA's Postconference Br. at 10-14.

[121] AMUSA's Postconference Br. at 14-17, SSAB's Postconference Br. at 2.

[122] AMUSA's Postconference Br. at 15-16.

[123] AMUSA's Postconference Br. at 16 & Exh. 3, 4 (Insetta & Unrah Declarations); Conf. Tr. at 24-25 (Insetta), 92 (Whiteman), 94 (Unruh), and 113 (Skagen).

[124] AMUSA's Postconference Br. at 18.

[125] AMUSA's Postconference Br. at 18, SSAB's Postconference Br. at 3.

[126] AMUSA's Postconference Br. at 17-18, SSAB's Postconference Br. at 3.

[127] German and French Respondents' Postconference Br. at 11-13. Given our finding of a reasonable overlap of competition among all subject imports and between imports from each subject (Continued…)

imports from France and Germany are not fungible with domestically produced CTL plate. According to German and French Respondents, *** percent of the subject imports from France consists of X-70 CTL plate, *** percent of imports from Germany consists of X-70 CTL plate, and the domestic industry does not produce X-70 CTL plate.[128] They further argue that there is a lack of reasonable overlap in terms of geographic markets and channels of distribution.[129]

Taiwan Respondents argue that subject imports from Taiwan should not be cumulated with other subject imports.[130] Claiming a lack of fungibility, they emphasize that subject producers of CTL plate from Taiwan cannot produce CTL plate in lengths greater than 9 meters or in widths greater than 1.55 meters and state that these producers cannot compete for sales to many producers of larger diameter pipe or to other customers requiring longer or wider plate products.[131] They also claim a lack of geographic overlap.[132]

Austrian and Belgian Respondents argue that subject imports from Austria should not be cumulated for present material injury due to a lack of reasonable overlap of competition. They contend that there is a lack of fungibility between subject imports from Austria and the domestic like product.[133] They contend that the vast majority of subject imports from Austria are of grades that are not produced by the domestic industry.[134]

Belgian Respondents argue that subject imports from Belgium, South Africa, Taiwan, and Turkey are ineligible to be cumulated for the present material injury analysis because subject imports from each of these subject countries are negligible.[135]

B. Analysis and Conclusion

The threshold requirement for cumulation is satisfied because petitioners filed the antidumping and countervailing duty petitions with respect to all subject countries on the same day, April 8, 2016.[136] As discussed below, we find a reasonable overlap of competition between and among subject imports from all twelve subject countries and the domestic like product.[137]

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source and the domestic like product, we need not address the question whether, if they were not cumulated with subject imports from other countries, subject imports from Germany and France should nonetheless be cumulated with each other.

[128] German and French Respondents' Postconference Br. at 11-12. DEW, a German producer and exporter of subject merchandise, maintains that its exports of CTL plate to the U.S. market are concentrated in a specialty product that the domestic industry does not produce. DEW's Postconference Br. at 1-2.

[129] German and French Respondents' Postconference Br. at 12.

[130] Taiwan Respondents' Postconference Br. at 4-5.

[131] Taiwan Respondents' Postconference Br. at 4.

[132] Taiwan Respondents' Postconference Br. at 5.

[133] Austrian Respondents' Postconference Br. at 5, Belgian Respondent's Postconference Br. at 5.

[134] Austrian Respondents' Postconference Br. at 5, Belgian Respondent's Postconference Br. at 5.

[135] Belgian Respondents' Postconference Br. at 5.

[136] None of the statutory exceptions to cumulation is applicable. As discussed above, we determine that subject imports from Belgium, South Africa, Taiwan, and Turkey are not negligible. The Commission does not decline to cumulate subject imports from individual countries that are not (Continued…)

Fungibility. The record in the preliminary phase of these investigations indicates that CTL plate is at least moderately substitutable, regardless of source.[138] The vast majority of responding U.S. producers reported that product from all sources was "always" or "frequently" interchangeable. Importers' responses were more mixed on this question, with importers indicating that product from all sources was "always," "frequently," or "sometimes" used interchangeably.[139]

When asked whether differences other than price are ever significant in their sales in choosing between CTL plate from different sources, almost all domestic producers responded "sometimes" or "never."[140] Importers also were more divided on this question, indicating that differences other than price were "frequently," "sometimes," or "never" significant between products from different sources.[141]

On balance, we believe that the record of the preliminary phase of these investigations indicates a sufficient degree of fungibility between and among subject imports from each subject country and the domestic like product to satisfy the "reasonable overlap" standard. In our view, the market participants' general perceptions of interchangeability indicate that there is insufficient record support for respondents' arguments that purported quality distinctions that distinguish subject imports from Austria, France, Germany, Japan, Korea, and Taiwan are of sufficient magnitude to overcome a finding that the products are fungible.

We similarly are not persuaded by Respondents' arguments concerning lack of fungibility based on the fact that subject imports from France and Germany were more heavily concentrated in X-70 CTL plate than the domestic industry, which was overwhelmingly concentrated in CTL plate other than X-70. In 2015, *** percent of U.S. producers' U.S. shipments consisted of CTL plate other than X-70 product.[142] In that same year, *** percent of U.S. importers' U.S. shipments from France included CTL plate other than X-70 product, and *** percent of U.S. importers' U.S. shipments from Germany included CTL plate other than X-70 product.[143] In our view, the fact that CTL plate other than X-70 represented substantial percentages of subject imports from both France and Germany and the vast majority of the

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negligible simply because the individual volumes of imports are small either absolutely or relative to those from other subject countries. *See Certain Carbon Magnesia Bricks from China and Mexico*, Inv. Nos. 701-TA-468 and 731-TA-1166–67 (Final), USITC Pub. 4182 (Sep. 2010) at 10-11 n.74.

[137] Austrian Respondents' argument that the Commission should rely on factors for its cumulation analysis for present material injury other than those traditionally considered does not suggest that the factors on which the Commission has long relied in determining reasonable overlap of competition are inconsistent with the statute.

[138] CR at II-14, PR at II-10; CR/PR at Table II-6.

[139] CR/PR at Table II-6; CR at II-15, PR at II-11.

[140] CR/PR at at Table II-7.

[141] CR/PR at at Table II-7.

[142] CR/PR at Table IV-5.

[143] CR/PR at Table IV-5; *see also* German and French Respondents' Postconference Br. at 11-12.

domestic like product and subject imports from all other subject countries,[144] indicates a sufficient degree of overlap between and among subject imports from each subject country and the domestic like product to satisfy the "reasonable overlap" standard.

Channels of Distribution. U.S. shipments of CTL plate by domestic producers and U.S. importers are sold to both distributors and end users. U.S. producers' shipments were split nearly evenly throughout the period between distributors and end users.[145] CTL plate from Brazil, Italy, South Africa, Taiwan, and Turkey was sold exclusively or almost exclusively to distributors, while CTL plate from Austria, China, Japan, and Korea was somewhat less concentrated in shipments to distributors.[146] CTL plate from Belgium, France, and Germany was sold mainly to end users throughout the POI, although substantial portions of imports from Belgium and France were sold to distributors.[147] For purposes of these preliminary determinations, we find that the extent of overlap shown in both the distributor and end user channels is sufficient in our view to establish a reasonable overlap of channels of distribution.

Geographic Overlap. Domestically produced CTL plate and CTL plate from all subject sources are sold in most regions of the continental United States.[148] During the POI, domestically produced CTL plate and CTL plate from all 12 subject countries were sold in the Northeast, Midwest, Southeast, and Central Southwest.[149]

Simultaneous Presence in Market. Subject imports from Austria, Belgium, China, France, Germany, Italy, Japan, Korea, Taiwan, and Turkey were present in all 36 months of the POI, subject imports from Brazil were present in 29 months, and subject imports from South Africa were present in 27 months.[150] We find this to be sufficient to indicate simultaneous presence in the market.

Conclusion. The information in the record of the preliminary phase of these investigations supports a finding that imports from each subject country are fungible with the domestic like product and each other, that imports from each of the subject countries and the domestic like product are sold in similar channels of distribution, similar geographic markets, and have been simultaneously present in the U.S. market.[151] In light of the foregoing, we find

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[144] During the POI, subject imports of X-70 CTL plate were reported only from France, Germany, Japan, and Korea. CR at IV-21, PR at IV-13; CR/PR at Table IV-5. In 2015, *** percent of U.S. importers' U.S. shipments from Korea included CTL plate other than X-70 product, and *** percent of U.S. importers' U.S. shipments from Japan included CTL plate other than X-70 product. CR/PR at Table IV-5.

[145] CR/PR at Table II-1.

[146] CR/PR at Table II-1.

[147] CR/PR at Table II-1.

[148] CR/PR at Table II-2.

[149] CR/PR at Table II-2.

[150] CR/PR at Table IV-6.

[151] We will examine further in any final phase of these investigations whether subject imports from individual countries are concentrated in specific grades of CTL plate or are sold primarily to specific customers for production of particular products. We invite parties to address this issue in their comments on any final phase questionnaires.

In this respect, and based on arguments presented by Austrian Respondents and German and French Respondents, we are particularly interested in how we may collect information in any final phase (Continued…)

that there is a reasonable overlap of competition between the domestic like product and imports from each subject country and between imports from each subject country.

VII. Reasonable Indication of Material Injury by Reason of Subject Imports

A. Legal Standard

In the preliminary phase of antidumping and countervailing duty investigations, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.[152] In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[153] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[154] In assessing whether there is a reasonable indication that the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[155] No single factor is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[156]

Although the statute requires the Commission to determine whether there is a reasonable indication that the domestic industry is "materially injured by reason of" unfairly traded imports,[157] it does not define the phrase "by reason of," indicating that this aspect of the injury analysis is left to the Commission's reasonable exercise of its discretion.[158] In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic

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of these investigations that would indicate whether subject imports from individual subject countries reflect product types, or are sold to purchasers, distinct from the domestic like product and other subject imports.

[152] 19 U.S.C. §§ 1671b(a), 1673b(a). The Trade Preferences Extension Act of 2015, Pub. L. 114-27, amended the provisions of the Tariff Act pertaining to Commission determinations of reasonable indication of material injury and threat of material injury by reason of subject imports in certain respects. We have applied these amendments here.

[153] 19 U.S.C. § 1677(7)(B). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each {such} factor ... {a}nd explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B).

[154] 19 U.S.C. § 1677(7)(A).

[155] 19 U.S.C. § 1677(7)(C)(iii).

[156] 19 U.S.C. § 1677(7)(C)(iii).

[157] 19 U.S.C. §§ 1671b(a), 1673b(a).

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

industry. This evaluation under the "by reason of" standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.[159]

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.[160] In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.[161] Nor does

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

[160] SAA, H.R. Rep. 103-316, Vol. I at 851-52 (1994) ("{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports."); S. Rep. 96-249 at 75 (1979) (the Commission "will consider information which indicates that harm is caused by factors other than less-than-fair-value imports."); H.R. Rep. 96-317 at 47 (1979) ("in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;" those factors include "the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry"); *accord Mittal Steel*, 542 F.3d at 877.

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

the "by reason of" standard require that unfairly traded imports be the "principal" cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.[162] It is clear that the existence of injury caused by other factors does not compel a negative determination.[163]

Assessment of whether material injury to the domestic industry is "by reason of" subject imports "does not require the Commission to address the causation issue in any particular way" as long as "the injury to the domestic industry can reasonably be attributed to the subject imports" and the Commission "ensure{s} that it is not attributing injury from other sources to the subject imports."[164] [165] Indeed, the Federal Circuit has examined and affirmed various Commission methodologies and has disavowed "rigid adherence to a specific formula."[166]

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"does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.").

[162] S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

[163] *See Nippon*, 345 F.3d at 1381 ("an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the 'dumping' need not be the sole or principal cause of injury.").

[164] *Mittal Steel*, 542 F.3d at 877-78; *see also id.* at 873 ("While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured 'by reason of' subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.") *citing United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swiff-Train v. United States*, 792 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission's causation analysis as comporting with the Court's guidance in *Mittal*.

[165] Vice Chairman Pinkert and Commissioner Kieff do not join this paragraph or the following three paragraphs. They point out that the Federal Circuit, in *Bratsk*, 444 F.3d 1369, and *Mittal Steel*, held that the Commission is *required*, in certain circumstances when analyzing present material injury, to consider a particular issue with respect to the role of nonsubject imports, without reliance upon presumptions or rigid formulas. The Court has not prescribed a specific method of exposition for this consideration. *Mittal Steel* explains as follows:

> What *Bratsk* held is that "where commodity products are at issue and fairly traded, price competitive, non-subject imports are in the market," the Commission would not fulfill its obligation to consider an important aspect of the problem if it failed to consider whether non-subject or non-LTFV imports would have replaced LTFV subject imports during the period of investigation without a continuing benefit to the domestic industry. 444 F.3d at 1369. Under those circumstances, *Bratsk* requires the Commission to consider whether replacement of the LTFV subject imports might have occurred during the period of investigation, and it requires the Commission to provide an explanation of its conclusion with respect to that factor.

542 F.3d at 878.

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

The Federal Circuit's decisions in *Gerald Metals*, *Bratsk,* and *Mittal Steel* all involved cases in which the relevant "other factor" was the presence in the market of significant volumes of price-competitive nonsubject imports. The Commission interpreted the Federal Circuit's guidance in *Bratsk* as requiring it to apply a particular additional methodology following its finding of material injury in cases involving commodity products and a significant market presence of price-competitive nonsubject imports.[167] The additional "replacement/benefit" test looked at whether nonsubject imports might have replaced subject imports without any benefit to the U.S. industry. The Commission applied that specific additional test in subsequent cases, including the *Carbon and Certain Alloy Steel Wire Rod from Trinidad and Tobago* determination that underlies the *Mittal Steel* litigation.

Mittal Steel clarifies that the Commission's interpretation of *Bratsk* was too rigid and makes clear that the Federal Circuit does not require the Commission to apply an additional test nor any one specific methodology; instead, the court requires the Commission to have "evidence in the record 'to show that the harm occurred 'by reason of' the LTFV imports,'" and requires that the Commission not attribute injury from nonsubject imports or other factors to subject imports.[168] Accordingly, we do not consider ourselves required to apply the replacement/benefit test that was included in Commission opinions subsequent to *Bratsk*. The progression of *Gerald Metals*, *Bratsk*, and *Mittal Steel* clarifies that, in cases involving commodity products where price-competitive nonsubject imports are a significant factor in the U.S. market, the Court will require the Commission to give full consideration, with adequate explanation, to non-attribution issues when it performs its causation analysis.[169]

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.[170] Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.[171]

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[167] *Mittal Steel*, 542 F.3d at 875-79.

[168] *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 875-79 & n.2 (recognizing the Commission's alternative interpretation of *Bratsk* as a reminder to conduct a non-attribution analysis).

[169] To that end, after the Federal Circuit issued its decision in *Bratsk*, the Commission began to present published information or send out information requests in the final phase of investigations to producers in nonsubject countries that accounted for substantial shares of U.S. imports of subject merchandise (if, in fact, there were large nonsubject import suppliers). In order to provide a more complete record for the Commission's causation analysis, these requests typically seek information on capacity, production, and shipments of the product under investigation in the major source countries that export to the United States. The Commission plans to continue utilizing published or requested information in the final phase of investigations in which there are substantial levels of nonsubject imports.

[170] We provide below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

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

B. Conditions of Competition and the Business Cycle

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

1. Demand Conditions

U.S. demand for CTL plate depends on demand for a variety of products that are made from CTL plate. These include storage tanks, heavy machinery and machinery parts, ships and barges, agricultural and construction equipment, general load-bearing structures, and pipe.[172]

Market participants generally reported fluctuations or a decline in U.S. demand for CTL plate since January 1, 2013.[173] Apparent U.S. consumption for CTL plate fluctuated during the POI.[174] It increased from 7.7 million short tons in 2013 to 8.6 million short tons in 2014, then declined to 7.2 million short tons in 2015.[175] Overall, apparent U.S. consumption was 6.7 percent lower in 2015 than in 2013.[176]

2. Supply Conditions

The U.S. market for CTL plate is supplied by the domestic industry, subject imports, and nonsubject imports. The domestic industry had the largest share of the U.S. market during the POI, although its share declined throughout the POI. The domestic industry's market share declined from 88.3 percent in 2013 to 79.3 percent in 2014 and 79.1 percent in 2015, for an overall decline of 9.1 percentage points.[177]

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[172] CR at II-9, PR at II-7. In 2015, U.S. producers' U.S. shipments of CTL plate were sold to the following end-use sectors: construction (***); rail transportation (***); steel for converting and processing into pipes and tubes (***); automotive (***); machinery, industrial equipment, and tools (***); shipbuilding and marine equipment (***); oil and gas industry (***); and agricultural and electrical equipment (***). CR/PR at Table II-4.

In any final phase of these investigations, we will further examine the extent to which overall demand for CTL plate was driven by demand trends in specific market sectors, including the market sector served by X-70 CTL plate.

[173] Most domestic producers reported fluctuations in U.S. demand for CTL plate during the POI (6 U.S. producers reported that it fluctuated, 3 reported that it declined, 1 reported that it was unchanged, and 1 reported that it increased). CR/PR at Table II-5. While a large number of importers reported fluctuations in U.S. demand for CTL plate, a plurality of importers reported that demand declined during the POI (25 importers reported that it declined, 22 reported that it fluctuated, 9 reported that it was unchanged, and 3 reported that it increased). CR/PR at Table II-5.

[174] CR/PR at Table IV-8.

[175] CR/PR at Table IV-8.

[176] CR/PR at Table IV-8.

[177] CR/PR at Table C-1.

The capacity of the domestic industry declined by 4.9 percent between 2013 and 2015.[178] During the POI, there were several changes in domestic production facilities. Two U.S. producers, Evraz and ArcelorMittal, closed production facilities, while another producer (Cargill) announced plans to close a facility by early 2016.[179] Two domestic producers reported expansions in production capacity (Nucor and Cargill) and two domestic producers reported curtailments in their production of CTL plate (***).[180] One domestic producer of CTL plate changed ownership in 2013.[181]

Subject imports were the second largest source of supply for the U.S market during the POI. Cumulated subject imports' share of apparent U.S. consumption increased from *** percent in 2013 to *** percent in 2014 and to *** percent in 2015, an overall increase of *** percentage points between 2013 and 2015.[182]

Nonsubject imports had a smaller presence in the U.S. market than either the domestic industry or subject imports throughout the POI. Nonsubject imports' share of apparent U.S. consumption increased from *** percent in 2013 to *** percent in 2014, and then declined to *** percent in 2015.[183] The largest sources of nonsubject imports were Canada and Mexico.[184] CTL plate products from China, India, Indonesia, Korea, Russia, and Ukraine are currently subject to suspension agreements, antidumping duty orders, and/or countervailing duty orders in the United States.[185]

3. Substitutability and Other Conditions

Responding purchasers ranked quality and price as the most important factors used in purchasing decisions, and reported that price was among the most important factors when choosing a supplier.[186] Accordingly, based on the record in the preliminary phase of these investigations, we find that price is an important factor in purchasing decisions for CTL plate, and that there is at least a moderate degree of substitutability between domestically produced

[178] CR/PR at Table C-1. Capacity declined from 10.1 million short tons in 2013 to 9.6 million short tons in 2014 and 2015. CR/PR at Table III-5.

[179] Evraz's Claymont mill was idled in 2013 and then sold at auction in March 2015, and ArcelorMittal permanently closed its plate rolling operations in Gary, Indiana in May 2015. In September 2015, Cargill announced that it would close its service center in Nashville, Tennessee in early 2016. CR/PR at Table III-3.

[180] CR/PR at Tables III-3 and III-4.

[181] In February 2013, Kentucky Electric Steel was acquired by Optima Specialty Steel, Inc. CR/PR at Table III-3.

[182] CR/PR at Table IV-9.

[183] CR/PR at Table IV-9.

[184] CR/PR at Table IV-2, CR at VII-87-89, PR at VII-59-60.

[185] CR/PR at Table I-1. The antidumping and countervailing duty orders for subject imports from Korea and the antidumping duty order for subject imports from China are limited to carbon CTL plate products. Certain exporters are not subject to the existing antidumping duty order for subject imports from Korea. CR at I-24-25, PR at I-20-21.

[186] CR at II-15, PR at II-10.

CTL plate and CTL plate imported from subject sources of the same or similar specifications.[187] As discussed above, the vast majority of responding U.S. producers reported that product from all sources was "always" or "frequently" interchangeable; although importers' responses were more mixed on this question, they generally reported that product from all sources was "always," "frequently," or "sometimes" used interchangeably.[188]

U.S. producers' raw material costs, including costs of iron ore, coal, and steel scrap, fluctuated, but declined overall during the POI.[189] Prices for iron ore, coal, and iron and steel scrap fell overall between January 2013 and December 2015 by 0.4 percent, 9.9 percent, and 56.6 percent, respectively.[190]

Japanese Respondents contend that freight costs for shipments to the West Coast are a condition of competition that makes it more difficult for U.S. producers to compete with subject imports.[191] They maintain that it makes more sense for domestic mills east of the Rockies to focus on more lucrative business in closer proximity to their operations where they have natural advantages.[192]

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[193] The volume of cumulated subject imports increased from *** short tons in 2013 to *** short tons in 2014 and 2015, an increase of *** percent from 2013 to 2015.[194] Since they maintained their absolute volume from 2014 to 2015 notwithstanding demand declines during that period, cumulated subject imports increased throughout the POI as a share of apparent U.S. consumption, from *** percent in 2013 to *** percent in 2014 and to *** percent in 2015, an increase of *** percentage points from 2013 to 2015.[195] Cumulated subject imports' gain in market share came at the expense of the domestic industry, which lost 9.1 percentage points of market share from 2013 to 2015.[196] The *** percentage points in market share that cumulated subject imports gained from 2013 to 2015 far exceeded the *** percentage points that nonsubject imports gained in market share during this period.[197]

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[187] CR at II-14, PR at II-10.

[188] CR/PR at Table II-6.

[189] CR/PR at V-1 and Figure V-1.

[190] CR/PR at V-1 and Figure V-1.

[191] Japanese Respondents' Postconference Br. at 15-16.

[192] Japanese Respondents' Postconference Br. at 16.

[193] 19 U.S.C. § 1677(7)(C)(i).

[194] CR/PR at Tables IV-2, C-1.

[195] CR/PR at Tables IV-9, C-1.

[196] CR/PR at Tables IV-9, C-1.

[197] As a share of apparent consumption, nonsubject imports increased from *** percent in 2013 to *** percent in 2014 and then declined to *** percent in 2015. CR/PR at Table IV-9.

In light of the foregoing, we find that the volume of cumulated subject imports and the increase in that volume are significant in both absolute terms and relative to domestic consumption.

D. Price Effects of the Subject Imports

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

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

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[198]

As previously discussed, there is at least a moderate degree of substitutability between domestically produced CTL plate and CTL plate imported from subject sources of the same or similar specifications,[199] and price is an important factor in purchasing decisions.[200]

Seven domestic producers and 25 importers of subject merchandise provided usable pricing data for five products,[201] although not all firms reported pricing data for all products for all quarters.[202] The pricing data show that there was mixed underselling and overselling by

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[198] 19 U.S.C. § 1677(7)(C)(ii).

[199] CR at II-14, PR at II-10.

[200] CR at II-15, PR at II-10.

[201] CR/PR at V-6. The five pricing products are:

Product 1.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 96" in width, 0.250" thick.

Product 2.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 96" in width, 0.3125" thick.

Product 3.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.375" through 3.00" in thickness.

Product 4.-- Hot-rolled CTL carbon steel plate, high strength low alloy (HSLA), ASTM A-572, Grade 50, mill edge, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.5" through 1.5" in thickness.

Product 5.-- Hot-rolled CTL carbon steel plate, API X-70 or equivalent as rolled, mill or cut edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 152" in width, 0.375" through 1.0" thick.

CR/PR at V-5-6.

[202] CR/PR at V-6. In 2015, the reported pricing data accounted for approximately 34.7 percent of U.S. producers' shipments of CTL plate, 10.1 percent of shipments of subject imports from Belgium, 37.6 percent of subject imports from Brazil, less than 0.05 percent of subject imports from China, 0.2 percent of subject imports from France, 1.6 percent of subject imports from Germany, 50.7 percent of (Continued…)

cumulated subject imports during the POI. Cumulated subject imports undersold the domestic like product in 111 of 239 quarterly comparisons.[203] On a quantity basis, however, cumulated subject imports undersold the domestic like product in quarterly comparisons accounting for *** short tons and oversold the domestic like product in quarterly comparisons accounting for *** short tons.[204] [205]

Additionally, five of the six purchasers that responded to the preliminary phase lost sales/lost revenues survey reported shifting purchases of CTL plate from U.S. producers to subject imports since 2013. These five firms reported that in 27 of the 28 instances where purchasers shifted away from domestic sources, the competing subject import was priced lower than the domestic product.[206] In addition, three of the five firms reported that price was the principal reason for their shift to subject imports.[207] On the basis of this information, as well as our finding that price is an important factor in purchasing decisions, we find that underselling by the subject imports has been significant. This underselling enabled cumulated subject imports to gain market share at the expense of the domestic industry during the POI.[208]

We do not find that cumulated subject imports depressed U.S. producers' prices to a significant degree. The pricing data indicate that prices for the domestic like product increased from 2013 to 2014, and then declined in 2015 when cumulated subject imports increased their share of apparent consumption.[209] These price declines in 2015, however, occurred at the same time as substantial declines in demand for CTL plate[210] along with substantial declines in the prices for iron and steel scrap, the raw materials used in the production of CTL plate.[211] In

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(…Continued)
subject imports from Italy, 41.8 percent of subject imports from Japan, 56.5 percent of subject imports from Korea, 20.1 percent of subject imports from South Africa, 20.8 percent of subject imports from Taiwan, and 80.2 percent of subject imports from Turkey. There were no pricing data reported for subject imports from Austria. CR at V-6 -7, PR at V-6.

[203] CR/PR at Tables V-9 and V-10.

[204] CR at V-26, PR at V-19; CR/PR at Tables V-9 and V-10.

[205] There were both fewer instances and lower volumes of underselling by cumulated subject imports in 2015 than earlier in the POI. The pricing data show that there were 27 instances of underselling by cumulated subject imports in 2013, 62 instances of underselling by cumulated subject imports in 2014, and 22 instances of underselling by cumulated subject imports in 2015. CR/PR at Tables V-3 to V-7.

[206] CR at V-34, PR at V-24.

[207] CR at V-34, PR at V-24. Purchasers also reported that the domestic industry had to reduce prices to compete with lower priced subject imports during the POI. CR/PR at Tables V-13 to V-14.

[208] Cumulated subject imports' market share increased from *** percent in 2013 to *** percent in 2015 while U.S. producers' market share declined from 88.3 percent in 2013 to 79.1 percent in 2015. CR/PR at Table IV-9.

[209] CR/PR at Tables V-3 to V-7.

[210] As discussed above, apparent U.S. consumption declined by 16.2 percent from 2014 to 2015. CR/PR at Tables C-1 and IV-9.

[211] The price of iron and steel scrap declined by 56.6 percent overall during the POI, and also declined sharply from 2014 to 2015. CR/PR at V-1 and Figure V-1. We also note that U.S. producers' (Continued…)

light of these considerations, the present record does not support a conclusion that the decline in prices for the domestic like product has been as a result of cumulated subject imports rather than other factors. We will seek additional information in any final phase of these investigations as to the factors that contributed to price declines for domestically produced CTL plate, including how declining demand and raw materials costs contributed to price declines observed during the latter portion of the POI.

We also do not find that cumulated subject imports prevented price increases for the domestic like product that otherwise would have occurred to a significant degree. The domestic industry's ratio of cost of goods sold ("COGS") to net sales declined from 95.0 percent in 2013 to 89.4 percent in 2014.[212] Thus, the domestic industry was more than able to recover any increasing costs in 2014. While the domestic industry's ratio of COGS to net sales increased from 89.4 percent in 2014 to 95.0 percent in 2015, price increases were unlikely in 2015 in light of declines in both apparent consumption and unit COGS.[213]

On the basis of the record in the preliminary phase of these investigations, we find that there was significant underselling of the domestic like product by the cumulated subject imports, which had the effect of increasing the market share of the cumulated subject imports at the expense of the domestic industry.

E. Impact of the Subject Imports[214]

Section 771(7)(C)(iii) of the Tariff Act provides that the Commission, in examining the impact of the subject imports on the domestic industry, "shall evaluate all relevant economic factors which have a bearing on the state of the industry." These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debt, research and development, and factors affecting domestic prices.

(…Continued)
cost of raw materials decreased from $463 per short ton to $384 per short ton during the POI. CR/PR at Table VI-1.

[212] CR/PR at Table VI-1.

[213] CR/PR at Tables IV-8, VI-1, and C-1.

[214] Commerce initiated the antidumping duty investigations based on estimated dumping margins of 35.50 to 121.90 percent for subject imports from Austria, 51.78 percent for subject imports from Belgium, 74.52 percent for subject imports from Brazil, 67.93 to 68.27 percent for subject imports from China, 28.43 to 148.02 percent for subject imports from France, 42.59 to 174.03 percent for subject imports from Germany, 130.63 percent for subject imports from Italy, 179.20 percent for subject imports from Japan, 44.70 to 248.64 percent for subject imports from Korea, 81.29 to 94.14 percent for subject imports from South Africa, 8.30 to 77.13 percent for subject imports from Taiwan, and 34.03 to 50.00 percent for subject imports from Turkey. *Certain Carbon and Alloy Steel Cut-To-Length Plate From Austria, Belgium, Brazil, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, the People's Republic of China, South Africa, Taiwan, and the Republic of Turkey: Initiation of Less-Than-Fair Value Investigations*, 81 Fed. Reg. 27089 (May 5, 2016).

No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[215]

As discussed above, the domestic industry's market share declined from 88.3 percent in 2013 to 79.3 percent in 2014 and 79.1 percent in 2015.[216] Most other indicators of the domestic industry's performance were stable or improved from 2013 to 2014, suffered sharp declines from 2014 to 2015, and declined overall from 2013 to 2015.

The domestic industry's production, after increasing from 7.4 million short tons in 2013 to 7.9 million short tons in 2014, declined to 6.4 million short tons in 2015.[217] Its capacity declined from 10.1 million short tons in 2013 to 9.6 million short tons in 2014 and 2015, and its capacity utilization, after increasing from 73.7 percent in 2013 to 81.6 percent in 2014, declined to 66.2 percent in 2015.[218] The domestic industry's U.S. shipments were steady at 6.8 million short tons in 2013 and 2014, and then declined to 5.7 million short tons in 2015.[219] Further, an increasing portion of the domestic industry's production of CTL plate during the POI was not sold into the market but was instead put into inventories. The industry's end-of-year inventories increased from 531,114 short tons in 2013 to 723,236 short tons in 2015, for an overall increase of 36.2 percent.[220] The domestic industry's inventories represented an increasing share of its production and shipments over the course of the POI.[221]

As with the domestic industry's production and shipments, the employment-related indicators for the domestic industry largely showed overall declines from 2013 to 2015. The number of production and related workers ("PRWs"), total hours worked, hourly wages, and productivity declined overall from 2013 to 2015, although unit labor costs increased.[222] The domestic industry's unit net sales value and total net sales revenues increased in 2014 but declined thereafter and were lower in 2015 than in 2013 as the domestic industry lost market

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[215] 19 U.S.C. § 1677(7)(C)(iii). This provision was recently amended by the Trade Preferences Extension Act of 2015, Pub. L. 114-27.

[216] CR/PR at Table IV-9.

[217] CR/PR at Table III-5.

[218] CR/PR at Table III-5.

[219] CR/PR at Table III-7.

[220] CR/PR at Table III-8. Ending inventories, after increasing from 531,114 short tons in 2013 to 747,787 short tons in 2014, declined to 723,236 short tons in 2015. CR/PR at Table III-8.

[221] As a ratio to U.S. production, the domestic industry's end-of-year inventories increased from 7.1 percent in 2013 to 9.5 percent in 2014 and 11.4 percent in 2015. CR/PR at Table III-8. As a ratio to U.S. shipments, the domestic industry's end-of-period inventories increased from 7.8 percent in 2013 to 11.0 percent in 2014 and 12.7 percent in 2015. *Id*.

[222] The domestic industry's number of PRWs increased from 3,919 in 2013 to 4,097 in 2014, before declining to 3,889 in 2015. Total hours worked, after increasing from 8.5 million hours in 2013 to 9.1 million hours in 2014, declined to 8.3 million hours in 2015. Hours worked per PRW, after increasing from 2,172 in 2013 to 2,215 in 2014, declined to 2,139 in 2015. Hourly wages increased from $36.56 in 2013 to $37.71 in 2014, then declined to $35.61 in 2015. Productivity declined steadily from 875.2 short tons per 1,000 hours in 2013 to 867.3 short tons per 1,000 hours in 2013 and to 764.2 short tons per 1,000 hours in 2015. Unit labor costs increased from $41.77 per short ton in 2013 to $43.48 per short ton in 2014 and $46.60 per short ton in 2015. CR/PR at Table III-10.

share.[223] The domestic industry's gross profits, operating income, and net income all followed similar trends.[224] Its operating income as a share of net sales also declined overall from 2014 to 2015 and reached a period low in 2015.[225] The industry's capital expenditures and research and development expenditures increased in 2014 but declined thereafter and were lower in 2015 than in 2013.[226]

For purposes of these preliminary determinations, we find that cumulated subject imports had a significant impact on the domestic industry. As a result of lost market share caused by significant and increasing volumes of low-priced cumulated subject imports, the domestic industry's production, capacity utilization, and shipments declined during the POI, and it therefore lost revenues that it would otherwise have obtained. The lower revenues, in turn, resulted in lower gross profits, reduced operating and net income, as well as lower output and employment, during 2015. We accordingly find that the significant volume of cumulated subject imports, which gained market share at the expense of the domestic industry through significant underselling, had a significant impact on the domestic industry.

In our analysis of the impact of subject imports on the domestic industry, we have taken into account whether there are other factors that may have had an adverse impact on the domestic industry during the POI to ensure that we are not attributing injury from other factors to the subject imports.[227] While declining demand may have contributed to some of the domestic industry's declines in output in 2015, this cannot by itself explain the declines in market share experienced by the domestic industry; in other words, the domestic industry's production and shipments declined more than apparent consumption declined from 2013 to 2015.[228] As a result, the significant impact that we have attributed to the cumulated subject imports is distinguishable from that due to the decline in demand. Nevertheless, we will examine further in any final phase of these investigations how demand may have changed in various sectors in the market for CTL plate, and whether demand changes in these underlying sectors contributed to the domestic industry's loss of market share over the POI.

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[223] CR/PR at Table VI-1. The domestic industry's total net sales, after increasing from $5.7 billion in 2013 to $6.3 billion in 2014, declined to $4.4 billion in 2015. CR/PR at Table VI-1. Its average unit net sales value per short ton increased from $786 in 2013 to $851 in 2014, then declined to $709 in 2015. *Id.*

[224] Gross profit, after improving from $283.4 million in 2013 to $668.3 million in 2014, declined to $222.3 million in 2015. Operating income, after improving from $90.8 million in 2013 to $485.9 million in 2014, declined to $45.0 million in 2015. Similarly, net income, after improving from *** in 2013 to *** in 2014, deteriorated to *** in 2015. CR/PR at Table VI-1.

[225] The domestic industry's operating income as a share of net sales, after improving from 1.6 percent in 2013 to 7.7 percent in 2014, declined to 1.0 percent in 2015. CR/PR at Table VI-1.

[226] The domestic industry's capital expenditures increased from $113.5 million in 2013 to $143.4 million in 2014, and then declined to $103.5 million in 2015. CR/PR at Table VI-4. The industry's research and development expenses increased from $*** in 2013 to $*** in 2014, before declining to $*** in 2015. *Id.*

[227] Vice Chairman Pinkert and Commissioner Kieff encourage parties to submit arguments concerning the application of *Bratsk/Mittal Steel* in any final phase investigations.

[228] CR/PR at Tables III-5, III-7, and IV-8.

We also have examined the role of nonsubject imports. Nonsubject imports held less market share than subject imports during the POI, and their 2013 and 2015 volume and market share were comparable.[229] Cumulated subject imports captured more market share from the domestic industry than did nonsubject imports.[230] Therefore, based upon the current record, nonsubject imports cannot explain the magnitude of the observed declines in the domestic industry's market share, revenues, and financial performance during the POI.

VIII. Conclusion

For the reasons stated above, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of subject imports of CTL plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey that are allegedly sold in the United States at less than fair value and that are allegedly subsidized by the governments of China and Korea. We determine that allegedly subsidized imports from Brazil are negligible.

[229] The volume of nonsubject imports was *** short tons in 2013, *** short tons in 2014, and *** short tons in 2015; their share of apparent U.S. consumption was *** percent in 2013, *** percent in 2014, and *** percent in 2015. CR/PR at Tables IV-8 and IV-9. By comparison, the volume of cumulated subject imports was *** short tons in 2013 and *** short tons in 2014 and 2015; their share of apparent U.S. consumption was *** percent in 2013, *** percent in 2014, and *** percent in 2015. CR/PR at Tables IV-8 and IV-9.

[230] CR/PR at Tables IV-8, IV-9, and C-1.

PART I: INTRODUCTION

BACKGROUND

These investigations result from petitions filed with the U.S. Department of Commerce ("Commerce") and the U.S. International Trade Commission ("USITC" or "Commission") by ArcelorMittal USA LLC (Chicago, Illinois), Nucor Corporation (Charlotte, North Carolina), and SSAB Enterprises, LLC (Lisle, Illinois) on April 8, 2016, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value ("LTFV") imports of certain carbon and alloy steel cut-to-length plate ("CTL plate")[1] from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey, and subsidized imports from Brazil, China, and Korea. The following tabulation provides information relating to the background of these investigations.[2] [3]

Effective date	Action
April 8, 2016	Petitions filed with Commerce and the Commission; institution of Commission investigation (81 FR 22116, April 14, 2016)
April 28, 2016	Commerce's notices of initiation of its antidumping duty investigations (81 FR 27089, May 5, 2016) and countervailing duty investigations (81 FR 27098, May 5, 2016)
April 29, 2016	Commission's conference
May 20, 2016	Commission's vote
May 23, 2016	Commission's determinations
May 31, 2016	Commission's views

[1] See the section entitled "The Subject Merchandise" in *Part I* of this report for a complete description of the merchandise subject to these investigations.

[2] Pertinent *Federal Register* notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

[3] A list of witnesses appearing at the conference is presented in app. B of this report.

STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

Statutory criteria

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

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

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

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

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

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

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

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

Organization of report

Part I of this report presents information on the subject merchandise, alleged subsidy programs and dumping margins, and domestic like product. *Part II* of this report presents information on conditions of competition and other relevant economic factors. *Part III* presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. *Parts IV* and *V* present the volume of subject imports and pricing of domestic and imported products, respectively. *Part VI* presents information on the financial experience of U.S. producers. *Part VII* presents the statutory requirements and information obtained for use in the Commission's consideration of the question of threat of material injury as well as information regarding nonsubject countries.

MARKET SUMMARY

CTL plate is thick, flat-rolled steel used in a wide variety of applications including welded load-bearing and structural applications. These applications include buildings or bridgework; transmission towers and light poles; agricultural, construction, and mining equipment; machine parts and tooling; heavy transportation equipment like ships, rail cars, tankers, and barges; and large diameter line pipe.[6] The leading U.S. producers of CTL plate are ***. These firms responded to the Commission's U.S. producer questionnaire in this proceeding.[7]

The following three producers in Austria responded to the Commission's questionnaire: Boehler Bleche GmbH & Co. ("Boehler Bleche"), Böhler Edelstahl GmbH & Co. KG ("Böhler

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

[6] Petition, Vol. I, p. 17; conference transcript, p. 23 (Insetta).

[7] Petition, Vol. I, exh. I-1 and I-2. Other U.S. producers that responded to the Commission's questionnaire include ***. Additional firms that are believed to have the capacity to produce CTL plate include ***. Ibid.

Edelstahl"), and Voestalphine Grobblech GmbH ("Voestalpine"). The main producer of CTL plate in Austria is ***.[8]

The following two producers in Belgium responded to the Commission's questionnaire: ArcelorMittal Industeel Belgium ("ArcelorMittal (BE)") and NLMK Plate Sales SA ("NLMK Plate"). Producers of CTL plate in Belgium include ***.[9]

The following two producers in Brazil responded to the Commission's questionnaire: Usinas Siderúrgicas de Minas Gerais S.A. ("Usiminas") and Villares Metals S.A. ("Villares"). *** is the largest producer of CTL plate in Brazil. Other known producers of CTL plate in Brazil include ***.[10]

Jiangyin Xingcheng Special Steel Works, Co. Ltd. ("Jiangyin Xingchen") was the only producer in China that responded to the Commission's questionnaire in this proceeding. There are believed to be *** producers of CTL plate in China, the largest of which include ***.[11]

The two producers in France responded to the Commission's questionnaire: ArcelorMittal Industeel France ("ArcelorMittal (FR)") and Dillinger France S.A. ("Dillinger France"). *** is the largest producer of CTL plate in France.[12]

The following six producers in Germany responded to the Commission's questionnaire: Buderus Edelstahl GmbH ("Buderus"), Deutsche Edelstahlwerke GmbH ("Deutsche Edelstahlwerke"), Aktien-Gesellschaft del Dillinger Huettenwerke ("Dillinger Huettenwerke"), Thyssenkrupp Steel Europe AG ("Thyssenkrupp Europe"), Friedr. Lohmann GmbH ("Friedr. Lohmann"), and Salzgitter AG ("Salzgitter"). There are believed to be *** major producers of CTL plate in Germany, the largest of which include ***.[13]

The following three producers in Italy responded to the Commission's questionnaire: Ilva S.p.A. ("Ilva"), NLMK Verona S.p.A. ("NLMK Verona"), and Officine Tecnosider S.r.l. ("Officine"). There are believed to be *** producers of CTL plate in Italy, the largest of which include ***.[14]

The following four producers in Japan responded to the Commission's questionnaire: JFE Steel Corporation ("JFE Steel"), Kobe Steel, Ltd. ("Kobe Steel"), Nippon Steel & Sumitomo Metal Corporation ("NSSMC"), and Tokyo Steel Manufacturing Company Limited ("Tokyo Steel"). There are believed to be *** producers of CTL plate in Japan, the largest of which include ***.[15]

POSCO was the only producer in Korea that responded to the Commission's questionnaire in this proceeding. There are believed to be *** producers of CTL plate in Korea, the largest of which include ***.[16]

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[8] ***.
[9] ***.
[10] ***.
[11] ***.
[12] ***.
[13] ***.
[14] ***.
[15] ***.
[16] ***.

The following two producers in South Africa responded to the Commission's questionnaire: ArcelorMittal South Africa and Evraz Highveld Steel and Vanadium Ltd. ("Evraz Highveld"). The main producer of CTL plate in South Africa includes ***.[17]

The following three producers in Taiwan responded to the Commission's questionnaire: China Steel Corporation ("CSC"), Shang Chen Steel Co., Ltd. ("Shang Chen"), and Tung Ho Enterprise Corporation ("Tung Ho"). The largest producers of CTL plate in Taiwan include ***.[18]

Eregli Demir ve Celik Fabrikalari T.A.S. ("Erdemir") is the only producer in Turkey that responded to the Commission's questionnaire in this proceeding. *** is the main known producer of CTL plate in Turkey.[19]

The leading U.S. importer of CTL plate from Austria is *** and the leading U.S. importer of CTL plate from Belgium is ***. The leading U.S. importers of CTL plate from Brazil are ***. The leading U.S. importers of CTL plate from China are ***. The leading U.S. importer of CTL plate from France and Germany is *** and the leading U.S. importer of CTL plate from Italy is ***. The leading U.S. importers of CTL plate from Japan are ***. The leading U.S. importers of CTL plate from Korea are ***. The leading U.S. importers of CTL plate from South Africa are *** and the leading U.S. importer of CTL plate from Taiwan is ***. The leading U.S. importers of CTL plate from Turkey are ***. The leading U.S. importers of CTL plate from nonsubject countries (primarily Canada and Mexico) are ***.

The Commission requested U.S. producers of CTL plate to report purchasers where they experienced instances of lost sales or revenue due to competition from imports of CTL plate from subject countries during 2013-15. Two responding U.S. producers identified eight firms where they lost sales or revenue (seven firms were associated with lost revenue allegations, and one was associated with both a lost sale and multiple lost revenue of allegations). These allegations covered revenues allegedly lost to seven of the 12 subject countries: Austria, Brazil, Germany, Italy, Korea, South Africa, and Turkey, and the lost sale allegation was with respect to Austria. Staff sent requests to the eight purchasers and received responses from six purchasers.[20]

Apparent U.S. consumption of CTL plate totaled approximately 7.2 million short tons ($5.2 billion) in 2015. Currently, 14 firms are known to produce CTL plate in the United States. U.S. producers' U.S. shipments of CTL plate totaled 5.7 million short tons ($4.1 billion) in 2015, and accounted for 79.1 percent of apparent U.S. consumption by quantity and 77.9 percent by value. U.S. imports from subject sources totaled *** short tons ($***) in 2015 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S.

[17] ***.

[18] ***.

[19] ***.

[20] Staff was unable to contact one of the purchasers originally included in the U.S. producers' lost sales/lost revenues allegations due to incorrect contact information. However, two firms that were not included in the original lost sales/lost revenue allegations and that staff did not send a lost sales/lost revenue survey to, ***, submitted completed responses.

imports from nonsubject sources totaled *** short tons ($***) in 2015 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

SUMMARY DATA AND DATA SOURCES

A summary of data collected in these investigations is presented in appendix C, table C-1. Except as noted, U.S. industry data are based on questionnaire responses of 11 firms (*i.e.*, seven mills and four processors). Staff believes these firms account for a substantial majority of U.S. production of CTL plate. U.S. imports are based on official import statistics (HTS numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1180, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000). Certain imports of CTL plate are already subject to existing orders; such imports have been identified ***.

Usable importer questionnaire responses were received from 66 companies, representing 96.9 percent of U.S. imports from Austria, all U.S. imports from Belgium, 58.9 percent of U.S. imports from Brazil, 29.1 percent of U.S. imports from China, 99.6 percent of U.S. imports from France, all U.S. imports from Germany, 80.8 percent of U.S. imports from Italy, 93.7 percent of U.S. imports from Japan, all U.S. imports from Korea, 32.4 percent of U.S. imports from South Africa, 72.9 percent of U.S. imports from Taiwan, 57.9 percent of U.S. imports from Turkey, and 73.1 percent of U.S. imports from all other sources during 2015.[21]

Thirty producers of CTL plate in the 12 subject countries submitted questionnaires. Based on reported data, these producers account for:

- Austria: *** production and *** of exports to the United States in 2015.
- Belgium: *** production and *** percent of exports to the United States in 2015.
- Brazil: *** production and *** percent of exports to the United States in 2015.
- China: *** percent of production and *** percent of exports to the United States in 2015.
- France: *** percent of production and *** percent of exports to the United States in 2015.
- Germany: *** production and *** exports to the United States in 2015.
- Italy: *** percent of production and *** percent of exports to the United States in 2015.
- Japan: *** of production and *** percent of exports to the United States in 2015.
- Korea: *** percent of production and *** exports to the United States in 2015.
- South Africa: *** production and *** percent of exports to the United States in 2015.
- Taiwan: *** percent of production and *** percent of exports to the United States in 2015.
- Turkey: *** percent of production and *** exports to the United States in 2015.

[21] The coverage estimates presented are based on official import statistics.

PREVIOUS AND RELATED INVESTIGATIONS

The Commission has conducted numerous antidumping and countervailing duty investigations regarding CTL plate. Table I-1 presents a summary of these investigations. Before this proceeding, no original investigations have been instituted since 1999. As shown in table I-1, there are six active antidumping duty orders, three countervailing duty orders, and two suspension agreements covering a total of six countries currently in place.

Table I-1

CTL plate: U.S. investigations regarding CTL plate

Original investigation				Subsequent actions
Date[1]	Number	Country	Outcome	
1978	AA1921-179	Japan	Affirmative	ITA revoked (1986)
1979	AA1921-197	Taiwan	Affirmative	Affirmative first review (1999) Negative second review (2005)
1980	AA1921-203	Poland	Negative	-
1980	731-TA-18	Belgium	Affirmative[2]	Terminated (1980)
1980	731-TA-19	Germany (West)	Affirmative[2]	Petition withdrawn (1980)
1980	731-TA-20	France	Affirmative[2]	Petition withdrawn (1980)
1980	731-TA-21	Italy	Affirmative[2]	Petition withdrawn (1980)
1980	731-TA-22	Luxembourg	Affirmative[2]	Petition withdrawn (1980)
1980	731-TA-23	Netherlands	Affirmative[2]	Petition withdrawn (1980)
1981	731-TA-24	United Kingdom	Affirmative[2]	Petition withdrawn (1980)
1981	701-TA-83	Belgium	Affirmative[2]	Incorporated into 701-TA-86
1982	701-TA-84	Brazil	Affirmative[2]	Incorporated into 701-TA-87
1982	731-TA-51	Romania	Affirmative[2]	Incorporated into 731-TA-58
1982	701-TA-86	Belgium	Affirmative	Terminated (1982)
1982	701-TA-87	Brazil	Affirmative	Terminated (1985)
1982	701-TA-88	France	Negative[2]	-
1982	701-TA-89	Italy	Negative[2]	-
1982	701-TA-90	Luxembourg	Negative[2]	-
1982	701-TA-91	Netherlands	Negative[2]	-
1982	701-TA-92	United Kingdom	Affirmative[2]	Terminated (1982)
1982	701-TA-93	Germany (West)	Affirmative[2]	Terminated (1982)
1982	701-TA-155	Spain	Affirmative	ITA revoked (1985)
1982	701-TA-170	Korea	Affirmative	ITA revoked (1985)
1982	731-TA-53	Belgium	Affirmative[2]	Terminated (1982)
1982	731-TA-54	France	Negative[2]	-
1982	731-TA-55	Italy	Negative[2]	-
1982	731-TA-56	Luxembourg	Negative[2]	-
1982	731-TA-57	Netherlands	Negative[2]	-
1982	731-TA-58	Romania	Affirmative[2]	Terminated (1985)
1982	731-TA-59	United Kingdom	Affirmative[2]	Terminated (1982)
1982	731-TA-60	Germany (West)	Affirmative[2]	Terminated (1982)
1983	701-TA-204	Brazil	Affirmative	ITA revoked (1985)
1983	731-TA-123	Brazil	Affirmative	ITA revoked (1985)
1983	731-TA-146	Belgium	Affirmative[2]	Terminated (1984)
1983	731-TA-147	Germany (West)	Affirmative (on remand)[2]	Terminated (1984)
1983	731-TA-151	Korea	Affirmative	ITA revoked (1986)
1984	701-TA-225	Sweden	Negative	-
1984	701-TA-226	Venezuela	Affirmative[2]	Terminated (1985)

Table continued on next page.

Table I-1 -- Continued

CTL plate: U.S. investigations regarding CTL plate

Original investigation				Subsequent actions
Date[1]	Number	Country	Outcome	
1984	731-TA-169	Finland	Affirmative[2]	Petition withdrawn (1985)
1984	731-TA-170	South Africa	Affirmative[2]	Petition withdrawn (1984)
1984	731-TA-171	Spain	Affirmative[2]	Terminated (1985)
1984	731-TA-213	Czechoslovakia	Affirmative[2]	Petition withdrawn (1985)
1984	731-TA-214	Germany (East)	Affirmative[2]	Terminated (1985)
1984	731-TA-215	Hungary	Affirmative[2]	Petition withdrawn (1985)
1984	731-TA-216	Poland	Affirmative[2]	Terminated (1985)
1984	731-TA-217	Venezuela	Affirmative[2]	Petition withdrawn (1985)
1992	701-TA-319	Belgium	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	701-TA-320	Brazil	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	701-TA-321	France	Negative	-
1992	701-TA-322	Germany	Affirmative	Affirmative first review (2000) ITA revoked (2004)
1992	701-TA-323	Italy	Negative	-
1992	701-TA-324	Korea	Negative	-
1992	701-TA-325	Mexico	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	701-TA-326	Spain	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	701-TA-327	Sweden	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	701-TA-328	United Kingdom	Affirmative	Affirmative first review (2000) ITA revoked (2006)
1992	731-TA-573	Belgium	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-574	Brazil	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-575	Canada	Affirmative	Negative first review (2000)
1992	731-TA-576	Finland	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-577	France	Negative	-
1992	731-TA-578	Germany	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-579	Italy	Negative	-
1992	731-TA-580	Japan	Negative[2]	-
1992	731-TA-581	Korea	Negative	-
1992	731-TA-582	Mexico	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-583	Poland	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-584	Romania	Affirmative	Affirmative first review (2000) Negative second review (2007)

Table continued on next page.

Table I-1 -- Continued

CTL plate: U.S. investigations regarding CTL plate

Original investigation				Subsequent actions
Date[1]	Number	Country	Outcome	
1992	731-TA-585	Spain	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-586	Sweden	Affirmative	Affirmative first review (2000) Negative second review (2007)
1992	731-TA-587	United Kingdom	Affirmative	Affirmative first review (2000) Negative second review (2007)
1996	731-TA-753	China	Affirmative	Affirmative first review (2003) Affirmative second review (2009) Affirmative third review (2015)
1996	731-TA-754	Russia	Affirmative[3]	Affirmative first review (2003) Affirmative second review (2009) Affirmative third review (2015)
1996	731-TA-755	South Africa	Affirmative	Negative first review (2003)
1996	731-TA-756	Ukraine	Affirmative[3]	Affirmative first review (2003) Affirmative second review (2009) Affirmative third review (2015)
1999	731-TA-815	Czech Republic	Negative[2]	-
1999	731-TA-816	France	Affirmative	Negative first review (2005)
1999	731-TA-817	India	Affirmative	Affirmative first review (2005) Affirmative second review (2011)
1999	731-TA-818	Indonesia	Affirmative	Affirmative first review (2005) Affirmative second review (2011)
1999	731-TA-819	Italy	Affirmative	Affirmative first review (2005) Negative second review (2011)
1999	731-TA-820	Japan	Affirmative	Affirmative first review (2005) Negative second review (2011)
1999	731-TA-821	Korea	Affirmative	Affirmative first review (2005) Affirmative second review (2011)
1999	731-TA-822	Macedonia	Negative[2]	-
1999	701-TA-388	India	Affirmative	Affirmative first review (2005) Affirmative second review (2011)
1999	701-TA-389	Indonesia	Affirmative	Affirmative first review (2005) Affirmative second review (2011)
1999	701-TA-391	Korea	Affirmative	Affirmative first review (2005) Affirmative second review (2011)

[1] Date refers to year in which the investigation was instituted at the Commission.
[2] Preliminary determinations.
[3] Suspension agreements in place.

Note.--Shading signifies an order that is still in place.

Source: *Cut-To-Length Carbon Steel Plate from China, Russia, and Ukraine, Investigation Nos. 731-TA-753, 754, and 756 (Third Review),* USITC Publication 4581, December 2015, pp. I-6 – I-10. Active order status updated using USITC investigations database at http://usitc.gov/sites/default/files/trade_remedy/documents/orders.xls, retrieved April 18, 2016.

Safeguard investigations

In 1984, the Commission determined that carbon and alloy steel (including CTL plate) were being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing such articles, and recommended quantitative restrictions of imports for a period of five years. President Ronald Reagan determined that import relief under section 201 of the Trade Act of 1974 was not in the national interest. At the President's direction, quantitative limitations under voluntary restraint agreements ("VRAs") for a five-year period ending September 30, 1989, were negotiated. In July 1989, the VRAs were extended for two and one half years until March 31, 1992.

In 2001, the Commission determined that certain carbon and alloy steel, including CTL plate, was being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic industry producing such articles, and recommended additional duties on imports for a period of four years.[22] On March 5, 2002, President George W. Bush announced the implementation of steel safeguard measures. Import relief relating to corrosion-resistant steel consisted of an additional tariff for a period of three years and one day (30 percent ad valorem on imports in the first year, 24 percent in the second year, and 18 percent in the third year).[23] Following receipt of the Commission's mid-term monitoring report in September 2003, and after seeking information from the U.S. Secretary of Commerce and U.S. Secretary of Labor, President Bush determined that the effectiveness of the action taken had been impaired by changed circumstances. Therefore, he terminated the U.S. measure with respect to increased tariffs on December 4, 2003.[24]

NATURE AND EXTENT OF ALLEGED SUBSIDIES AND SALES AT LTFV

Alleged subsidies

On May 5, 2016, Commerce published a notice in the *Federal Register* of the initiation of its countervailing duty investigations on CTL plate from Brazil, China, and Korea.[25] Commerce initiated an investigation of the following alleged subsidy programs in Brazil:[26]

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[22] *Steel; Import Investigations*, 66 FR 67304, December 28, 2001.

[23] *Presidential Proclamation 7529 of March 5, 2002, To Facilitate Positive Adjustment to Competition From Imports of Certain Steel Products*, 67 FR 10553, March 7, 2002. The President also instructed the Secretaries of Commerce and the Treasury to establish a system of import licensing to facilitate steel import monitoring.

[24] *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003. Import licensing, however, remained in place through March 21, 2005, and continues in modified form at this time.

[25] *Certain Carbon and Alloy Steel Cut-to-Length Plate From Brazil, the People's Republic of China, and the Republic of Korea: Initiation of Countervailing Duty Investigations*, 81 FR 27098, May 5, 2016.

A. Tax Programs
    1. Reduction of Tax on Industrialized Products (IPI) for Machines and Equipment
    2. Ex-Tarifário
    3. Exemption of Payroll Taxes
    4. Regime Tributário para Incentivo à Modernização e à Ampliação da Estrutura Portuária (REPORTO)
B. Export Subsidies
    1. Brazil's Export Financing Program (PROEX)
    2. Reintegra
    3. Special Regime for the Acquisition of Capital Goods for Export Companies (RECAP)
    4. Intergrated Drawback Scheme
    5. Export Credit Insurance and Guarantees
    6. Export Guarantee Fund
    7. Export Promotion and Marketing Assistance
C. Regional Subsidies
    1. Northeast Investment Fund (FINOR)
    2. Amazon Investment Fund (FINAM)
D. State Subsidies
    1. RIOInvest
    2. Program to Induce Industrial Modernization of the State of Minas Gerais (PROIM)
    3. Pro-Industria
E. Loans: BNDES Financing
    1. BNDES Financing
    2. BNDES ExIm Loans
    3. FINAME Loans
    4. BNDESPAR Loans
    5. Automatic BNDES
    6. BNDES Funtec
F. Research and Development Incentives
    1. INOVA Brasil Program
    2. Economic Subvention to National Innovation Program

(…*continued*)

[26] *Enforcement and Compliance Office of AD/CVD Operations, CVD Investigation Initiation Checklist, Certain Carbon and Alloy Steel Cut-to-Length Plate from Brazil*, April 28, 2016.

Commerce initiated an investigation of the following alleged subsidy programs in China:[27]

A. Preferential Loans and Interest Rates
   1. Policy Loans to the CTLP Industry
   2. Export Loans
   3. Treasury Bond Loans
   4. Preferential Loans for State-Owned Enterprises ("SOEs")
   5. Preferential Loans for Key Projects and Technologies
   6. Preferential Lending to CTL Plate Producers and Exporters Classified As "Honorable Enterprises"
   7. Loans Interest Subsidies Provided Pursuant to the Northeast Revitalization Program
B. Debt-to-Equity Swaps, Equity Infusions, and Loan Forgiveness
   1. Debt-to-Equity Swaps
   2. Equity Infusions In Baosteel
   3. Exemptions for SOEs from Distributing Dividends
   4. Loan and/or Interest Forgiveness for SOEs
C. Income Tax and Other Direct Tax Subsidies
   1. Preferential Income Tax Reductions for High and New Technology Enterprises
   2. Preferential Income Tax Program for HNTEs in Designated Zones
   3. Preferential Deduction of R&D Expenses for HNTEs
   4. Income Tax Credits for Domestically-Owned Enterprises Purchasing Domestically Produced Equipment
   5. Preferential Income Tax Policy for Enterprises in the Northeast Region
   6. Forgiveness of Tax Arrears For Enterprises in the Old Industrial Bases of Northeast China
   7. Reduction in or Exemption from Fixed Assets Investment Orientation Regulatory Tax
   8. Preferential Income Tax Program for Foreign Invested Enterprises – HNTEs
   9. Preferential Tax Programs for Foreign Invested Enterprises – Export Oriented FIEs
   10. Income Tax Benefits for Domestically-Owned Enterprises Engaging in Research and Development

[27] *Enforcement and Compliance Office of AD/CVD Operations, CVD Investigation Initiation Checklist, Certain Carbon and Alloy Steel Cut-to-Length Plate from the People's Republic of China*, April 28, 2016.

D. Indirect Tax Programs
    1. Stamp Tax Exemption on Share Transfer Under Non-Tradeable Share Reform
    2. VAT and Tariff Exemptions for Purchasers of Fixed Assets Under the Foreign Trade Development Fund
    3. Import Tariff and VAT Exemptions for Foreign-Invested Enterprises (FIEs) and Certain Domestic Enterprises Using Imported Equipment in Encouraged Industries
    4. Deed Tax Exemption for SOEs Undergoing Mergers or Restructuring
E. Government Provision of Goods and Services for Less Than Adequate Remuneration (LTAR)
    1. Provision of Land Use Rights for LTAR
    2. Provision of Land to SOEs for LTAR
    3. Provision of Hot-Rolled Steel for LTAR
    4. Provision of Iron Ore for LTAR
    5. Provision of Steam Coal for LTAR
    6. Provision of Coking Coal for LTAR
    7. Provision of Electricity for LTAR
F. Grant Programs
    1. State Key Technology Project Fund
    2. Foreign Trade Development Fund Grants
    3. Export Assistance Grants
    4. Programs to Rebate Antidumping Legal Fees
    5. Subsidies for Development of Famous Brands and China World Top Brands
    6. Sub-Central Government Programs to Promote Famous Export Brands and China World Top Brands
    7. Grants to Loss-Making SOEs
    8. Export Interest Subsidies
    9. Grants for Energy Conservation and Emission Reduction
    10. Grants for the Retirement of Capacity
    11. Grants for Relocating Production Facilities

Commerce initiated an investigation of the following alleged subsidy programs in Korea:[28]

A. Provision of Inputs for Less Than Adequate Remuneration
    1. Provision of Electricity for Less Than Adequate Remuneration
    2. Power Business Law Subsidies
    3. Energy Savings Program Subsidies
    4. Provision of Liquefied Natural Gas (LNG) for Less than Adequate Remuneration

[28] *Enforcement and Compliance Office of AD/CVD Operations, CVD Investigation Initiation Checklist, Certain Carbon and Alloy Steel Cut-to-Length Plate from Korea*, April 28, 2016.

B. The Government of Korea Purchases Electricity from CTL Plate Producers for More Than Adequate Remuneration
C. Granting of Rights to Import, Store, and/or Re-Export LNG
D. Korean Export-Import Bank Countervailable Subsidy Programs
    1. Short-Term Export Credits
    2. Export Factoring
    3. Export Loan Guarantees
    4. Trade Bill Rediscounting Program
    5. Import Financing
    6. Overseas Investment Credit Program
E. Korea Development Bank (KDB) and Industrial Base Fund (IBF) Loans
    1. Short-Term Discounted Loans for Export Receivables
    2. Loans under the Industrial Base Fund
F. Korea Trade Insurance Corporation (K-SURE) – Export Insurance and Export Credit Guarantees
    1. Short-Term Export Credit Insurance
    2. Export Credit Guarantees
G. Energy and Resource Subsidies
    1. Long-Term Loans from the Korean Resources Corporation and the Korea National Oil Corporation
    2. Special Accounts for Energy and Resources (SAER) Loans
    3. Clean Coal Subsidies
    4. VAT Exemption for Purchases of Anthracite Coal
H. Green Subsidies
    1. GOK Subsidies for "Green Technology R&D" and its Commercialization
    2. Support for SME "Green Partnerships"
I. Daewoo International Corporation Debt Work Out
J. Income Tax Programs
    1. Research, Supply, or Workforce Development Investment Tax Deduction for "New Growth Engines" under RSTA Article 10(1)(1)
    2. Research, Supply, or Workforce Development Expense Tax Deductions for "Core Technologies" under RSTA Article 10(1)(2)
    3. Tax Reduction for Research and Human Resources Development under RSTA Article 10(1)(3)
    4. Tax Credit for Investment in Facilities for Research and Manpower under RSTA Article 11
    5. Tax Deductions for Investments in Energy Economizing Facilities under RSTA Article 25(2)
    6. Tax Deduction for Investment in Environmental and Safety Facilities under RSTA Article 25(3)
    7. GOK Facilities Investment Support under Article 26 of the RSTA
    8. Tax Program for Third-Party Logistics Operations under RSTA Article 104(14)

K. Subsidies to Companies Located in Certain Economic Zones
    1. Tax Reductions and Exemptions in Free Economic Zones
    2. Exemptions and Reductions of Lease Fees in Free Economic Zones
    3. Grants and Financial Support in Free Economic Zones
    4. Acquisition and Property Tax Benefits to Companies Located in Industrial Complexes
L. Grants
    1. Research and Development Grants under the Industrial Technology Innovation Promotion Act (ITIPA)
    2. Modal Shift Program
    3. Sharing of Working Opportunities/Employment Creating Incentives
    4. Various Government Grants Contained in Financial Statements

Commerce is also partially initiating an investigation on Dongbu's debt restructuring.

Alleged sales at LTFV

On May 5, 2016, Commerce published a notice in the *Federal Register* of the initiation of its antidumping duty investigations on product from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey.[29] Commerce has initiated antidumping duty investigations based on estimated dumping margins of 35.50 to 121.90 percent for CTL plate from Austria, 51.78 percent for CTL plate from Belgium, 74.52 percent for CTL plate from Brazil, 67.93 to 68.27 percent for CTL plate from China, 28.43 to 148.02 percent for CTL plate from France, 42.59 to 174.03 percent for CTL plate from Germany, 130.63 percent for CTL plate from Italy, 179.20 percent for CTL plate from Japan, 44.70 to 248.64 percent for CTL plate from Korea, 81.29 to 94.14 percent for CTL plate from South Africa, 8.30 to 77.13 percent for CTL plate from Taiwan, and 34.03 to 50.00 percent for CTL plate from Turkey.

THE SUBJECT MERCHANDISE

Commerce's scope

Commerce has defined the scope of this proceeding as follows:[30]

[29] *Certain Carbon and Alloy Steel Cut-To-Length Plate From Austria, Belgium, Brazil, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, the People's Republic of China, South Africa, Taiwan, and the Republic of Turkey: Initiation of Less-Than-Fair Value Investigations*, 81 FR 27089, May 5, 2016.

[30] *Certain Carbon and Alloy Steel Cut-To-Length Plate From Austria, Belgium, Brazil, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, the People's Republic of China, South Africa, Taiwan, and the Republic of Turkey: Initiation of Less-Than-Fair Value Investigations*, 81 FR 27089, (*continued*...)

> Certain carbon and alloy steel hot-rolled or forged flat plate products not in coils, whether or not painted, varnished, or coated with plastics or other non-metallic substances. Subject merchandise includes plate that is produced by being cut-to-length from coils and plate that is rolled or forged into a discrete length. The products covered include (1) Universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a thickness of not less than 4 mm, which are not in coils and without patterns in relief), and (2) hot-rolled or forged flat steel products of a thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are not in coils, whether or not with patterns in relief. The covered products described above may be rectangular, square, circular or other shapes and include products of either rectangular or non-rectangular cross-section where such non-rectangular cross-section is achieved subsequent to the rolling process, *i.e.*, products which have been ''worked after rolling'', (*e.g.*, products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above, the following rules apply:

(1) where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above unless the product is already covered by an existing order (*e.g.*, orders on hot-rolled flat-rolled steel); and

(2) where the width and thickness vary for a specific product (*e.g.*, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

Steel products included in the scope of these investigations are products in which: (1) iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is 2 percent or less by weight.

Subject merchandise includes cut-to-length plate that has been further processed in a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, beveling, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the cut-to-length plate.

(…*continued*)
Appendix I, May 5, 2016; *Certain Carbon and Alloy Steel Cut-to-Length Plate From Brazil, the People's Republic of China, and the Republic of Korea: Initiation of Countervailing Duty Investigations*, 81 FR 27098, Appendix I, May 5, 2016.

All products that meet the written physical description are within the scope of these investigations unless specifically excluded or covered by the scope of an existing order. The following products are outside of, and/or specifically excluded from, the scope of these investigations:

(1) products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances;

(2) military grade armor plate made to a domestic (*e.g.*, MIL-DTL, MIL-S, NAV-SEA) or foreign (*e.g.*, IDF, CMS, Def-Stan 95) armor plate specification;
(3) stainless steel plate, containing 10.5 percent or more of chromium by weight.

(4) CTL plate meeting the requirements of ASTM A-829, Grade E 4340 that are over 12 inches (305 mm) thick.

(5) Alloy forged and rolled CTL plate greater than or equal to 6 inches (152.4 mm) thick meeting each of the following requirements:

(a) Electric Furnace melted, Ladle Refined & Vacuum degassed and having a chemical composition (expressed in weight percentages):

- Carbon 0.23-0.28,
- Silicon 0.05-0.20,
- Manganese 1.20-1.60,
- Nickel not greater than 1.0,
- Sulfur not greater than 0.007,
- Phosphorus not greater than 0.020,
- Chromium 1.0-2.5,
- Molybdenum 0.35-0.8,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm,
- Nitrogen not greater than 60 ppm.

(b) With a Brinell hardness measured in all parts of the product including mid thickness in the range of:

(i) 270-300 HBW,
(ii) 290-320 HBW, or
(iii) 320-350 HBW;

(c) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.0, C not exceeding 0.5, D not exceeding 1.5; and

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 2 mm flat bottom hole.

(6) Alloy forged and rolled steel CTL plate over 16 inches (407 mm) in thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.23-0.28,
- Silicon 0.05-0.15,
- Manganese 1.2-1.50,
- Nickel not greater than 0.4,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.2-1.5,
- Molybdenum 0.35-0.55,
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm;

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.5, C not exceeding 1.0, D not exceeding 1.5;

(c) Having the following mechanical properties:

(i) With a Brinell hardness not more than 237 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 75ksi min and UTS 95ksi or more, Elongation of 18% or more and Reduction of area 35% or more; having charpy V at -75 degrees F in the longitudinal direction equal or greater than 15 ft. lbs (single value) and equal or greater than 20 ft. lbs (average of 3 specimens) and conforming to the requirements of NACE MR01-75; or

(ii) With a Brinell hardness not less than 240 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 90 ksi min and UTS 110 ksi or more, Elongation of 15% or more and Reduction of area 30% or more; having charpy V at -40 degrees F in the longitudinal direction equal or greater than 21 ft. lbs (single value) and equal or greater than 31 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

(7) Alloy forged and rolled steel CTL plate over 16 inches (407 mm) in thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.25-0.30,
- Silicon not greater than 0.25,
- Manganese not greater than 0.50,
- Nickel 3.0-3.5,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.0-1.5,
- Molybdenum 0.6-0.9,
- Vanadium 0.08 to 0.12
- Boron 0.002-0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm.

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.0(t) and 0.5(h), B not exceeding 1.5(t) and 1.0(h), C not exceeding 1.0(t) and 0.5(h), and D not exceeding 1.5(t) and 1.0(h);

(c) Having the following mechanical properties: A Brinell hardness not less than 350 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 145ksi or more and UTS 160ksi or more, Elongation of 15% or more and Reduction of area 35% or more; having charpy V at -40 degrees F in the transverse direction equal or greater than 20 ft. lbs (single value) and equal or greater than 25 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578-S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

At the time of the filing of the petition, there was an existing antidumping duty order on certain cut-to-length carbon-quality steel plate products from Korea. See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Korea, 64 FR 73196 (Dep't Commerce Dec. 29, 1999), as amended, 65 FR 6585 (Dep't Commerce Feb 10, 2000) (1999 Korea AD Order). The scope of the antidumping duty investigation with regard to cut-to-length plate from Korea covers only (1) subject cut-to-length

plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea AD Order, regardless of producer or exporter; and (2) cut-to-length plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea AD Order as of April 8, 2016. The only revoked or excluded company is Pohang Iron and Steel Company, also known as POSCO.

At the time of the filing of the petition, there was an existing countervailing duty order on certain cut-to-length carbon-quality steel plate from Korea. See Final Affirmative Countervailing Duty Determination: Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea, 64 FR 73176 (Dep't Commerce Dec. 29, 1999), as amended, 65 FR 6587 (Dep't Commerce Feb. 10, 2000) (1999 Korea CVD Order). The scope of the countervailing duty investigation with regard to cut-to-length plate from Korea covers only (1) subject cut-to-length plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 Korea CVD Order regardless of producer or exporter, and (2) cut-to-length plate produced and/or exported by those companies that were excluded or revoked from the 1999 Korea CVD Order as of April 8, 2016. The only revoked or excluded company is Pohang Iron and Steel Company, also known as POSCO.

Excluded from the scope of the antidumping duty investigation on cut-to-length plate from China are any products covered by the existing antidumping duty order on certain cut-to-length carbon steel plate from the People's Republic of China. See Suspension Agreement on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China; Termination of Suspension Agreement and Notice of Antidumping Duty Order, 68 FR 60081 (Dep't Commerce Oct. 21, 2003), as amended, Affirmative Final Determination of Circumvention of the Antidumping Duty Order on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China, 76 FR 50996, 50996-97 (Dep't of Commerce Aug. 17, 2011). On August 17, 2011, the U.S. Department of Commerce found that the order covered all imports of certain cut-to-length carbon steel plate products with 0.0008 percent or more boron, by weight, from China not meeting all of the following requirements: aluminum level of 0.02 percent or greater, by weight; a ratio of 3.4 to 1 or greater, by weight, of titanium to nitrogen; and a hardenability test (i.e., Jominy test) result indicating a boron factor of 1.8 or greater.

The products subject to the investigations are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1180, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000.

The products subject to the investigations may also enter under the following HTSUS item numbers: 7208.40.6060, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.19.1500, 7211.19.2000, 7211.19.4500, 7211.19.6000, 7211.19.7590, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.10.000, 7214.30.0010, 7214.30.0080, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7225.11.0000, 7225.19.0000, 7225.40.5110, 7225.40.5130, 7225.40.5160, 7225.40.7000, 7225.99.0010, 7225.99.0090, 7206.11.1000,

7226.11.9060, 7229.19.1000, 7226.19.9000, 7226.91.0500, 7226.91.1530, 7226.91.1560, 7226.91.2530, 7226.91.2560, 7226.91.7000, 7226.91.8000, and 7226.99.0180.
The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigations is dispositive.

Tariff treatment

Based on the scope set forth by the Department of Commerce, information available to the Commission indicates that the merchandise subject to these investigations are imported under the following provisions of the 2016 HTSUS: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000.[31] The HTSUS provides a general duty rate of free for all of the HTSUS provisions covering these goods.[32]

THE PRODUCT[33]

Description and applications

CTL plate, for the purposes of this proceeding, is a flat-rolled carbon or alloy steel product that is 4.75 millimeters or more in thickness. Although there is no upper limit on the thickness of CTL plate that is within scope, the great majority of CTL plate produced in the United States is two inches or less in thickness. CTL plate is available in a variety of widths, thicknesses, and shapes incorporated into other products or further processed into products. The term "cut-to-length" refers to a flat plate product with a defined length.

Plate is used in load-bearing and structural applications, such as agricultural and construction equipment (*e.g.*, cranes, bulldozers, scrapers, and other tracked or self-propelled machinery); bridges; machine parts (*e.g.*, the body of the machine or its frame); electricity transmission towers and light poles; buildings (especially nonresidential); and heavy transportation equipment, such as railroad cars (especially tank cars) and ships. The production of tanks, sills, floors, offshore drilling rigs, pipes, petrochemical plant and machinery, various other fabricated pieces, utility applications, such as wind towers, and pressure vessels also use plate.

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[31] Effective January 1, 2016, HTSUS statistical reporting numbers 7225.40.1115 and 7225.40.11.90 were discontinued and replaced by 7225.40.1180.

[32] Decisions on the tariff classification and treatment of imported goods are solely within the authority of U.S. Customs and Border Protection.

[33] Unless otherwise noted, the source for information in this section is *Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine, Investigation Nos. 731-TA-753, 754, and 756 (Third Review)*, USITC Publication 4581, December 2015, pp. I-23 – I-31.

The product scope also includes wide flat carbon steel bar at least 150 mm (5.9 inches) in width. Wide flat bar is a hot-rolled product made in various lengths and widths, usually starting at 1/8 inch (3.175 mm) in thickness although only bar at least 3/16 inch (4.75 millimeters) in thickness is within the product scope. It is often used in structural and transportation applications, such as for bridges and trailers.

Manufacturing processes

In general, there are three distinct processing stages, summarized below, for hot-rolled nonalloy steel products, including: (1) melting or refining steel, (2) casting steel into semi-finished forms, and (3) hot rolling semi-finished forms into flat-rolled hot-rolled steel mill products.

Melt stage

The integrated and the nonintegrated processes are two methods used to produce steel.[34] In the integrated process, a blast furnace smelts iron ore with coke to produce molten iron. The molten iron pours into a steelmaking furnace, generally a basic oxygen furnace, together with a small amount of scrap metal. Oxygen blown into the furnace processes the molten metal into steel. In the nonintegrated process, an electric arc furnace melts scrap and primary iron products (such as pig iron or direct-reduced iron) to produce molten steel.

Whether produced by the integrated or nonintegrated process, molten steel is poured or "tapped" from the furnace into a ladle to be transported to casting. It is common for steelmakers to utilize a secondary steelmaking stage (a ladle metallurgy station) to refine the product further into extra-clean or low-carbon steels satisfying stringent surface or internal requirements or micro cleanliness quality and mechanical properties before casting. Steelmakers may adjust the chemical content by adding alloying elements, lowering the carbon content (decarburization), or adjusting the temperature of the molten steel for optimum casting. Thus, the melt stage establishes the essential physical properties of the steel.

Unless otherwise specified, CTL plate refers to both cut-to-length carbon steel plate and cut-to-length alloy steel plate. For the purposes of these reviews, alloy steel plate is product in which: 1) iron predominates by weight, over each of the other contained elements; 2) the carbon content is 2 percent or less, by weight. Some plate mills, such as Evraz and JSW Steel USA, do not make their own steel. Instead, they roll plate from purchased slabs.[35] The

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[34] American Iron and Steel Institute, "How Steel is Made," http://www.steel.org/Making%20Steel/How%20Its%20Made.aspx, accessed on April 27, 2016.

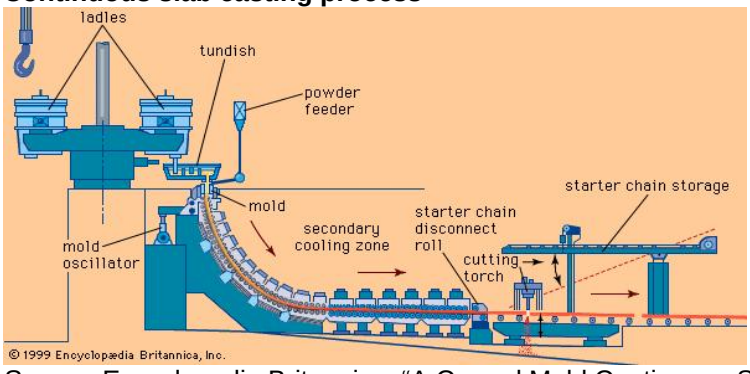
[35] See Evraz, "Evraz Portland Rolling Mill," found at http://www.evrazna.com/LocationsFacilities/OregonSteel/RollingMill/tabid/155/Default.asp, accessed on April 27, 2016; JSW Steel USA, "About Us: Plate Division," found at http://www.jswsteel.us/company_Plate_Division.shtml, accessed on April 27, 2016.

production process for these mills does not include the melting and casting stages and begins at the rolling stage described later in this section.

Casting stage

The casting stage follows the melting stage, which casts the molten steel into a form suitable for the rolling process. Two principal methods of casting are used: continuous slab casting and ingot casting. Continuous slab casting (figure I-1) is the more common, preferred, and lower-cost method used to produce plates up to approximately four inches in thickness. Ingot casting (figure I-2) is used to produce thicker plates, because the continuous cast process cannot produce slabs of sufficient thickness. The ArcelorMittal operation in Coatesville, Pennsylvania and the former LeTourneau facility in Texas currently owned by Joy Global can make CTL plate using ingot casting.[36] They are the only CTL plate producers who use ingot casting in the United States.

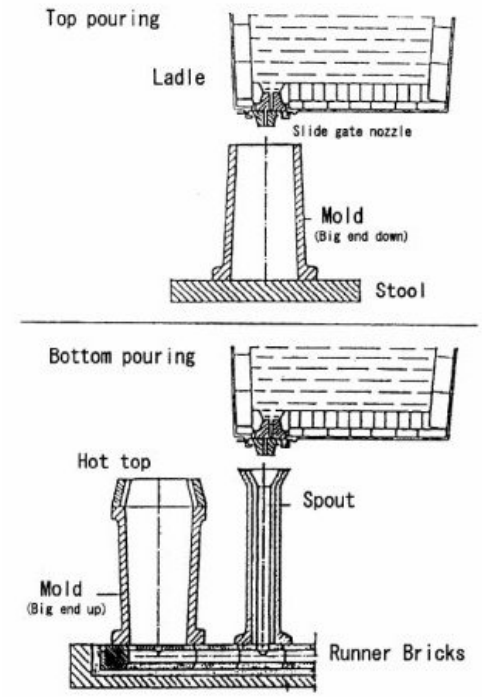
Figure I-1
Continuous slab casting process



Source: Encyclopedia Britannica, "A Curved Mold Continuous Slab Caster," 1999 http://www.britannica.com/science/metallurgy/images-videos/A-curved-mold-continuous-slab-caster/1541, retrieved April 27, 2016.

[36] ArcelorMittal, "ArcelorMittal Coatesville," http://usa.arcelormittal.com/Our-operations/Steelmaking/Coatesville/; Joy Global, Inc., "Steel Products," http://www.joyglobal.com/products/steel.

Figure I-2
Top and bottom pouring ingot casting

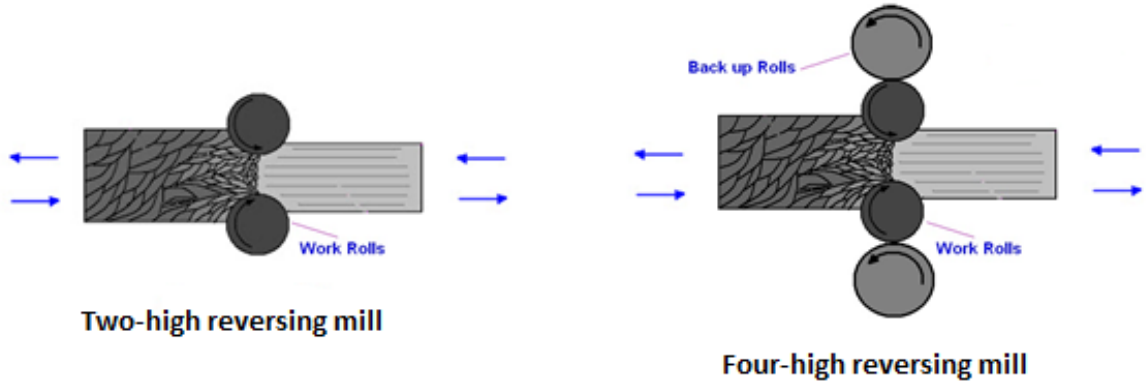


Source: Steel Data, "Non-Metallic Inclusions in Steel: Top pouring and bottom pouring for conventional ingot casting," http://www.steeldata.info/inclusions/demo/help/ingot.html, retrieved April 27, 2016.

Rolling stage

Most CTL plate is hot-rolled on a reversing plate mill (also called a sheared plate mill) consisting of one or two reversing hot-rolling mill stands and associated equipment. If there are two stands, the first is the roughing mill and the second is the finishing mill. The roughing mill is equipped with special tables in front of and behind the mill to rotate the plate one-quarter turn between rolling passes in order to allow cross rolling, increasing the width rather than the length of the plate as the thickness reduces. After reaching the desired finished width, the plate is again rotated one-quarter turn and rolled straightaway to the finished thickness. Reversing mills for plate production are typically either two or four parallel rolls high (figure I-3). The rollers that touch the plate are work rolls. Thicker plate requires backup rolls parallel to the work rolls, to provide rigidity to the work rolls, as shown on the four-high rolling mill. Reversing mills in the United States generally produce plate ranging from 0.187 to 20 inches (4.75 to 508 mm) in thickness and from 48 to 154 inches (1,219 to 3,912 mm) in width.

Figure I-3
Two-high and four-high reversing mills

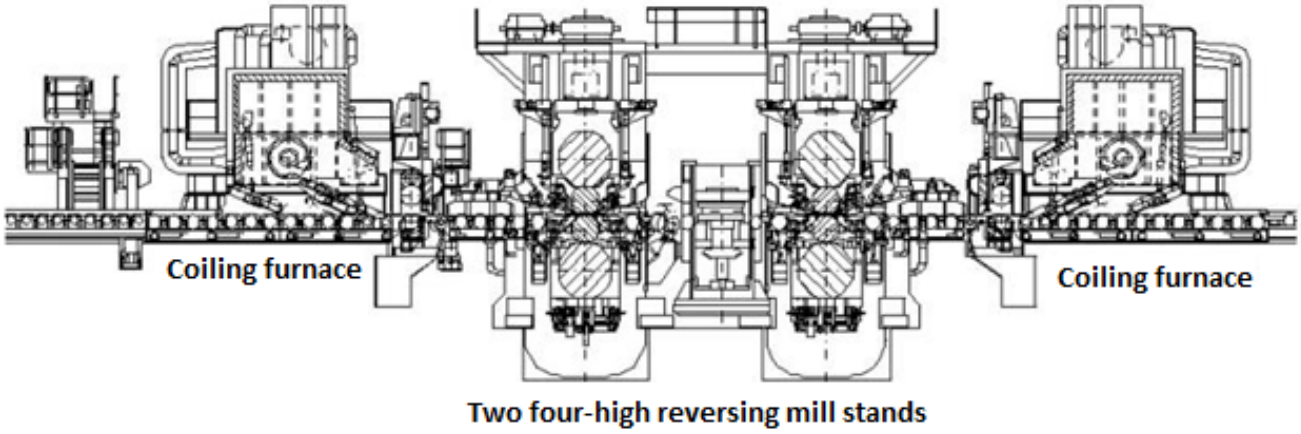


Source: Mechanical Engineering, "Types of Rolling Mills," http://engineeringhut.blogspot.com/2010/10/types-of-rolling-mills.html, retrieved April 27, 2016.

Some reversing plate mills (known as "Steckel mills") are equipped with coilers on each side of the finishing mill that operate inside small heating furnaces, keeping the steel hot and allowing the production of much longer or thinner plates (figure I-4).[37] If the coilers are not used then the mill operates like a conventional reversing plate mill. Steckel mills are equipped with coilers at the end of the line to produce coiled plate as well as in-line shearing facilities. The hot-rolled coils produced by the Steckel mill can be moved to a separate line to be uncoiled, flattened, and cut to length as plate. Plate produced in a Steckel mill typically ranges from 0.187 to 0.750 inches (4.75 to 19.1 mm) in thickness and 48 to 96 inches (1,219 to 2,438 mm) in width, although some mills can produce wider plate.

[37] China Advanced Steel Technologies and Engineering, "Steckel Mill Consulting," accessed April 27, 2016 http://www.castellc.com/Steckel-Mill-Consulting.html

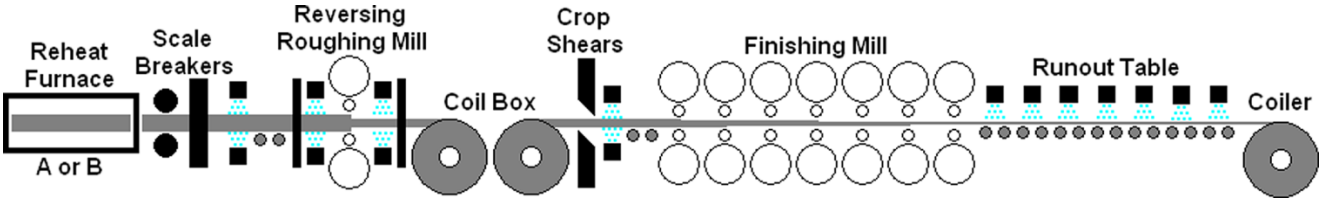
Figure I-4
Steckel mill



Source: China Advanced Steel Technologies and Engineering, "Steckel Mill Consulting," accessed on April 27, 2016, http://www.castellc.com/Steckel-Mill-Consulting.html.

In addition to reversing plate mills, a continuous hot-strip mill can roll plate (figure I-5). Such a mill has either a reversing rougher or a number (usually four or five) of non-reversing roughing mills followed by a finishing section consisting of a series of mill stands, usually six, spaced close together so that a plate is rolled continuously in a single pass in one direction. The finished plate is coiled, discharged from the mill, allowed to cool, then uncoiled, flattened, and cut to length on a separate processing line. Continuous hot-strip mills primarily produce hot-rolled sheet, although they may also produce plate up to one inch in thickness.[38]

Figure I-5
Continuous hot-strip mill



Source: Evans, Kennedy and Thomas, "Process Parameters Influencing Tertiary Scale Formation at a Hot Strip Mill Using a Multinomial Logit Model," May 2012, http://manufacturingscience.asmedigitalcollection.asme.org/article.aspx?articleid=1691718

[38] ArcellorMittal, "What We Do: Plate Products," http://usa.arcelormittal.com/What-we-do/Steel-products/Plate/, accessed August 25, 2015.

Key differences in the various rolling methods

Because of its capability to cross roll, a reversing mill is somewhat flexible with regard to the slab width used to produce a given plate width. Steckel mills and continuous hot-strip mills can only use slabs that are slightly wider than the desired width of the final plate. However, they have the advantage of being able to roll longer, heavier slabs than could be used on a reversing plate mill. Plate from a reversing mill is preferred for welded load-bearing and structural applications because of its generally thicker dimensions. These applications include bridgework; machine parts (*e.g.*, the body of the machine or its frame); transmission towers and light poles; buildings; mobile equipment (*e.g.*, cranes, bulldozers, scrapers, and other tracked or self-propelled machinery); and heavy transportation equipment, such as railroad cars (especially tanker cars) and oceangoing ships. End users concerned about "coil set memory" (*e.g.*, users that cut parts from plate) may prefer plate from a reversing mill because the edges of plate cut from coils from hot-strip and Steckel mills may curl on heating.

Plate producers may have several types of mills at a single steel facility. In such facilities, the reversing plate mill is usually separated from the hot-strip mill and the Steckel mill and employs different production workers.

Patterns in relief

Most CTL plate is smooth on both sides, and by definition the product scope excludes plate with "patterns in relief" if produced on a universal mill.[39] "Patterns in relief," a non-skid pattern of raised figures at regular intervals on one surface of the plate, are typically found on floor plate. However, mills other than universal mills are able to produce floor plate with patterns in relief. A continuous hot-strip mill makes floor plate by placing an embossed roll in the final stand of the continuous mill, while a Steckel mill makes floor plate by holding the hot plate on one of the Steckel furnaces at the mill after completing all but the final rolling pass. Then one roll is exchanged for an embossed roll, and the final rolling pass is completed.

Heat treatment

After the CTL plate is made, it can be heat treated, subjected to a series of temperature changes to increase its hardness, strength, or ductility, thereby allowing the plate to be used in additional applications.[40] The amount of time spent at the various temperatures and the rates of cooling can vary depending on the characteristics desired for the plate. Some examples of heat treatments are normalizing, quenching, and quench and temper. Normalizing involves

[39] A universal mill is a mill capable of simultaneously rolling between both horizontal and vertical rolls. Universal mill plate is defined in HTSUS Chapter 72 Additional U.S. Note 1(b) as follows: Flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1,250 mm and of thickness of not less than 4 mm, not in coils and without patterns in relief.

[40] Standard commodity-grade CTL plate is not typically heat-treated.

heating the steel to about 1,670 degrees Fahrenheit followed by slow cooling such as cooling in air. This process increases the toughness of steel for applications requiring pressure vessel quality. Quenching involves heating the steel to the required temperature, holding at that temperature for the necessary time to produce the desired steel qualities, and then immediate cooling of the steel. Quench and temper includes heating of the steel to the required temperature, rapid cooling, and reheating (commonly to 400-1,300 degrees) before cooling again, which makes the steel tougher and more ductile.[41]

CTL plate manufacturing specifications

CTL plate is produced to meet a variety of manufacturing standards. In the United States, one of the commonly used manufacturing standards is developed by ASTM International. The standards set by ASTM International are voluntary and cover many different factors such as dimensions, chemistry, manufacturing process, testing procedures, etc. Customers and producers can agree to use a manufacturing specification such as an ASTM specification "as is," may agree to a specification but with certain adjustments, or can agree to their own set of specifications. Plate flatness, for example, is one of many factors covered by ASTM plate specifications.

The ASTM A6 specification sets general requirements for a variety of steel products including the flatness requirement for CTL plate. The CTL plate flatness requirement lists the permitted variation (in terms of inches) from a dead flat surface and varies according to plate length and width. The thinner and/or wider the plate, the larger the permitted variation from dead flat is allowed. There are also standardized supplementary requirements in the A6 specification for use when desired by the purchaser. One is the flatness requirement for half of the standard ASTM A6 specification. The customer can ask the producer to meet (or the producer can offer to meet) a flatness level one half of the standard ASTM A6 specification.

Service centers

Steel service centers traditionally have served as distributors of plate and typically do not have their own plate mills. Some service centers also perform a wide range of value-added processing of many steel products, such as uncoiling, flattening, and cutting plate products to length or flame/plasma cutting plate into non-rectangular shapes. Service centers that process coiled plate into cut lengths or non-rectangular shapes may utilize coiled plate from U.S. or foreign mills.

[41] The source of heat treating information is ArcelorMittal, *Guidelines for Fabricating and Processing Plate Steel*, April 2015.

DOMESTIC LIKE PRODUCT ISSUES

The Commission's decision regarding the appropriate domestic products that are "like" the subject imported product is based on a number of factors including: (1) physical characteristics and uses; (2) common manufacturing facilities and production employees; (3) interchangeability; (4) customer and producer perceptions; (5) channels of distribution; and (6) price. The petitioners contend that the domestic like product should mirror the definition of the subject merchandise and also be defined as all of CTL plate.

In its 1996 investigations of CTL plate from China, Russia, South Africa, and Ukraine, the Commission defined the domestic like product as all CTL carbon steel plate products to consist of CTL plate produced by U.S. mills or cut from coiled plate by service centers. In the first five-year review, the Commission modified the definition of the domestic like product to include micro-alloy steel CTL plate since it shared physical characteristics, manufacturing equipment and employees, and channels of distribution of carbon steel CTL plate, and was also interchangeable with carbon steel CTL plate. In the second and third five-year reviews, the Commission continued to find the domestic like product to consist of CTL carbon steel plate, including micro-alloy steel CTL plate.[42]

In its 1999 investigations of CTL carbon steel plate from India, Indonesia, Italy, Japan, and Korea, the Commission defined the domestic like product to be coextensive with the scope of the investigations, which consisted of all CTL carbon-quality steel plate, including X-70 plate, micro-alloy steel plate, and plate cut from coils.[43]

In this current proceeding, the petitioners updated the scope to reflect changes in steelmaking processes and products, in addition to addressing issues of circumvention. As a result, the petitioners included alloy steel CTL plate within the scope of these investigations.[44] Additionally, petitioners contend that there are no clear dividing lines between X-70 grade CTL plate ("X-70") and other CTL plate and that X-70 should be considered to be "part of {the} continuum of individual, unique products with varying chemistries, mechanical properties, and other characteristics that make up CTL plate."[45]

French, German, Japanese, and Korean respondents argue that X-70 should be a separate domestic like product because the technical specifications, conditions of competition, import trends, and domestic sales data for this type of CTL plate are unique.[46]

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[42] *Cut-To-Length Carbon Steel Plate from China, Russia, and Ukraine, Investigation Nos. 731-TA-753, 754, and 756 (Third Review)*, USITC Publication 4581, December 2015, pp. 8-9.

[43] *Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea, Investigation Nos. 701-TA-388-391 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, p. 7.

[44] Petition, Vol. I, p. 23.

[45] The petitioners also note that the Commission has recognized in prior CTL plate cases that X-70 is not a separate like product from other CTL plate. ArcelorMittal's postconference brief, p. 8; Nucor's postconference brief, p. 10.

[46] Conference transcript, p. 20 (Horgan); French and German respondents' postconference brief, p. 3; Japanese respondents' postconference brief, p. 7; POSCO's postconference brief, p. 4.

Physical characteristics and uses

The petitioners contend that all CTL plate share the same basic physical features. Although individual plate products may have different chemistries and dimensions, and may be used in various applications, these products are within the CTL plate continuum[47] While X-70 is used to produce large diameter welded line pipe for oil and gas pipelines, other "X" grades of CTL plate also can be used to produce large diameter line pipe, which the domestic CTL plate industry is capable of producing. In addition, petitioner ArcelorMittal notes that while X-70 may be used in particularly demanding environments, many other types of CTL plate can also be used in demanding environments that require high strength. Therefore, the physical characteristics and uses of X-70 do not distinguish it from other types of CTL plate.[48]

Respondents argue that X-70 is highly specialized with the single end use of the construction of large diameter line pipe for use in transmission pipelines for oil and natural gas over long distances. X-70 has exceptional yield strength, ductility, and weldability, which requires the addition of certain alloying agents, specialized steel compositions, and low impurity levels.[49]

Manufacturing facilities and production employees

The petitioners contend that all carbon steel and alloy steel, including X-70, is made on the same facilities, using the same production processes and employees. Domestic producers note that they do not have separate production and rolling facilities or employees dedicated to producing X-70.[50] Two U.S. producers, ArcelorMittal USA and SSAB, reported production of X-70 for sale in the United States in 2015.[51] ArcelorMittal and SSAB produced *** short tons of X-70 in 2015, which accounted for approximately *** percent of total domestic CTL plate production. Evraz also noted that it produces X-70 in widths of *** in its Portland, Oregon facility.[52] During 2013-15, Evraz *** X-70 to ***, but reported that it *** due to low import prices and a slowdown in the energy sector resulting in a decline in demand for X-70.[53]

Respondents argue that producers of X-70 need special equipment and quality slab that is not present in most CTL plate production facilities. Manufacturing X-70 also requires thermomechanical rolling with precise cooling times and temperatures to obtain the proper

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[47] Nucor's postconference brief, pp. 5-6.

[48] ArcelorMittal's postconference brief, p. 15, exh. 1, pp. 10-11.

[49] POSCO's postconference brief, pp. 4-5; French and German respondents' postconference brief, p. 4.

[50] Conference transcript, p. 71 (Skagen); ArcelorMittal's postconference brief, exh. 1, pp. 13-14; Nucor's postconference brief, p. 7.

[51] Nucor noted that ***. ***.

[52] Evraz is "capable of rolling X-70 grade CTL plate to *** in width, which allows for production of *** large-diameter pipe." Evraz's postconference brief, p. 2.

[53] Evraz's postconference brief, pp. 1-2.

grain refinement.[54] French and German respondents contend that the high grade and quality of X-70 "increases yields in pipe-making and reduces costs because large diameter pipe can be made in reduced thicknesses that would otherwise not be possible without compromising safety."[55]

Interchangeability and customer and producer perceptions

Petitioners contend that CTL plate is highly interchangeable.[56] Although X-70 has a specific end use in pipelines,[57] *** responding U.S. producers reported that they consider imports from the subject countries to be "always" or "frequently" interchangeable with the domestic like product.[58]

Respondents argue that X-70 CTL plate is not a commodity product and that it is the "headline of a variety of customized, specified product."[59] Japanese respondents contend that all CTL plate mills are not interchangeable and are "limited by the technology they employ and the time spent to overcome the steep learning curve to produce certain grades and specifications on a consistent, quality basis."[60] Korean producer POSCO, in addition to French and German respondents, note that X-70 is used exclusively in line pipe production and there is no interchangeability between X-70 and other types of CTL plate. Additionally, the specifications for the steel used in large diameter oil and gas pipelines are set by the pipeline operators and regulated by the Pipeline and Hazardous Materials Safety Administration.[61]

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[54] Conference transcript, p. 227 (Horgan); POSCO's postconference brief, p. 5; French and German respondents' postconference brief, p. 4. Petitioner ArcelorMittal USA agrees that manufacturing X-70 requires "close attention to detail and expertise in the chemical composition, rolling and cooling processes" but argues that many carbon and alloy grades of steel are also used in demanding environments and require these characteristics. ArcelorMittal's postconference brief, pp. 13-14.

[55] As industry and government regulators recognize the "critical nature of oil and gas transmission pipelines and the potential threat they pose to human life and the environment if quality is not assured, more and more technical liability conditions have been added in addition to the API 5L requirements." French and German respondents' postconference brief, p. 4.

[56] Nucor's postconference brief, p. 7.

[57] Ibid., p. 218 (Schagrin).

[58] ArcelorMittal's postconference brief, p. 15. ArcelorMittal also notes that "while other grades of CTL plate could not be substituted for X-70 CTL plate in a pipeline where X-70 is specified, the same is generally true for many grade of carbon or alloy steel that are designed for a particular use." Ibid., exh 1, p. 11.

[59] Conference transcript, 179 (Riemer).

[60] Japanese respondents' postconference brief, p. 10.

[61] POSCO's postconference brief, pp. 6-8; French and German respondents' postconference brief, p. 5. U.S. importer Berg Steel noted in its questionnaire response that ***.

Channels of distribution

The petitioners contend that the same channels of distribution utilized by X-70 are also utilized by other grades of CTL plate. Virtually all X-70 that is produced in the United States and that is sold by subject importers is sold directly to end users. Petitioners also note that other types of CTL plate that is sold for the production of large diameters pipes other than X-70 line pipe are also sold directly to end users.[62] Reported U.S. producer data show that U.S. producers sold *** percent of X-70 to end users and *** percent to distributors whereas U.S. producers sold 50.3 percent of all types of CTL plate to end users and 49.7 percent to distributors.

French and German respondents contend that there are significant differences in channels of distribution of X-70, which is usually sold to end users, as compared to other types of CTL plate, which is normally "sold in lower quantities, subject to less stringent quality or delivery terms, through distributors."[63] Korean producer POSCO also notes that X-70 is only sold to a small number of producers of welded large diameter line pipe, which is a distinct channel of distribution compared to other types of CTL plate. Producers of large diameter line pipe work closely with project operators and these relationships stretch out over many years. As a result, there is a premium of reliability and quality that is applied to the supplier of X-70.[64]

Price

Petitioner Nucor contends that although individual CTL plate products differ by price depending on characteristics such as their dimensions, chemistries, and special processing, pricing reflects a continuum. In particular, a heat-treated carbon product may have a higher price than an equivalent alloy product sold.[65] Petitioner ArcelorMittal also argues that while X-70 is more expensive than most commercial grade of CTL plate, it is not the most expensive grade of CTL plate in the spectrum.[66] The average unit value of X-70 shipped by ArcelorMittal and SSAB was $*** per short ton in 2015. The average unit value for U.S. producers' U.S. shipments of CTL plate was $711 per short ton in 2015.

Korean producer POSCO contends that X-70 is priced significantly higher than other types of CTL plate and follows different trends due to its specialized chemistry and production process.[67] French and German respondents also note that X-70 pricing can reach a ***.[68] *See* Part V for more detail regarding the price of X-70 plate.

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[62] ArcelorMittal's postconference brief, exh. 1, p. 13; Nucor's postconference brief, p. 7.
[63] French and German respondents' postconference brief, pp. 6-7.
[64] POSCO's postconference brief, pp. 6-7.
[65] Nucor's postconference brief, p. 8.
[66] ArcelorMittal's postconference brief, exh. 1, pp. 14-15.
[67] POSCO's postconference brief, p. 8.
[68] French and German respondents' postconference brief, p. 9.

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

U.S. MARKET CHARACTERISTICS

CTL plate generally is produced from carbon and alloy steel slabs. Slabs are formed from molten steel, then typically passed through either a traditional reversing plate mill or a Steckel mill, which increases the width and reduces the thickness. Alternatively, the slab may be processed into coiled plate on a hot strip mill (or a combination mill) and processed through a separate shear line. The plate is finished to the customer's specified thickness, width, and length[1] and sold across the United States.

CTL plate is an input used in a variety of end-use goods including heavy machinery and machinery parts, agriculture and construction equipment, ships and barges, railroad cars, highway and railway bridges, energy-wind tower and transmission poles, and oil and gas pipelines and structures.[2]

Commodity-grade CTL plate is used in a variety of applications, such as the manufacture of storage tanks, heavy machinery and machinery parts, ships and barges, agriculture and construction equipment, and general load-bearing structures. Non-commodity grades of CTL plate have superior strength and performance characteristics as compared with commodity grades of CTL plate and typically are produced with specific properties, such as improved malleability, hardness or abrasion resistance, impact resistance or toughness, higher strength, and ease in machining and welding. Non-commodity grades of CTL plate are used to manufacture railroad cars, line pipes, mobile equipment, highway and railway bridges, pressure vessels, military armor, and machinery components.[3]

Overall, apparent U.S. consumption in 2013 was 6.7 percent lower in 2015 than 2013 and 16.2 percent lower than in 2014. Apparent U.S. consumption of CTL plate fluctuated during 2013-15, increasing from 7.7 million short tons to 8.6 million short tons in 2014 before decreasing to 7.2 million short tons in 2015. Part of the cause of this pattern was reportedly an increase in inventories in 2014 followed by a sell-off in 2015.[4]

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[1] *Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine, Inv. Nos. 731-TA-753, 754, and 756 (Third Review)*, USITC Publication 4581, December 2015, p. II-1.

[2] *Cut-to-Length Steel Plate from India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, p. II-8.

[3] Ibid.

[4] Conference transcript, p. 17 (Weld), p. 34 (Unruth), and p. 35 (Skagen), and Nucor's postconference brief, pp. 31-32.

CHANNELS OF DISTRIBUTION

U.S. producers sold increasingly directly to end users such that shares to each were nearly equal in 2015. The majority of imports from Belgium, France, and Germany (as well as nonsubject countries) were sold mainly to end users,[5] while imports from the other subject countries were sold mainly to distributors. In particular, imports from Brazil, Italy, South Africa, Taiwan, and Thailand were sold almost exclusively to distributors (table II-1).

GEOGRAPHIC DISTRIBUTION

The majority of U.S. producers reported selling CTL plate to all regions in the contiguous United States (table II-2). Importers' responses were more varied. The Pacific Coast region was most frequently served by imports from China, Korea, and Taiwan. More importers reported serving the Midwest, Southeast, and Central Southwest regions than other regions. For U.S. producers, 17.0 percent of sales were within 100 miles of their production facility, 75.7 percent were between 101 and 1,000 miles, and 7.4 percent were over 1,000 miles. Importers sold 55.9 percent within 100 miles of their U.S. point of shipment, 36.8 percent between 101 and 1,000 miles, and 7.3 percent over 1,000 miles.

[5] As seen in Part IV, importers internally consumed additional volumes of X-70 plate for the production of line pipe.

Table II-1
CTL plate: U.S. producers' and importers' U.S. commercial shipments, by sources and channels of distribution, 2013-15

Item	Calendar year		
	2013	2014	2015
	Share of reported shipments (*percent*)		
U.S. producers' U.S. commercial shipments of CTL plate:			
Distributors	55.7	52.4	49.7
End users	44.3	47.6	50.3
U.S. importers' U.S. commercial shipments of CTL plate from Austria:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from Belgium:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from Brazil:			
Distributors	95.9	98.8	99.0
End users	4.1	1.2	1.0
U.S. importers' U.S. commercial shipments of CTL plate from China:			
Distributors	85.0	91.5	83.4
End users	15.0	8.5	16.6
U.S. importers' U.S. commercial shipments of CTL plate from France:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from Germany:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from Italy:			
Distributors	94.7	97.0	98.4
End users	5.3	3.0	1.6
U.S. importers' U.S. commercial shipments of CTL plate from Japan:			
Distributors	39.7	82.2	68.0
End users	60.3	17.8	32.0
U.S. importers' U.S. commercial shipments of CTL plate from Korea (POSCO)[1]:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from South Africa:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from Taiwan:			
Distributors	100.0	100.0	99.9
End users	0.0	0.0	0.1
U.S. importers' U.S. commercial shipments of CTL plate from Turkey:			
Distributors	***	***	***
End users	***	***	***
U.S. importers' U.S. commercial shipments of CTL plate from all other countries:			
Distributors	***	***	***
End users	***	***	***

[1] Not included are the *** imports from Korea that were not associated with POSCO.

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

Table II-2
CTL plate: Geographic market areas in the United States served by U.S. producers and importers

	Region							
Country source	Northeast	Midwest	Southeast	Central Southwest	Mountain	Pacific Coast	Other[1]	Reporting firms
United States	10	11	10	10	8	10	2	11
Austria	2	3	2	4	2	2	1	6
Belgium	2	4	3	5	1	2	0	5
Brazil	2	5	6	7	1	1	0	10
China	3	8	7	7	2	7	0	12
France	3	3	2	1	1	2	0	4
Germany	9	9	8	9	5	6	0	12
Italy	4	6	4	7	0	0	0	9
Japan	3	6	4	8	2	4	0	14
Korea	8	8	8	10	4	8	0	15
South Africa	2	3	2	3	0	0	0	4
Taiwan	2	2	3	6	2	9	0	12
Turkey	3	4	3	5	0	0	2	10

[1] All other U.S. markets, including AK, HI, PR, and VI.

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

SUPPLY AND DEMAND CONSIDERATIONS

U.S. supply

Domestic production

Based on available information, U.S. producers of CTL plate have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of U.S.-produced CTL plate to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, large and growing inventories, shipments to alternate markets, and the ability to produce alternate products in some mills.

Industry capacity

Domestic capacity utilization increased from 73.7 percent in 2013 to 81.6 percent in 2014 before falling to 66.2 percent in 2015. This relatively low level of capacity utilization suggests that U.S. producers may have substantial ability to increase production of CTL plate in response to an increase in prices.

Alternative markets

U.S. producers' exports, as a share of total shipments increased, from 9.0 percent in 2013 to 10.7 percent in 2015, indicating that U.S. producers may have some ability to shift shipments between the U.S. market and other markets in response to price changes. In the December 2015 review on CTL plate, U.S. producers stated that it would be difficult to shift shipments to other markets. U.S. producers identified transportation costs, limited foreign sales and distribution networks, and foreign producer subsidies as barriers to exporting.[6] U.S. producers reported Canada and Mexico as their principal export markets.

Inventory levels

U.S. producers' ratio of inventories to total shipments increased from 7.1 percent in 2013 to 11.3 percent in 2015. These inventory levels suggest that U.S. producers may have an increasing ability to respond to changes in demand with changes in the quantity shipped from inventories.

Production alternatives

Seven of 10 responding U.S. producers stated that they could switch production from CTL plate to other products. Other products that producers reportedly can produce on the same equipment as CTL plate are various stainless products, hot-rolled steel coil, plate in coil, slabs, and "CTL sheet with thickness less than 4.75 millimeters or .187." CTL plate represents approximately three-quarters of all the products produced on the same machinery as CTL plate.

Supply constraints

None of the 11 producers reported any supply constraints since January 1, 2013. Seven of 60 responding importers did note that they had experienced supply constraints in the U.S. market, but no importer specifically singled out any domestic producer. Importer *** stated that it has not been able to buy what it has wanted to buy, and importer *** noted a supply and delivery problem at "the mill."

[6] *Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine, Inv. Nos. 731-TA-753, 754, and 756 (Third Review)*, USITC Publication 4581, December 2015, p. II-4.

Subject imports from subject countries[7]

Table II-3 provides a summary of supply of CTL plate from subject countries; additional data are provided in Part VII of this report. Capacity has generally remained unchanged from 2013 to 2015 for most countries. Production capacity in Japan, and Taiwan declined slightly whereas production capacity in Korea and Turkey increased slightly. Capacity utilization increased for four of the subject countries and declined for eight. Austria, Germany, Japan, and Taiwan had capacity utilization rates over *** percent in 2015, but Belgium, Brazil, China, Italy, South Africa, and Turkey had capacity utilization rates of below *** percent. Some countries maintain larger inventory-to-shipments ratios than others: Belgium, France, Germany, Italy, and Turkey all had inventory-to-shipment ratios that were greater than *** percent. These ratios increased between 2013 and 2015 for seven of the 11 subject countries that maintain inventories.

Table II-3
CTL plate: Foreign industry factors that affect ability to increase shipments to the U.S. market

* * * * * * *

Imports from all other sources

The largest nonsubject sources of CTL plate imports during 2013-15 were Canada, nonsubject imports from Korea, and Mexico. Canada accounted for *** percent of nonsubject imports in 2015, while nonsubject imports from Mexico accounted for *** percent, and nonsubject Korea for *** percent.

U.S. demand

Based on available information, the overall demand for CTL plate is likely to experience small-to-moderate changes in response to changes in price, depending on the end-use market for the CTL plate. The main contributing factors are a wide variety of cost shares for CTL plate among end-use products and the existence of substitute products for CTL plate only in particular end uses.

End uses

U.S. demand for CTL plate depends on the demand for U.S.-produced downstream products. Approximately half of U.S. producers' shipments of CTL plate are shipped directly to end users. According to the American Iron and Steel Institute, construction is the largest market in which CTL plate is shipped directly from U.S. producers to the end user (table II-4). End users

[7] For data on the number of responding foreign firms and their share of U.S. imports from each of the subject countries, please refer to Part I, "Summary Data and Data Sources."

consume CTL plate for construction, infrastructure, heavy industrial production, line pipe, shipbuilding, barges, tanks, railcars, tractors, wind towers, electricity transmission poles, and oil and gas structures. Other major uses included industrial equipment, steel used for pipe and tube, shipbuilding, and rail transportation.

Table II-4
End use distribution: Shipments by U.S. producers of CTL plate by market classification, 2015

* * * * * * *

Cost share

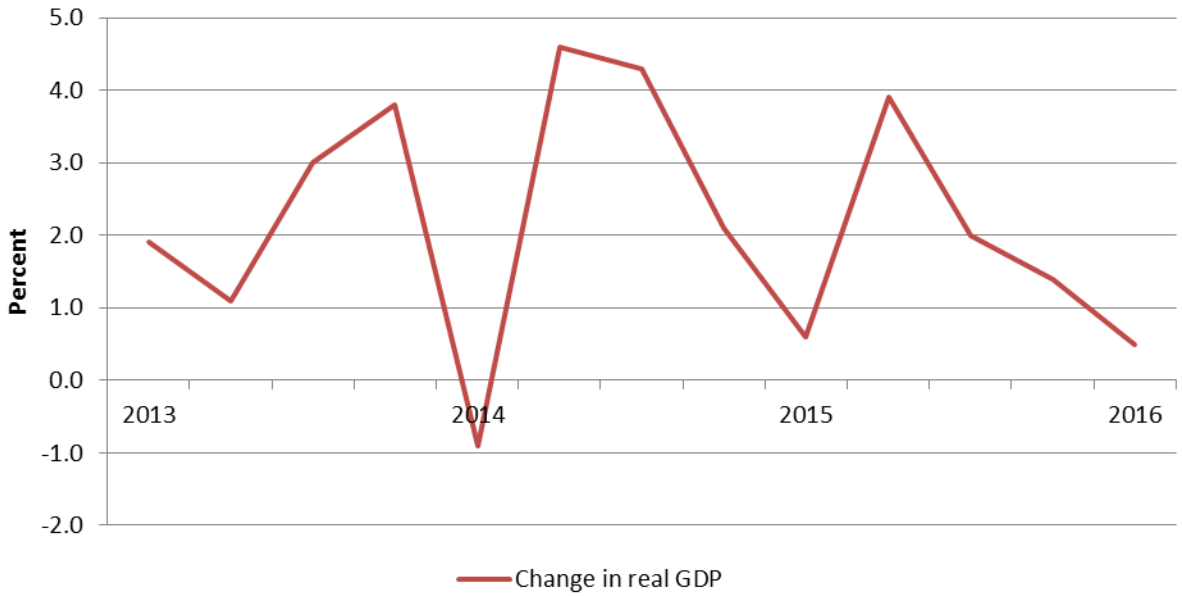
Since CTL plate is used in a number of applications and industries, the share of the cost of the end-use products in which it is used can vary considerably depending on its end use. Some products for which CTL plate reportedly accounts for a major portion of the cost of downstream products include: pressure vessels (95 percent), processed plate (84 percent), wind towers (80 percent), and large diameter line pipe (70-80 percent). Other firms identified products for which CTL plate accounts for small portions of costs: automotive (4 percent), power plant equipment (5 percent), jackup leg components (5 percent), mining equipment (5 percent), cranes (10 percent), and oil rigs (10 percent). Some firms reported cost shares ranged substantially for the same end use: ship building (15 to 85 percent), construction (10 to 90 percent), bridges/bridge girders (15 to 40 percent), and railroad applications (40 to 90 percent).

Business cycles and distinctive conditions of competition

Ten of 11 U.S. producers and 46 of 61 responding importers indicated that the market for CTL plate was not subject to business cycles. Additionally, 3 of 11 producers and 8 of 61 importers indicated that the CTL plate market was subject to distinctive conditions of competition. Domestic producers described global oversupply of CTL plate as a distinctive condition of competition. Two importers described that the alloy CTL plate market is fairly consistent. Seven importers described times of the year in which demand is increased or decreased, yet not all noted the same seasonal changes. Importer *** reported that the oil industry and agricultural prices drive demand for CTL plate. Other producers and importers noted that demand is dependent on the downstream industries which use CTL plate.

Whereas certain industries may have a greater or different effect on the demand for CTL plate, some producer and importers noted that overall demand fluctuates with the economy in general because CTL plate is used in a wide variety of sectors. While GDP has increased nearly all quarters of January 2013-March 2016, it has changed by varying amounts – from a decrease of less than 1 percent to an increase of greater than 4 percent (figure II-5).

Figure II-5
Real GDP growth, percentage change from previous periods, by quarters, January 2013-March 2016



Source: National Income and Product Accounts- Table 1.1.1, Percent Change from Preceding Period in Real Gross Domestic Product, Bureau of Economic Analysis, http://www.bea.gov/national/ , retrieved May 16, 2016.

Demand trends

Most U.S. producers reported fluctuations in U.S. demand for CTL plate since January 1, 2013. While a large number of importers reported fluctuating U.S. demand, a plurality noted that in had decreased over that time. U.S. producers and importers reported that demand for CTL plate outside the United States had behaved similarly (table II-5).

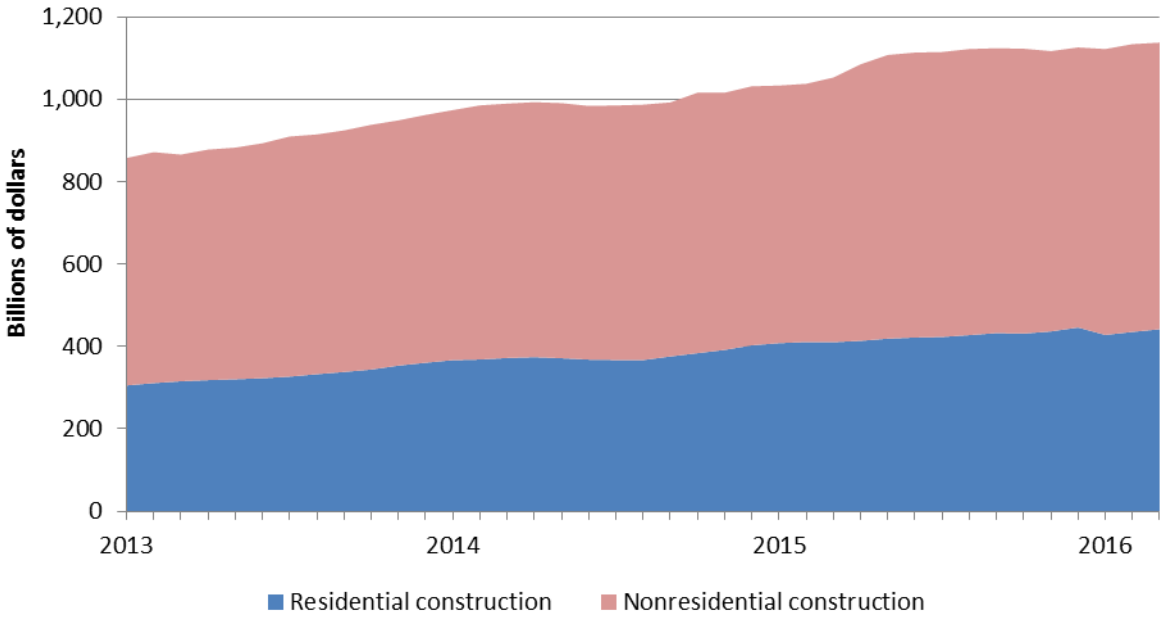
Table II-5
CTL plate: Firms' responses regarding U.S. demand and demand outside the United States

Item	Increase	No change	Decrease	Fluctuate
Demand in the United States				
U.S. producers	1	1	3	6
Importers	3	9	25	22
Demand outside the United States				
U.S. producers	0	0	3	6
Importers	3	7	19	18

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

As discussed above, two common applications for CTL plate are construction and energy development and transmission. The value of seasonally adjusted U.S. construction put in place, on a monthly basis, increased during 2013-15 (figure II-6). The value of U.S. construction put in place increased from $857.4 billion in January 2013 to $1,125.9 billion in December 2015 and to $1,137.5 billion by March 2016.

Figure II-6
Values of U.S. construction put in place: Total and nonresidential construction, seasonally adjusted at annual rates, by months, January 2013-March 2016



Source: Manufacturing, Mining, and Construction Statistics, Construction Spending, U.S. Census Bureau, http://www.census.gov/construction/c30/historical_data.html; retrieved May 10, 2016.

The growth of natural gas pipelines is also an indicator of demand for CTL plate. The Federal Energy Regulatory Commission has issued an increasing number of orders approving pipeline projects since 2013. Seventeen projects involving 290 miles of pipeline were approved in 2013, 26 projects involving 422 miles of pipeline were approved in 2014, 35 projects involving 475 miles of pipeline were approved in 2015, and 7 projects involving 755 miles of pipeline have been approved through March 14, 2016.[8] In the past five years, production growth of the Utica and Marcellus shale have resulted in the addition of 51 billion cubic feet per day (Bcfd) of new pipeline capacity, and approximately 49 Bcfd of capacity is proposed or planned to come online by 2018.[9] There are currently some large pipeline projects requiring X-70 plate under way. For example, pipe producer Berg has listed on its website three pipeline project orders (Rover, Southeast Connector, and Sabal Trail) to be produced in 2015/2016

[8] Approved projects may include pipeline expansions, repairs, refurbishment, abandonment, leasing of capacity, new equipment, or other changes. Source: Approved Major Pipeline Projects, 2009-, Federal Energy Regulatory Commission, http://www.ferc.gov/industries/gas/indus-act/pipelines/approved-projects.asp, updated March 14, 2016, retrieved May 10, 2016.

[9] FERC State of the Markets Report 2015, Item No. A-3, March 17, 2016, p. 2.

involving X-70 plate. These projects involve over 300,000 tons of plate and more than 500 miles of pipeline when complete.

Substitute products

Substitutes for CTL plate are limited. Most (7 of 11) U.S. producers and responding importers (57 of 61) reported that there were no substitutes for CTL plate.

While there are a few reported substitutes for CTL plate, the potential for substitution is often limited by the end use, as well as such factors as width, thickness, strength, and price.[10] Nonetheless, four producers and four importers (which include two producers) reported that there were substitute products for CTL plate. Substitute products include aluminum in light equipment manufacturing, concrete in bridges and other structural supports, hot-rolled coil and flat bar products in narrow applications, and wood, pipe, and other metal products in commercial construction. Producer *** noted that "{s}ubstitution is not generally a notable factor in the market price of steel plate. Other supply and demand factors predominate and changes in the price of substitutes plays a minor role."

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported CTL plate depends upon such factors as relative prices, quality (e.g., grade standards, reliability of supply, defect rates, etc.), and conditions of sale (e.g., price discounts/rebates, lead times between order and delivery dates, payment terms, product services, etc.). Based on available data, staff believes that there is at least a moderate degree of substitutability between domestically produced CTL plate and CTL plate imported from subject sources. The product mix of imports varied across subject sources. This affects the degree with which they can be substituted for domestic product.

Lead times

CTL plate is primarily sold on a produced-to-order basis. U.S. producers reported that 87.2 percent of their commercial shipments and importers reported that 90.2 percent of their commercial shipments were produced-to-order in 2015. Producers reported produced-to-order lead times of around five to six weeks, but when selling out of inventory this drops to 10 days or fewer. For importers, produced-to-order lead times were typically three to five months. When selling out of inventory, 8 of 13 responding importers reported lead times of four days or fewer.

[10] *Cut-to-Length Steel Plate from India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, p. II-14.

Factors affecting purchasing decisions

Purchasers responding to lost sales lost revenue allegations[11] were asked to identify the main purchasing factors their firm considered in their purchasing decisions for CTL plate. Three purchasers noted that quality was the most important factor, and three also noted price was the most important factor. All purchasers noted quality, price, and availability as among the most important factors when choosing a supplier. In addition, at least one listed lead time, mill capabilities, transportation costs, reliability, and customer approval of steel source.

Comparison of U.S.-produced and imported CTL plate

In order to determine whether U.S.-produced CTL plate can generally be used in the same applications as imports from the subject countries, U.S. producers and importers were asked whether the products can "always," "frequently," "sometimes," or "never" be used interchangeably. As shown in table II-6, most producers stated that U.S. CTL plate is either "always" or "frequently" substitutable with CTL plate from subject countries. Importers did not list U.S. and subject product to be as frequently substitutable. A plurality of importers noted that CTL plate from Austria, China, France, Germany, and Japan was "sometimes" interchangeable with that from the United States. A few importers indicated that CTL plate from Austria and China was "never" interchangeable with CTL plate produced domestically.

***. At the staff conference, several witnesses testified that there are types of CTL plate such as certain sizes or thicknesses of X-70 grade that are not available from U.S. sources.[12] Petitioners stated that there are few types of CTL plate that they cannot or do not make, but that these are a very small portion of the market.[13] Further, petitioner noted that SSAB has spent a great deal of effort accessing the X-70 market and that ArcelorMittal and Nucor have also done so.[14]

[11] This information is compiled from responses by purchasers identified by the petitioner to the lost sales lost revenue allegations. See Part V for additional information.

[12] Conference transcript, p. 92 (Schagrin), pp. 130-131 (Emslander), pp. 133-135 (Necessary), pp. 136-139 (AuBochon), p. 143 (Yoon), p. 176 (McCullough), and pp. 178-180 (Riemer).

[13] Conference transcript, p. 89 (Moskulak) and p. 92 (Schagrin and Whiteman).

[14] Conference transcript, p. 93 (Schagrin), and SSAB's postconference brief, pp. 14-15 and Exhibit 5.

Table II-6
CTL plate: Interchangeability between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
U.S. vs. subject countries:								
U.S. vs. Austria	5	3	1	0	4	4	5	2
U.S. vs. Belgium	5	2	1	0	5	5	1	0
U.S. vs. Brazil	5	4	1	0	6	5	5	0
U.S. vs. China	5	3	1	0	5	3	6	3
U.S. vs. France	5	1	1	0	4	3	6	0
U.S. vs. Germany	5	3	1	0	5	5	8	1
U.S. vs. Italy	5	3	1	0	6	6	2	0
U.S. vs. Japan	5	3	1	0	4	7	8	1
U.S. vs. Korea[1]	5	4	1	0	9	7	7	0
U.S. vs. South Africa	5	3	1	0	5	3	3	0
U.S. vs. Taiwan	5	2	0	0	6	6	5	0
U.S. vs. Turkey	5	4	1	0	6	7	4	0
Subject countries comparisons:								
Austria vs. Belgium	5	1	0	0	4	3	1	0
Austria vs. Brazil	5	2	0	0	4	3	2	0
Austria vs. China	5	2	0	0	4	2	3	0
Austria vs. France	5	1	0	0	4	2	2	0
Austria vs. Germany	5	2	0	0	4	5	3	0
Austria vs. Italy	5	2	0	0	4	2	2	0
Austria vs. Japan	5	2	0	0	4	4	2	0
Austria vs. Korea	5	2	0	0	5	3	3	0
Austria vs. South Africa	5	2	0	0	4	2	2	0
Austria vs. Taiwan	5	2	0	0	4	2	2	0
Austria vs. Turkey	5	2	0	0	4	2	2	0
Belgium vs. Brazil	5	1	0	0	4	2	2	0
Belgium vs. China	5	1	0	0	5	1	3	0
Belgium vs. France	5	1	0	0	4	2	1	0
Belgium vs. Germany	5	1	0	0	4	3	2	0
Belgium vs. Italy	5	1	0	0	5	2	2	0
Belgium vs. Japan	5	1	0	0	4	4	1	0
Belgium vs. Korea	5	1	0	0	5	3	2	0
Belgium vs. South Africa	5	1	0	0	5	2	2	0
Belgium vs. Taiwan	5	1	0	0	5	2	2	0
Belgium vs. Turkey	5	1	0	0	4	2	2	0

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Table II-6 -- Continued
CTL plate: Interchangeability between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Brazil vs. China	5	2	0	0	4	1	3	0
Brazil vs. France	5	1	0	0	4	1	3	0
Brazil vs. Germany	5	2	0	0	4	3	3	0
Brazil vs. Italy	5	2	0	0	4	2	3	0
Brazil vs. Japan	5	2	0	0	4	3	2	0
Brazil vs. Korea	5	2	0	0	5	3	4	0
Brazil vs. South Africa	5	2	0	0	5	2	2	0
Brazil vs. Taiwan	5	2	0	0	6	2	2	0
Brazil vs. Turkey	5	2	0	0	5	2	2	0
China vs. France	5	1	0	0	4	1	2	0
China vs. Germany	5	2	0	0	4	3	3	0
China vs. Italy	5	2	0	0	5	1	2	1
China vs. Japan	5	2	0	0	4	3	2	1
China vs. Korea	5	2	0	0	4	2	3	1
China vs. South Africa	5	2	0	0	4	1	2	1
China vs. Taiwan	5	2	0	0	4	1	2	1
China vs. Turkey	5	2	0	0	4	1	2	1
France vs. Germany	5	1	0	0	4	3	6	0
France vs. Italy	5	1	0	0	4	1	2	0
France vs. Japan	5	1	0	0	4	3	2	0
France vs. Korea	5	1	0	0	4	2	4	0
France vs. South Africa	5	1	0	0	4	1	2	0
France vs. Taiwan	5	1	0	0	4	1	2	0
France vs. Turkey	5	1	0	0	4	1	2	0
Germany vs. Italy	5	2	0	0	5	2	2	0
Germany vs. Japan	5	2	0	0	4	4	2	0
Germany vs. Korea	5	2	0	0	6	3	4	0
Germany vs. South Africa	5	2	0	0	4	2	2	0
Germany vs. Taiwan	5	2	0	0	4	2	2	0
Germany vs. Turkey	5	2	0	0	4	2	2	0
Italy vs. Japan	5	2	0	0	4	3	2	0
Italy vs. Korea	5	2	0	0	5	3	3	0
Italy vs. South Africa	5	2	0	0	4	2	2	0
Italy vs. Taiwan	5	2	0	0	4	1	3	0
Italy vs. Turkey	5	2	0	0	4	2	3	0

Table continued on next page.

Table II-6 -- Continued
CTL plate: Interchangeability between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Japan vs. Korea	5	2	0	0	5	4	3	0
Japan vs. South Africa	5	2	0	0	4	2	2	0
Japan vs. Taiwan	5	2	0	0	4	2	2	0
Japan vs. Turkey	5	2	0	0	4	2	2	0
Korea vs. South Africa	5	2	0	0	5	2	4	0
Korea vs. Taiwan	5	2	0	0	4	2	3	0
Korea vs. Turkey	5	2	0	0	4	2	4	0
South Africa vs. Taiwan	5	2	0	0	5	1	2	0
South Africa vs. Turkey	5	2	0	0	4	2	2	0
Taiwan vs. Turkey	5	2	0	0	4	4	3	0
Nonsubject country comparisons:								
United States vs. Canada	6	3	1	0	7	6	0	0
United States vs. Mexico	5	4	1	0	4	5	1	0
United States vs. Other	5	2	0	0	7	3	2	0
Austria vs. Canada	5	2	0	0	4	3	1	0
Austria vs. Mexico	5	2	0	0	4	3	1	0
Austria vs. Other	5	2	0	0	4	1	2	0
Belgium vs. Canada	5	1	0	0	4	3	1	0
Belgium vs. Mexico	5	1	0	0	4	3	1	0
Belgium vs. Other	5	1	0	0	5	1	2	0
Brazil vs. Canada	5	2	0	0	4	2	2	0
Brazil vs. Mexico	5	2	0	0	4	2	2	0
Brazil vs. Other	5	2	0	0	6	1	2	0
China vs. Canada	5	2	0	0	4	1	2	0
China vs. Mexico	5	2	0	0	4	1	2	0
China vs. Other	5	2	0	0	4	1	2	0
France vs. Canada	5	1	0	0	4	2	1	0
France vs. Mexico	5	1	0	0	4	2	1	0
France vs. Other	5	1	0	0	4	1	3	0
Germany vs. Canada	5	2	0	0	5	3	1	0
Germany vs. Mexico	5	2	0	0	4	3	1	0
Germany vs. Other	5	2	0	0	5	2	3	0
Italy vs. Canada	5	2	0	0	5	2	2	0
Italy vs. Mexico	5	2	0	0	4	2	2	0
Italy vs. Other	5	2	0	0	5	2	2	0

Table continued on next page.

Table II-6 -- Continued
CTL plate: Interchangeability between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Japan vs. Canada	5	2	0	0	4	3	1	0
Japan vs. Mexico	5	2	0	0	4	3	1	0
Japan vs. Other	5	2	0	0	4	1	3	0
Korea vs. Canada	5	2	0	0	6	3	3	0
Korea vs. Mexico	5	2	0	0	4	4	2	0
Korea vs. Other	5	2	0	0	6	1	3	0
South Africa vs. Canada	5	2	0	0	4	2	2	0
South Africa vs. Mexico	5	2	0	0	4	2	2	0
South Africa vs. Other	5	2	0	0	5	1	2	0
Taiwan vs. Canada	5	2	0	0	4	1	2	0
Taiwan vs. Mexico	5	2	0	0	4	1	2	0
Taiwan vs. Other	5	2	0	0	5	2	2	0
Turkey vs. Canada	5	2	0	0	5	4	2	1
Turkey vs. Mexico	5	2	0	0	4	3	1	0
Turkey vs. Other	5	2	0	0	6	2	2	0
Canada vs. Mexico	5	2	0	0	4	2	2	0
Canada vs. Other	5	2	0	0	6	1	2	0
Mexico vs. Other	5	2	0	0	4	1	2	0

[1] Comparisons with Korea reflect comparisons of subject product from POSCO in Korea.

Note.--A=Always, F=Frequently, S=Sometimes, N=Never.

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

Comparing interchangeability among subject and nonsubject countries, all U.S. producers responded that CTL is “frequently” or “always” interchangeable with each other. In contrast, at least one importer for each comparison indicated that the CTL plate produced in those countries was only “sometimes” interchangeable.

In addition, producers and importers were asked to assess how often differences other than price were significant in sales of CTL plate from the United States, subject, or nonsubject countries. As seen in table II-7, nearly all U.S. producers indicated that there are either “sometimes” or “never” factors other than price between domestic and subject CTL plate. Only one of six or seven responding producers noted factors other than price being important when comparing subject countries to either other subject or nonsubject countries. Importers more often noted that non-price factors were “frequently” or “sometimes” a factor.

Table II-7
CTL plate: Significance of differences other than price between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
U.S. vs. subject countries:								
U.S. vs. Austria	0	0	4	5	4	3	6	1
U.S. vs. Belgium	0	0	4	4	3	2	5	2
U.S. vs. Brazil	1	0	4	5	1	3	8	2
U.S. vs. China	1	0	3	5	5	2	5	3
U.S. vs. France	0	0	3	4	0	4	6	1
U.S. vs. Germany	0	0	4	5	2	7	7	1
U.S. vs. Italy	0	0	4	5	3	2	7	1
U.S. vs. Japan	0	0	4	5	5	2	9	1
U.S. vs. Korea[1]	1	0	4	5	5	3	8	6
U.S. vs. South Africa	0	0	4	5	1	1	5	2
U.S. vs. Taiwan	0	0	2	5	3	3	7	2
U.S. vs. Turkey	1	0	4	5	2	3	7	3
Subject countries comparisons:								
Austria vs. Belgium	0	0	1	5	1	1	4	1
Austria vs. Brazil	0	0	1	6	1	1	5	1
Austria vs. China	0	0	1	6	2	2	3	1
Austria vs. France	0	0	1	5	0	2	4	1
Austria vs. Germany	0	0	1	6	1	2	6	1
Austria vs. Italy	0	0	1	6	1	1	5	0
Austria vs. Japan	0	0	1	6	1	2	4	1
Austria vs. Korea	0	0	1	6	2	1	4	2
Austria vs. South Africa	0	0	1	6	1	1	4	1
Austria vs. Taiwan	0	0	1	6	1	1	4	1
Austria vs. Turkey	0	0	1	6	1	1	4	1
Belgium vs. Brazil	0	0	1	5	1	2	3	1
Belgium vs. China	0	0	1	5	1	1	4	1
Belgium vs. France	0	0	1	5	0	1	4	1
Belgium vs. Germany	0	0	1	5	0	3	4	1
Belgium vs. Italy	0	0	1	5	1	1	4	1
Belgium vs. Japan	0	0	1	5	1	2	4	1
Belgium vs. Korea	0	0	1	5	2	1	4	2
Belgium vs. South Africa	0	0	1	5	1	1	4	2
Belgium vs. Taiwan	0	0	1	5	1	1	5	1
Belgium vs. Turkey	0	0	1	5	1	1	4	1

Table continued on next page.

Table II-7 -- Continued
CTL plate: Significance of differences other than price between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Brazil vs. China	0	0	1	6	1	1	4	1
Brazil vs. France	0	0	1	5	0	1	5	1
Brazil vs. Germany	0	0	1	6	0	2	6	1
Brazil vs. Italy	0	0	1	6	1	2	4	1
Brazil vs. Japan	0	0	1	6	1	2	4	1
Brazil vs. Korea	0	0	1	6	2	2	5	2
Brazil vs. South Africa	0	0	1	6	1	1	4	2
Brazil vs. Taiwan	0	0	1	6	1	2	4	2
Brazil vs. Turkey	0	0	1	6	1	2	4	1
China vs. France	0	0	1	5	0	2	3	1
China vs. Germany	0	0	1	6	1	3	4	1
China vs. Italy	0	0	1	6	1	1	4	1
China vs. Japan	0	0	1	6	1	3	5	0
China vs. Korea	0	0	1	6	3	2	3	1
China vs. South Africa	0	0	1	6	1	1	4	1
China vs. Taiwan	0	0	1	6	1	1	4	1
China vs. Turkey	0	0	1	6	1	1	4	1
France vs. Germany	0	0	1	5	0	3	6	1
France vs. Italy	0	0	1	5	1	1	4	1
France vs. Japan	0	0	1	5	1	2	4	1
France vs. Korea	0	0	1	5	2	3	3	1
France vs. South Africa	0	0	1	5	1	1	4	1
France vs. Taiwan	0	0	1	5	1	1	4	1
France vs. Turkey	0	0	1	5	1	1	4	1
Germany vs. Italy	0	0	1	6	1	1	6	1
Germany vs. Japan	0	0	1	6	1	2	5	1
Germany vs. Korea	0	0	1	6	2	2	6	2
Germany vs. South Africa	0	0	1	6	1	1	5	1
Germany vs. Taiwan	0	0	1	6	1	2	4	1
Germany vs. Turkey	0	0	1	6	1	1	5	1
Italy vs. Japan	0	0	1	6	1	2	4	1
Italy vs. Korea	0	0	1	6	2	2	5	1
Italy vs. South Africa	0	0	1	6	1	1	4	1
Italy vs. Taiwan	0	0	1	6	1	2	4	1
Italy vs. Turkey	0	0	1	6	1	2	4	1

Table continued on next page.

Table II-7 -- Continued
CTL plate: Significance of differences other than price between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Japan vs. Korea	0	0	1	6	2	2	4	2
Japan vs. South Africa	0	0	1	6	1	1	4	1
Japan vs. Taiwan	0	0	1	6	1	1	4	1
Japan vs. Turkey	0	0	1	6	1	2	3	1
Korea vs. South Africa	0	0	1	6	2	1	5	2
Korea vs. Taiwan	0	0	1	6	1	2	4	2
Korea vs. Turkey	0	0	1	6	1	2	4	2
South Africa vs. Taiwan	0	0	1	6	1	1	4	2
South Africa vs. Turkey	0	0	1	6	1	1	4	1
Taiwan vs. Turkey	0	0	1	6	1	3	5	1
Nonsubject country comparisons:								
United States vs. Canada	1	0	4	5	1	1	7	2
United States vs. Mexico	1	0	4	5	1	1	4	1
United States vs. Other	0	0	2	5	2	2	6	2
Austria vs. Canada	0	0	1	6	1	1	4	1
Austria vs. Mexico	0	0	1	6	1	1	4	3
Austria vs. Other	0	0	1	6	1	1	4	1
Belgium vs. Canada	0	0	1	5	1	1	4	1
Belgium vs. Mexico	0	0	1	5	1	1	4	1
Belgium vs. Other	0	0	1	5	1	1	4	2
Brazil vs. Canada	0	0	1	6	1	1	4	1
Brazil vs. Mexico	0	0	1	6	1	1	4	1
Brazil vs. Other	0	0	1	6	1	2	4	2
China vs. Canada	0	0	1	6	1	2	3	1
China vs. Mexico	0	0	1	6	1	1	4	1
China vs. Other	0	0	1	6	1	1	4	1
France vs. Canada	0	0	1	5	1	1	4	1
France vs. Mexico	0	0	1	5	1	1	4	1
France vs. Other	0	0	1	5	1	1	4	1
Germany vs. Canada	0	0	1	6	1	1	6	1
Germany vs. Mexico	0	0	1	6	1	1	5	1
Germany vs. Other	0	0	1	6	1	1	6	1
Italy vs. Canada	0	0	1	6	1	1	5	1
Italy vs. Mexico	0	0	1	6	1	1	4	1
Italy vs. Other	0	0	1	6	1	2	5	1

Table continued on next page.

Table II-7 -- Continued
CTL plate: Significance of differences other than price between CTL plate produced in the United States and in other countries, by country pair

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
Japan vs. Canada	0	0	1	6	1	1	4	1
Japan vs. Mexico	0	0	1	6	1	2	3	1
Japan vs. Other	0	0	1	6	1	1	4	1
Korea vs. Canada	0	0	1	6	1	1	6	1
Korea vs. Mexico	0	0	1	6	1	1	4	1
Korea vs. Other	0	0	1	6	1	1	5	1
South Africa vs. Canada	0	0	1	6	1	1	5	1
South Africa vs. Mexico	0	0	1	6	1	1	4	1
South Africa vs. Other	0	0	1	6	1	1	4	2
Taiwan vs. Canada	0	0	1	6	1	1	4	1
Taiwan vs. Mexico	0	0	1	6	1	1	5	0
Taiwan vs. Other	0	0	1	6	1	2	4	2
Turkey vs. Canada	0	0	1	6	1	1	6	1
Turkey vs. Mexico	0	0	1	6	1	1	4	1
Turkey vs. Other	0	0	1	6	1	2	5	3
Canada vs. Mexico	0	0	1	6	1	1	4	1
Canada vs. Other	0	0	1	6	1	1	5	2
Mexico vs. Other	0	0	1	6	1	1	4	2

[1] Comparisons with Korea reflect comparisons of subject product from POSCO in Korea.

Note.--A=Always, F=Frequently, S=Sometimes, N=Never.

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

PART III: U.S. PRODUCERS' PRODUCTION, SHIPMENTS, AND EMPLOYMENT

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidies and dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of 11 firms that accounted for a substantial majority of U.S. production of CTL plate during 2015. Data was requested from both steel mills and steel processors of CTL plate.

U.S. PRODUCERS

The Commission issued U.S. producer questionnaires to nine firms identified as steel mills and eight firms identified as steel processors of CTL plate.[1] Eleven firms (i.e., seven mills and four processors) provided useable data on their production operations.[2] Staff believes that these responses represent a substantial majority of U.S. production of CTL plate.

Table III-1 lists U.S. producers of CTL plate, their production locations, positions on the petition, and shares of total 2015 production.

[1] The nine mills identified are as follows: ArcelorMittal USA, Evraz NA, Gerdau Ameristeel US, Joy Global, JSW Steel USA ("JSW"), Nucor, Optima Specialty Steel Inc. ("Optima"), SSAB, and Universal. The eight firms identified as steel processors of CTL plate are as follows: American Steel/American Metals Corp. ("American"), Cargill, Feralloy, Friedman, Kloeckner, Lapham-Hickey, Reliance, and Ryerson.

[2] The Commission received nine completed questionnaires from *** with usable trade and financial data, one questionnaire with complete trade data but incomplete financial data from ***, and one questionnaire with primarily narrative responses from *** (included in this report). Two firms identified as steel mills (JSW and Optima) and two firms identified as steel processors (American and Feralloy) did not respond to the Commission's questionnaire. According to data published by ***, JSW accounted for *** percent of total U.S. reversing plate mill capacity in 2015, with an annual capacity of *** short tons. Optima is not included in CRU's listing of facilities having reversing plate mill capacity in the United States. ***. Although two firms identified by the petitioner as steel processors of CTL plate (i.e., ***) responded to the Commission's questionnaire indicating that they had not produced CTL plate at any time since January 1, 2013, these same two firms provided usable producer questionnaire responses in the recently completed CTL plate five-year reviews. *** reported 2014 production of *** short tons of CTL plate subject to those reviews, respectively. *** accounted for *** percent and *** percent of the 2014 total CTL plate production reported in these investigations, respectively. Responses to U.S. Producer Questionnaire by Lampham-Hickey and Reliance in *Investigation Nos. 731-TA-753, 754, and 756 (Third Review): Cut-to-Length Carbon Steel Plate from China, Russia, and Ukraine,* item II-7.

Table III-1

CTL plate: U.S. producers, their position on the petition, location of production, and share of reported production, 2015

Firm	Position on petition	Production location(s)	Share of production (percent)
American Steel	***	Oregon (Canby)	***
ArcelorMittal USA	Petitioner	Indiana (Burns Harbor, Gary[1]) North Carolina (Newton) Pennsylvania (Coatesville, Conshohocken, Steelton)	***
Cargill	***	Colorado (Fort Collins) Illinois (Granite City) Indiana (East Chicago) Tennessee (Loudon, Nashville) Texas (Houston)	***
Evraz NA	***	Delaware (Claymont) Oregon (Portland)	***
Ferralloy	***	Indiana (Portage)	***
Friedman	***	Arkansas (Hickman) Alabama (Decatur)	***
Gerdau Ameristeel	***	Georgia (Cartersville) Kentucky (Calvert City) Tennessee (Jackson)	***
Joy Global	***	Texas (Longview)	***
JSW Steel	***	Texas (Baytown)	***

Table continued on next page.

Table III-1 -- Continued

CTL plate: U.S. producers, their position on the petition, location of production, and share of reported production, 2015

Firm	Position on petition	Production location(s)	Share of production (percent)
Kloeckner	***	Alabama (Birmingham, Calvert) Arizona (Apache Junction, Tucson) Arkansas (Marion) California (City of Industry, Fontana, Los Angeles, Santa Fe Springs, Stockton, Tulare) Connecticut (Middletown) Delaware (New Castle) Florida (Jacksonville, Lakeland, Pompano Beach, Tampa) Georgia (Alpharetta, Suwanee) Hawaii (Kapolei) Illinois (Chicago) Indiana (Indianapolis) Iowa (Dubuque) Louisiana (New Orleans, Shreveport) New Hampshire (Nashua) North Carolina (Charlotte) Ohio (Cincinnati) Oklahoma (Catoosa, Tulsa) Pennsylvania (York) South Carolina (Charleston, Greenville) Tennessee (Memphis, Murfreesboro) Texas (Amarillo, Austin, Dallas, Houston) Virginia (Charlottesville) Washington (Tumwater)	***
Lapham-Hickey	***	Illinois (Chicago)	***
Nucor	Petitioner	Alabama (Tuscaloosa) North Carolina (Cofield)	***
Optima	***	Florida (Miami)	***
Reliance	***	California (Los Angeles)	***
Ryerson	***	Arkansas (Blytheville) California (Vernon) Kentucky (Shelbyville) Pennsylvania (Ambridge) Texas (Carrollton)	***
SSAB	Petitioner	Alabama (Axis) Iowa (Montpelier) Minnesota (Roseville) Texas (Houston)	***
Universal	***	Pennsylvania (Bridgeville)	***
Total			***

[1] ArcelorMittal USA's Gary, Indiana rolling mill was idled in 2008 and was permanently closed in May 2015.

Note.—Totals may not sum due to rounding.

Source: Compiled from data submitted in response to Commission questionnaires, the conference transcript, and information provided in the petition, vol. I, General Exhibits, exh. I-2.

Related firms

Table III-2 presents information on responding U.S. producers' ownership and related and/or affiliated firms. As shown, the following U.S. producers are related to foreign producers of CTL plate in the subject countries: ***. In addition, as discussed in greater detail below, two U.S. producers (***) reported direct imports of the subject merchandise and three U.S. producers (***) reported purchases of the subject merchandise from U.S. importers.

Table III-2
CTL plate: U.S. producers' ownership and related and/or affiliated firms

* * * * * * *

Tolling operations

Two of the responding U.S. mills reported that they have been involved in toll agreements regarding the production of CTL plate, however, neither of the two mills operate exclusively under toll agreements. ***.

Changes in operations

Table III-3 summarizes recent important events that have taken place in the United States since January 1, 2013. Specifically, eight domestic CTL plate producers reported in their questionnaire responses changes in their operations related to the production of CTL plate since January 1, 2013. Such changes are presented in table III-4.

Table III-3
CTL plate: Important industry events since January 1, 2013

Date		Company	Action
Month	Year		
February	2013	Kentucky Electric Steel[2]	Optima Specialty Steel purchased Kentucky Electric Steel.[3]
June		Nucor[1]	Production starts at a new 120,000 ton normalizing line which brings Hertford's value-added plate production capacity to 240,000 tons.[4]
October		Evraz[1]	Evraz North America announced the suspension of operations at its Claymont, Delaware facility, citing poor market conditions.[5]
June	2014	SSAB[1]	Announced feasibility study to expand melting and casting capabilities by up to 1.2 million tons above current melting capacity at its Montpelier, Iowa facility to be transferred as slab to SSAB's Mobile, Alabama facility for rolling and finishing.[6]
October		Cargill	Full operations began at Cargill's newly constructed service center in Windsor, Colorado.[7]
March	2015	Evraz[1]	The Claymont, Delaware plate mill was sold at auction on March 4-5, 2015.The mill has been idled since October 2013.[8]
May		ArcelorMittal[1]	After being idled in 2008, ArcelorMittal permanently closed its plate rolling operations in Gary, Indiana.[9]
September		Cargill	Announced plans to close its service center in Nashville, Tennessee in early 2016.[10]
January	2016	Nucor[1]	Nucor direct reduced iron facility resumes operations at the end of January 2016.[11]
April		ArcelorMittal[1]	ArcelorMittal reaches a tentative labor agreement with the United Steelworkers, retroactive to September 1, 2015.[12]

[1] A traditional plate producer.
[2] A flat bar producer.
[3] Optima Specialty Steel, Inc., "Optima Specialty Steel, Inc. to Acquire Kentucky Electric Steel," press release, February 5, 2013.
[4] American Metal Market, "Planned Expansions at Nucor Push Ahead," July 19, 2013
[5] American Metal Market, "Evraz to Idle Claymont Steel Plate Mill Within Two Months," October 14, 2013.
[6] SSAB, **"**SSAB is Looking to Expand its Facility in Montpelier, Iowa, U.S.," press release, June 19, 2014.
[7] WindsorNow! (newspaper), "Cargill's Windsor Facility Benefits Northern Colorado Community, Attracts New Companies," May 23, 2015.
[8] American Metal Market, "Evraz to Raze Claymont Steel Plate Mill," November 11, 2014; American Metal Market, Evraz's Plate Mill Auction Set," November 17, 2014; Myron Bowling Auctioneers, Inc., "Auctions: Evraz Claymont Steel, Inc." http://www.myronbowling.com/Auctions/Former-Evraz-Claymont-Steel-Inc-726C50.html?LayoutID=23. According to an industry source, the plate mill was sold.
[9] ArcelorMittal news release, "Testimony of Jeff Unruth: ITC hearing on cut-to-length carbon steel plate from China, Russia, and Ukraine," September 29, 2015, http://usa.arcelormittal.com/News-and-media/Announcements/2015/sep/testimony-of-jeff-unruh-itc-hearing-on-cut-to-length-carbon-steel-plate/; conference transcript, pp. 105-106 (Unruth).
[10] Metal Center News, "Cargill to Close Nashville Facility," September 30, 2015.
[11] American Recycler, "Nucor Steel Louisiana DRI Plant to Resume Operations," http://americanrecycler.com/8568759/index.php/news/metal-recycling/1558-nucor-steel-louisiana-dri-to-resume-operations.
[12] United Steelworkers News Release, "ArcelorMittal Bargaining Update #27: Highlights of the Tentative Agreement," http://www.usw.org/news/media-center/articles/2016/arcelormittal-bargaining-update-27.

Source: Various trade journals.

Table III-4
CTL plate: Reported changes in operations by U.S. producers

* * * * * * *

U.S. PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

CTL plate

U.S. producers' capacity, production, and capacity utilization data for CTL plate are presented in table III-5. Domestic producers' aggregate capacity and production fell from 2013 to 2015, as three U.S. producers reported plant closings and four U.S. producers reported prolonged shutdowns or curtailments (see table III-3). With the permanent closure of Evraz's Claymont facility in December 2013, aggregate capacity decreased by 4.5 percent (***) from 2013 to 2014. Capacity further decreased by 0.3 percent from 2014 to 2015, ***. Domestic production followed a somewhat different year-to-year trend, increasing by 5.6 percent from 2013 to 2014, before declining by 19.2 percent from 2014 to 2015. Nine of the 11 responding domestic producers reported declines in production from 2014 to 2015. The largest share of the decline (*** percent) was accounted for by the top three producers (ArcelorMittal USA, Nucor, and SSAB). Reported production was 14.6 percent lower in 2015 than reported in 2013. Capacity utilization likewise increased from 73.7 percent in 2013 to 81.6 percent in 2014 but fell to 66.2 percent in 2015.

Table III-5
CTL plate: U.S. producers' production, capacity, and capacity utilization, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Capacity[1]	10,103,928	9,638,374	9,610,714
Production	7,449,781	7,869,589	6,358,452
	Ratio (percent)		
Capacity utilization[2]	73.7	81.6	66.2

[1] Most responding domestic producers reported capacity based on operating 160-168 hours per week. ***. All responding producers reported capacity based on operating 50-52 weeks per year.
[2] Capacity, production, and capacity utilization is shown for both mills and processors combined. Capacity utilization for mills was *** percent in 2013, *** percent in 2014, and *** percent in 2015. Capacity utilization for processors was *** percent in 2013, *** percent in 2014, and *** percent in 2015.

Note.—ArcelorMittal USA did not include in its capacity data that of its Gary, Indiana facility. The Gary rolling mill was idled in 2008 and was permanently closed in May 2015. The heat treating facilities at the Gary mill continue to operate. Before its permanent closure, the Gary facility had an annual rolling capacity of *** short tons.

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

Alternative products

As shown in table III-6, the majority of product produced by U.S. producers is subject CTL plate, which accounted for 76.9 percent of total facility production of all products on the same machinery during 2015. Seven of the 11 responding firms reported data concerning production of alternative products on the same equipment or using the same employees as CTL plate. Production of out-of-scope items accounted for 23.1 percent of total plant production by CTL plate producers during 2015.

Table III-6
CTL plate: U.S. producers' overall plant capacity and production on the same equipment as subject production, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Overall capacity	12,853,709	12,353,709	12,353,709
Production:			
In-scope CTL plate	7,449,781	7,869,589	6,358,452
Out-of-scope production[1]	2,173,507	2,295,626	1,910,855
Total production on same machinery	9,623,288	10,165,215	8,269,307
	Ratios and shares (percent)		
Overall capacity utilization	74.9	82.3	66.9
Share of production:			
In-scope CTL plate	77.4	77.4	76.9
Out-of-scope production[1]	22.6	22.6	23.1
Total production on same machinery	100.0	100.0	100.0

[1] Out-of-scope production listed by responding producers include various billets and slabs (***), CTL sheet with thickness less than 4.75 mm (***), galvanized, cold-rolled, hot-rolled pickled and oiled (***), hot-rolled coil (***), steel in coils (***), sheets (***), and plate in coils (***).

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

U.S. PRODUCERS' U.S. SHIPMENTS AND EXPORTS

Table III-7 presents U.S. producers' U.S. shipments, export shipments, and total shipments. These data show that the quantity and value of U.S. producers' total shipments increased from 2013 to 2014, but declined in 2015 to a level below that reported in 2013. Similarly, average unit values increased from 2013 to 2014 but fell in 2015.

During 2015, 89.3 percent of domestic producers' total shipments of CTL plate were shipments to the U.S. market, *** of which were commercially shipped. In fact, internal consumption and company transfers accounted for *** percent of total domestic producers' shipments during 2015. The following four domestic producers reported internal consumption and/or domestic transfers to related companies: ***. Domestic producers' exports, which accounted for 10.7 percent of U.S. producers' total shipments during 2015, were reported by six responding domestic producers. All six producers identified Canada and Mexico as their primary export markets for CTL plate. *** were the largest exports, together accounting for *** percent of domestic producers' U.S. exports during 2015.

Table III-7
CTL plate: U.S. producers' U.S. shipments, export shipments, and total shipments, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
U.S. shipments	6,816,708	6,816,034	5,702,530
Export shipments	672,655	836,881	680,473
Total shipments	7,489,363	7,652,915	6,383,003
	Value (1,000 dollars)		
U.S. shipments	5,327,677	5,839,624	4,056,877
Export shipments	525,628	706,476	468,390
Total shipments	5,853,305	6,546,100	4,525,267
	Unit value (dollars per short ton)		
U.S. shipments	782	857	711
Export shipments	781	844	688
Total shipments	782	855	709
	Share of quantity (percent)		
U.S. shipments	91.0	89.1	89.3
Export shipments	9.0	10.9	10.7
Total shipments	100.0	100.0	100.0
	Share of value (percent)		
U.S. shipments	91.0	89.2	89.6
Export shipments	9.0	10.8	10.4
Total shipments	100.0	100.0	100.0

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

U.S. PRODUCERS' INVENTORIES

Table III-8 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 during 2013-15. Inventories increased by 40.8 percent during 2013-14, then declined by 3.3 percent in 2015. Inventories were equivalent to between 7.1 and 11.4 percent of U.S. producers' total shipments during 2013-15. All responding domestic producers, with the exception of ***, reported holding end-of-period inventories of CTL plate. Domestic producers *** accounted for the largest share of the increase in inventories, together holding *** percent of total domestic inventories by year-end 2015.

Table III-8
CTL plate: U.S. producers' inventories, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
U.S. producers' end-of-period inventories	531,114	747,787	723,236
	Ratio (percent)		
Ratio of inventories to.--			
U.S. production	7.1	9.5	11.4
U.S. shipments	7.8	11.0	12.7
Total shipments	7.1	9.8	11.3

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

U.S. PRODUCERS' IMPORTS AND PURCHASES

Four U.S. producers indicated in their responses to Commission questionnaires that they imported CTL plate since January 1, 2013; however, only three firms provided responses to the Commission's U.S. importer questionnaire. Two U.S. producers (***) reported direct imports of CTL plate from nonsubject sources, as well as imports of the subject merchandise from *** and one U.S. producer (***) reported direct imports of CTL plate from nonsubject countries. U.S. producer ***, which indicated in its narrative response to the U.S. producer questionnaire that it imported CTL plate, did not respond to the Commission's importer questionnaire. In addition, one U.S. producer (***) is related to U.S. importer Industeel USA LLC through a common corporate parent. Industeel USA reported direct imports of CTL plate from ***.

Three U.S. producers (***) reported domestic purchases of the subject merchandise from U.S. importers and two U.S. producers (***) reported purchases of CTL plate imported from nonsubject countries and purchases from other domestic producers.

U.S. producers' imports and purchases of CTL plate, as well as the direct imports of related U.S. importer ***, are presented in table III-9.

Table III-9
CTL plate: U.S. producers' U.S. production, imports, and purchases, 2013-15

* * * * * * *

U.S. EMPLOYMENT, WAGES, AND PRODUCTIVITY

At the preliminary conference, ArcelorMittal USA testified that as it saw demand conditions improving in early 2014, it added capacity and a second crew to one of its rolling mills in Burns Harbor, Indiana. However, it stated that as imports increased in late 2014, it took the second crew off and continued to see downsizing in 2015, especially in connection with the closure of its Gary, Indiana mill.[3] In addition, domestic producer SSAB testified that, although it did not enact worker layoffs directly, it reduced employee compensation based on production and shipments and reduced its workforce through attrition.[4] Domestic producer Nucor testified that it operates under a "no layoff" policy, but that its workers' salaries and bonuses were negatively impacted during the production downturn.[5]

U.S. producers' employment-related data as provided in response to Commission questionnaires are shown in table III-10. U.S. producers' employment measured by production and related workers increased by 4.5 percent from 2013 to 2014 but fell in 2015 to a level that was 0.8 percent (or 30 PRWs) lower than reported in 2013. Hours worked by production employees and wages paid followed the same trend, with *** accounting for the majority of the overall decline in hours worked and wages paid from 2013 to 2015. Domestic producers' reported productivity declined by 12.7 percent from 2013 to 2015, while unit labor costs increased by 11.5 percent over the same period.

Table III-10
CTL plate: U.S. producers' employment related data, 2013-15

Item	Calendar year		
	2013	2014	2015
Production and related workers (PRWs) (number)	3,919	4,097	3,889
Total hours worked (1,000 hours)	8,512	9,074	8,320
Hours worked per PRW (hours)	2,172	2,215	2,139
Wages paid ($1,000)	311,214	342,205	296,292
Hourly wages (dollars per hour)	$36.56	$37.71	$35.61
Productivity (short tons per 1,000 hours)	875.2	867.3	764.2
Unit labor costs (dollars per short ton)	$41.77	$43.48	$46.60

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

[3] Conference transcript, pp. 60-61 (Unruth and Insetta).
[4] Conference transcript, pp. 61-62 (Moskaluk).
[5] Conference transcript, pp. 62-63 (Whiteman and Price).

PART IV: U.S. IMPORTS, APPARENT U.S. CONSUMPTION, AND MARKET SHARES

U.S. IMPORTERS

The Commission issued importer questionnaires to 209 firms identified as possible importers of CTL plate, as well as to all U.S. producers of CTL plate.[1] Usable questionnaire responses were received from 66 companies that represented 86.6 percent of U.S. imports of CTL plate from all countries combined.[2] In light of the less-than-complete questionnaire coverage of data from several individual countries, import data in this report are based on official Commerce statistics for CTL plate.[3]

Data concerning subject imports from Korea presented throughout this report include all U.S. imports of CTL plate produced by POSCO and POSCO affiliates. In addition, subject imports include imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).[4]

---

[1] The Commission issued questionnaires to firms identified in the petition, along with firms that, based on a review of proprietary data provided by ***, were identified as the largest importers of CTL plate under the following HTS statistical reporting numbers since 2013: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1180, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000. These HTS statistical reporting numbers also were used to generate the import data presented in this report.

[2] The coverage estimate presented is based on official import statistics. Country-specific estimates appear in Part I of this report.

[3] Data concerning certain forms of CTL plate that were specifically excluded from the scope (and which are accounted for in the HTS numbers used in the compilation of the report) were collected separately in importer questionnaire responses. These reported import data on excluded forms (primarily from ***) accounted for 0.5 percent or less of total reported U.S. imports in each of the annual periods from 2013 to 2015.

[4] Antidumping and countervailing duty orders are currently in place on imports of certain cut-to-length carbon steel plate products from Korea. *Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-To-Length Carbon-Quality Steel Plate Products from Korea*, 64 FR 73196, December 29, 1999 (as amended, 65 FR 6585, February 10, 2000); *Final Affirmative Countervailing Duty Determination: Certain Cut-to-Length Carbon-Quality Steel Plate From the Republic of Korea*, 64 FR 73176, Dec. 29, 1999 (as amended, 65 FR 6587, February 10, 2000). The scope of these current antidumping and countervailing duty investigations with respect to CTL plate from Korea covers only (1) subject CTL plate not within the physical description of cut-to-length carbon quality steel plate in the 1999 orders, regardless of producer or exporter; and (2) CTL plate produced and/or exported by POSCO and its affiliates, which were excluded or revoked from the 1999 orders as of April 8, 2016. There is also an antidumping duty order currently in place on imports of certain cut-to-length carbon steel plate from China. *Suspension Agreement on Certain Cut-to-Length Carbon Steel Plate From the People's Republic of China; Termination of Suspension Agreement and Notice of Antidumping Duty Order*, 68 FR 60081, October 21, 2003 (as amended 76 FR 50996, 50996-97, August 17, 2011). Since there is no companion

(*continued*...)

Table IV-1 lists all responding U.S. importers of CTL plate, their locations, and their shares of reported 2015 imports.

Table IV-1
CTL plate: U.S. importers, their headquarters, and share of total imports by source, 2015

* * * * * * *

U.S. IMPORTS

U.S. imports from subject and nonsubject countries

Table IV-2 and figure IV-1 present data for U.S. imports of CTL plate. Subject imports of CTL plate increased by *** percent from 2013 to 2015. As a share of total imports, subject imports increased from *** percent in 2013 to *** percent in 2014, and to *** percent in 2015. The average unit values of subject imports, which were higher than those reported for nonsubject imports in 2013 and 2015, but not 2014, decreased by *** percent from 2013 to 2015.

Canada was the largest nonsubject source for U.S. imports of CTL plate, accounting for 11.2 percent of the quantity of total U.S. imports of CTL plate in 2015. U.S. imports from all nonsubject sources combined increased by *** percent from 2013 to 2014 but fell by *** percent from 2014 to 2015. The average unit values of all nonsubject imports combined decreased by *** percent from 2013 to 2015.

(…*continued*)
countervailing duty order in place on such imports from China, U.S. imports of CTL plate from China are presented as subject imports for purposes of the countervailing duty petition throughout this report.

Table IV-2
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
U.S. imports from.--			
Austria	50,292	52,031	13,305
Belgium	7,873	32,400	21,023
Brazil	22,152	137,460	44,833
China	29,429	47,992	72,239
France	92,858	116,295	228,220
Germany	138,540	73,146	247,875
Italy	46,508	97,326	59,455
Japan	48,962	77,333	78,523
Korea subject	***	***	***
South Africa	5,174	38,252	21,495
Taiwan	34,302	58,468	35,482
Turkey	20,079	116,494	23,253
Subject sources	***	***	***
Canada	178,573	187,079	168,549
Korea nonsubject	***	***	***
Mexico	55,966	83,862	49,512
All other sources	97,054	354,289	110,602
Nonsubject sources	***	***	***
Total U.S. imports	906,223	1,781,543	1,505,061

Table continued on next page.

Table IV-2 -- Continued
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Value (1,000 dollars)		
U.S. imports from.--			
Austria	53,016	51,434	15,353
Belgium	8,676	32,544	20,921
Brazil	14,890	95,565	27,754
China	50,470	64,801	74,601
France	97,082	120,120	189,067
Germany	132,899	100,308	206,629
Italy	34,207	71,988	40,484
Japan	52,127	65,592	61,114
Korea subject	***	***	***
South Africa	3,398	23,436	10,626
Taiwan	23,061	41,146	22,986
Turkey	12,432	73,789	13,408
Subjects sources	***	***	***
Canada	150,491	162,776	116,867
Korea nonsubject	***	***	***
Mexico	34,706	58,271	24,982
All other sources	95,956	301,008	99,014
Nonsubject sources	***	***	***
Total U.S. imports	816,395	1,482,475	1,153,073

Table continued on next page.

Table IV-2 -- Continued
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
U.S. imports from.--			
Austria	1,054	989	1,154
Belgium	1,102	1,004	995
Brazil	672	695	619
China	1,715	1,350	1,033
France	1,045	1,033	828
Germany	959	1,371	834
Italy	736	740	681
Japan	1,065	848	778
Korea subject	***	***	***
South Africa	657	613	494
Taiwan	672	704	648
Turkey	619	633	577
Subject sources	***	***	***
Canada	843	870	693
Korea nonsubject	***	***	***
Mexico	620	695	505
All other sources	989	850	895
Nonsubject sources	***	***	***
Total U.S. imports	901	832	766

Table continued on next page.

Table IV-2 -- Continued
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Share of quantity (percent)		
U.S. imports from.--			
Austria	5.5	2.9	0.9
Belgium	0.9	1.8	1.4
Brazil	2.4	7.7	3.0
China	3.2	2.7	4.8
France	10.2	6.5	15.2
Germany	15.3	4.1	16.5
Italy	5.1	5.5	4.0
Japan	5.4	4.3	5.2
Korea subject	***	***	***
South Africa	0.6	2.1	1.4
Taiwan	3.8	3.3	2.4
Turkey	2.2	6.5	1.5
Subject sources	***	***	***
Canada	19.7	10.5	11.2
Korea nonsubject	***	***	***
Mexico	6.2	4.7	3.3
All other sources	10.7	19.9	7.3
Nonsubject sources	***	***	***
Total U.S. imports	100.0	100.0	100.0

Table continued on next page.

Table IV-2 -- Continued
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Share of value (percent)		
U.S. imports from.--			
Austria	6.5	3.5	1.3
Belgium	1.1	2.2	1.8
Brazil	1.8	6.4	2.4
China	6.2	4.4	6.5
France	11.9	8.1	16.4
Germany	16.3	6.8	17.9
Italy	4.2	4.9	3.5
Japan	6.4	4.4	5.3
Korea subject	***	***	***
South Africa	0.4	1.6	0.9
Taiwan	2.8	2.8	2.0
Turkey	1.5	5.0	1.2
Subject sources	***	***	***
Canada	18.4	11.0	10.1
Korea nonsubject	***	***	***
Mexico	4.3	3.9	2.2
All other sources	11.8	20.3	8.6
Nonsubject sources	***	***	***
Total U.S. imports	100.0	100.0	100.0

Table continued on next page.

Table IV-2 -- Continued
CTL plate: U.S. imports, by source, 2013-15

Item	Calendar year		
	2013	2014	2015
	Ratio to U.S. production		
U.S. imports from.--			
Austria	0.7	0.7	0.2
Belgium	0.1	0.4	0.3
Brazil	0.3	1.7	0.7
China	0.4	0.6	1.1
France	1.2	1.5	3.6
Germany	1.9	0.9	3.9
Italy	0.6	1.2	0.9
Japan	0.7	1.0	1.2
Korea subject	***	***	***
South Africa	0.1	0.5	0.3
Taiwan	0.5	0.7	0.6
Turkey	0.3	1.5	0.4
Subject sources	***	***	***
Canada	2.4	2.4	2.7
Korea nonsubject	***	***	***
Mexico	0.8	1.1	0.8
All other sources	1.3	4.5	1.7
Nonsubject sources	***	***	***
Total U.S. imports	12.2	22.6	23.7

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as "Korea subject" plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).

Figure IV-1
CTL plate: U.S. import quantities and average unit values, 2013-15

* * * * * * *

Ratio of subject imports to U.S. production

The ratio of subject import quantity to U.S. production increased from *** percent in 2013 to *** percent in 2015 (table IV-2).

Historical U.S. imports

U.S. imports of CTL plate for the eight-year period from 2007 to 2015 are presented in table IV-3 and figure IV-2. Historically, official U.S. import statistics show that U.S. imports of CTL plate from all sources fell from 2007 to 2009 as the financial crisis and recession spread in the United States, and remained at low levels in 2010. Total U.S. imports recovered in 2011 and 2012, fell sharply in 2013, then resumed their growth in 2014. Imports of CTL plate from the 12 countries subject to these investigations followed the same general trend as total U.S. imports from all countries from 2007 to 2014. However, from 2014 to 2015, total U.S. imports and U.S. imports from nonsubject countries declined, whereas U.S. imports from the subject countries increased by approximately 20,000 short tons.

NEGLIGIBILITY

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.[5] Negligible imports are generally defined in the Tariff Act of 1930, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.[6] In the case of countervailing duty investigations involving developing countries, the negligibility limits are 4 percent and 9

[5] Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

[6] Section 771 (24) of the Act (19 U.S.C § 1677(24)).

Table IV-3

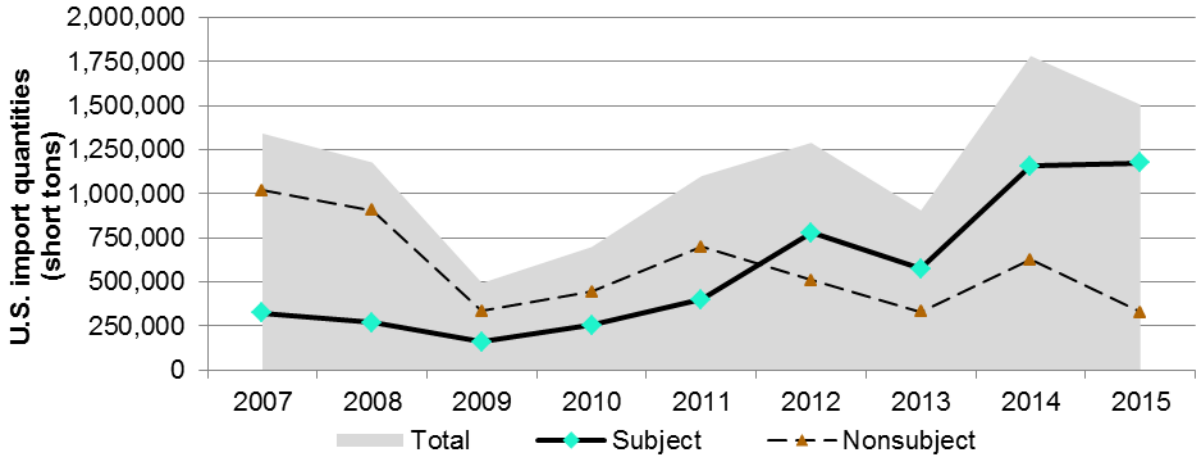
CTL plate: Historical U.S. imports, by source, 2007-15

Item	Calendar year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
U.S. imports from.--									
Austria	28,820	23,143	22,314	25,637	56,220	53,141	50,292	52,031	13,305
Belgium	25,422	14,182	8,094	4,996	4,632	9,308	7,873	32,400	21,023
Brazil	9,974	13,826	15,162	41,680	43,945	125,581	22,152	137,460	44,833
China	30,977	41,187	2,483	8,986	15,130	15,071	29,429	47,992	72,239
France	20,878	19,069	13,945	25,712	28,413	47,812	92,858	116,295	228,220
Germany	52,491	45,372	24,680	108,510	81,385	96,537	138,540	73,146	247,875
Italy	3,107	100	4,580	595	983	46,758	46,508	97,326	59,455
Japan	38,502	48,409	22,531	19,336	27,015	60,044	48,962	77,333	78,523
Korea	85,469	46,973	15,257	11,201	76,211	208,461	78,459	309,115	330,694
South Africa	24,807	13,904	10,805	7,759	19,017	16,631	5,174	38,252	21,495
Taiwan	790	4,012	2,129	201	11,986	38,634	34,302	58,468	35,482
Turkey	1,906	205	18,281	791	36,856	62,218	20,079	116,494	23,253
Subtotal, subject sources	323,145	270,381	160,262	255,404	401,793	780,196	574,630	1,156,313	1,176,398
Canada	360,297	381,406	196,364	246,773	274,590	245,129	178,573	187,079	168,549
All other sources	658,402	526,193	137,920	196,567	424,049	263,794	153,020	438,151	160,115
Subtotal, Nonsubject Sources	1,018,699	907,598	334,283	443,340	698,639	508,923	331,593	625,230	328,664
Total U.S. imports	1,341,844	1,177,980	494,545	698,745	1,100,432	1,289,119	906,223	1,781,543	1,505,061

Note.--Prior to 2007 some statistical reporting numbers for CTL plate did not exist. No adjustment has been made to separate imports of subject and nonsubject CTL plate from Korea.

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed May 5, 2016.

Figure IV-2
CTL plate: Historical U.S. import volumes, 2007-15



Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed May 5, 2016.

percent rather than 3 percent and 7 percent.[7] Although the petition in these investigations includes countervailing duty allegations on three countries (Brazil, China, and Korea), only Brazil has been designated as a developing country by the U.S. Trade Representative.

The quantity of U.S. imports in the twelve-month period preceding the filing of the petitions (April 2015 through March 2016) and the share of quantity of total U.S. imports for which each accounted are presented in table IV-4.

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

Table IV-4
CTL plate: U.S. imports in the twelve month period preceding the filing of the petition, by source, April 2015 through March 2016

Item	April 2015 through March 2016					
	Adjusted official U.S. imports[1]		Adjusted official U.S. imports excluding merchandise subject to related orders on Korea[2]		Adjusted official U.S. imports excluding merchandise subject to related orders on China and Korea[3]	
	Quantity (short tons)	Share of quantity (percent)	Quantity (short tons)	Share of quantity (percent)	Quantity (short tons)	Share of quantity (percent)
U.S. imports from.--						
Austria	13,110	1.0	13,110	1.0	13,110	1.0
Belgium	14,272	1.1	14,272	1.1	14,272	1.1
Brazil[4]	30,363	2.4	30,363	2.4	30,363	2.4
China	87,666	6.8	87,666	6.9	***	***
France	177,229	13.8	177,229	14.0	177,229	14.0
Germany	217,734	17.0	217,734	17.1	217,734	17.1
Italy	38,021	2.96	38,021	2.99	38,021	2.99
Japan	62,127	4.8	62,127	4.9	62,127	4.9
Korea subject	***	***	***	***	***	***
South Africa	19,375	1.5	19,375	1.5	19,375	1.5
Taiwan	20,032	1.6	20,032	1.6	20,032	1.6
Turkey	15,846	1.2	15,846	1.2	15,846	1.2
Subject sources[1]	***	***	***	***	***	***
of which individually negligible[4]	151,018	11.8	151,018	11.9	151,018	11.9
Canada	180,938	14.1	180,938	14.3	180,938	14.3
Korea nonsubject	***	***	***	***	***	***
All other sources	130,631	10.2	130,631	10.3	130,631	10.3
Nonsubject sources	***	***	***	***	***	***
Total U.S. imports	1,283,748	100.0	***	***	***	***

[1] The first calculation is based on the import dataset presented in Table IV-2, where imports from Korea subject to the related order are classified as nonsubject imports.
[2] The second calculation excludes imports from Korea subject to the related orders based on whether initial antidumping and/or countervailing duty deposits were gathered (see scope language).
[3] The third calculation excludes imports from China and Korea subject to the antidumping and/or countervailing duty orders based on whether initial antidumping and/or countervailing duty deposits were gathered (see scope language).
[4] Brazil is the only countervailing duty country that is individually negligible. As such the cumulated total share for individually negligible countervailing duty countries is Brazil's share.

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as "Korea subject" plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate). A similar, and further, modification covers imports from China subject to an existing antidumping duty (but not countervailing duty) order. Note proprietary Customs data are not yet available for the exact twelve month negligibility period so the adjustment for imports subject to the related orders is based on the most recently available data.

CUMULATION CONSIDERATIONS

In assessing whether imports should be cumulated, the Commission determines whether U.S. imports from the subject countries compete with each other and with the domestic like product and has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

Fungibility

As discussed in Part I of this report, respondents argue that X-70 should be a considered separate domestic like product from other CTL plate.[8] The petitioners, on the other hand, argue that the Commission should find that carbon and alloy CTL plate, including grade X-70, constitute a single domestic like product.[9]

Two U.S. producers (***) reported production and sales of X-70 CTL plate for U.S. consumption during 2015. Domestic producer ***. *** noted that, "***."

Three U.S. importers (***) reported U.S. imports of X-70 during 2015. *** reported U.S. imports of X-70 CTL plate from *** and *** reported U.S. imports of X-70 CTL plate from *** for internal consumption in the production of pipe. *** reported that its U.S. imports of X-70 CTL plate from *** were commercially shipped within the United States to *** for its internal consumption.

Table IV-5 presents data for U.S. producers' and U.S. importers' commercial U.S. shipments of X-70 and all other CTL plate during 2015. *** of U.S. shipments by U.S. producers and importers of CTL plate from Korea (POSCO) and Japan during 2015 was CTL plate other than X-70 or higher. However, approximately *** of total U.S. shipments of imports from France and Germany during 2015 was X-70 or higher CTL plate. No U.S. importers other than those that imported from France, Germany, Korea (POSCO), and Japan reported imports of X-70 or higher CTL plate during 2015.

Table IV-5

CTL plate: U.S. producers' shipments, by type, and U.S. importers' shipments by type and country, 2015

* * * * * * *

[8] Conference transcript, p. 20 (Horgan).

[9] Conference transcript, pp. 82-83 (Schagrin); and Nucor's postconference brief, p. 11.

Presence in the market

Table IV-6 presents monthly U.S. imports during 2013-15. These data show that imports of CTL plate were present in the U.S. market in every month during the period examined from January 2013 to December 2015 for every subject country except Brazil and South Africa. With respect to Brazil, imports were present in the U.S. market for 6 months in 2013, 11 months in 2014, and 12 months in 2015. With respect to South Africa, imports were present in the U.S. market for 7 months in 2013, 11 months in 2014, and 9 months in 2015.

Table IV-6

CTL plate: Monthly presence of U.S. imports, by source, January 2013 through December 2015

Item	Calendar year		
	2013	2014	2015
	Months present (number)		
U.S. imports from.--			
Austria	12	12	12
Belgium	12	12	12
Brazil	6	11	12
China	12	12	12
France	12	12	12
Germany	12	12	12
Italy	12	12	12
Japan	12	12	12
Korea subject	12	12	12
South Africa	7	11	9
Taiwan	12	12	12
Turkey	10	12	12
Subject sources	12	12	12
Canada	12	12	12
Korea nonsubject	7	4	12
Mexico	12	12	12
All other sources	12	12	12
Nonsubject sources	12	12	12
Total U.S. imports	12	12	12

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as "Korea subject" plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).

Geographical markets

According to Commission questionnaire responses, CTL plate production occurs throughout the United States and CTL plate is generally shipped nationwide, with the exceptions of geographic market areas served by U.S. importers from Italy, South Africa, and Turkey. With respect to these three subject countries, no U.S. importers responding to the Commission's questionnaire reporting serving the Mountains and Pacific Coast geographic U.S. market areas (see tables II-2 and III-1).

As illustrated in table IV-7, U.S. Customs districts located in the South[10] accounted for more than three-fourths of the imports of CTL plate from the subject countries during 2015, whereas U.S. Customs districts located in the East,[11] North,[12] and West[13] accounted for much smaller shares (12.7 percent, 3.0 percent, and 8.5 percent of imports from the subject countries, respectively).

[10] The "South" includes the following Customs entry districts: Dallas-Fort Worth, Texas; El Paso, Texas; Houston-Galveston, Texas; Laredo, Texas; Miami, Florida; Mobile, Alabama; New Orleans, Louisiana; and Tampa, Florida.

[11] The "East" includes the following Customs entry districts: Baltimore, Maryland; Boston, Massachusetts; Buffalo, New York; Charleston, South Carolina; Charlotte, North Carolina; New York, New York; Norfolk, Virginia; Ogdensburg, New York; Philadelphia, Pennsylvania; Portland, Maine; San Juan, Puerto Rico; Savannah, Georgia; St. Albans, Vermont; and Washington, District of Columbia.

[12] The "North" includes the following Customs entry districts: Chicago, Illinois; Cleveland, Ohio; Detroit, Michigan; Duluth, Minnesota; Great Falls, Montana; Milwaukee, Wisconsin; Minneapolis, Minnesota; and Pembina, North Dakota.

[13] The "West" includes the following Customs entry districts: Columbia-Snake, Oregon; Honolulu, Hawaii; Los Angeles, California; Nogales, Arizona; San Diego, California; San Francisco, California; and Seattle, Washington.

Table IV-7

CTL plate: U.S. imports, by source and border of entry, 2015

Source	Border of entry				
	East	North	South	West	Total
	Quantity (short tons)				
U.S. imports from.--					
Austria	3,252	516	9,513	24	13,305
Belgium	6,060	645	13,414	904	21,023
Brazil	6,819	0	38,014	0	44,833
China	6,139	3,684	44,473	17,944	72,239
France	10,797	7,245	209,867	311	228,220
Germany	21,074	8,431	215,817	2,554	247,875
Italy	5,215	4,239	50,000	0	59,455
Japan	2,655	165	53,606	22,097	78,523
Korea subject	***	***	***	***	***
South Africa	593	992	19,911	0	21,495
Taiwan	5,722	145	8,717	20,898	35,482
Turkey	3,166	8,210	11,877	0	23,253
Subject sources	***	***	***	***	***
Canada	42,457	125,889	0	203	168,549
Korea nonsubject	***	***	***	***	***
Mexico	1,194	39	48,109	170	49,512
All other sources	15,768	25,767	65,364	3,703	110,602
Nonsubject sources	***	***	***	***	***
Total U.S. imports	206,535	185,975	995,156	117,395	1,505,061
	Share of border of entry by source (percent across)				
U.S. imports from.--					
Austria	24.4	3.9	71.5	0.2	100.0
Belgium	28.8	3.1	63.8	4.3	100.0
Brazil	15.2	0.0	84.8	0.0	100.0
China	8.5	5.1	61.6	24.8	100.0
France	4.7	3.2	92.0	0.1	100.0
Germany	8.5	3.4	87.1	1.0	100.0
Italy	8.8	7.1	84.1	0.0	100.0
Japan	3.4	0.2	68.3	28.1	100.0
Korea subject	***	***	***	***	***
South Africa	2.8	4.6	92.6	0.0	100.0
Taiwan	16.1	0.4	24.6	58.9	100.0
Turkey	13.6	35.3	51.1	0.0	100.0
Subject sources	***	***	***	***	***
Canada	25.2	74.7	0.0	0.1	100.0
Korea nonsubject	***	***	***	***	***
Mexico	2.4	0.1	97.2	0.3	100.0
All other sources	14.3	23.3	59.1	3.3	100.0
Nonsubject sources	***	***	***	***	***
Total U.S. imports	13.7	12.4	66.1	7.8	100.0

Table continued on next page.

Table IV-7 -- Continued

CTL plate: U.S. imports, by source and border of entry, 2015

Source	Border of entry				
	East	North	South	West	Total
	Share of source by border of entry (percent down)				
U.S. imports from.--					
Austria	1.6	0.3	1.0	0.0	0.9
Belgium	2.9	0.3	1.3	0.8	1.4
Brazil	3.3	0.0	3.8	0.0	3.0
China	3.0	2.0	4.5	15.3	4.8
France	5.2	3.9	21.1	0.3	15.2
Germany	10.2	4.5	21.7	2.2	16.5
Italy	2.5	2.3	5.0	0.0	4.0
Japan	1.3	0.1	5.4	18.8	5.2
Korea subject	***	***	***	***	***
South Africa	0.3	0.5	2.0	0.0	1.4
Taiwan	2.8	0.1	0.9	17.8	2.4
Turkey	1.5	4.4	1.2	0.0	1.5
Subject sources	***	***	***	***	***
Canada	20.6	67.7	0.0	0.2	11.2
Korea nonsubject	***	***	***	***	***
Mexico	0.6	0.0	4.8	0.1	3.3
All other sources	7.6	13.9	6.6	3.2	7.3
Nonsubject sources	***	***	***	***	***
Total U.S. imports	100.0	100.0	100.0	100.0	100.0

Note.—In 2015, the three highest-volume ports of entry for each of the subject import sources were as follows:

- Austria: Houston-Galveston, TX; Philadelphia, PA; and Baltimore, MD.
- Belgium: Houston-Galveston, TX; Philadelphia, PA; and Savannah, GA.
- Brazil: New Orleans, LA; Houston-Galveston, TX; and Boston, MA.
- China: New Orleans, LA; Houston-Galveston, TX; and Los Angeles, CA.
- France: Tampa, FL; Houston-Galveston, TX; and Philadelphia, PA.
- Germany: Tampa, FL; Houston-Galveston, TX; and Philadelphia, PA.
- Italy: New Orleans, LA; Houston-Galveston, TX; and Philadelphia, PA.
- Japan: Houston-Galveston, TX; New Orleans, LA; and Los Angeles, CA.
- Korea subject: Houston-Galveston, TX; New Orleans, LA; and Mobile, AL.
- South Africa: Houston-Galveston, TX; New Orleans, LA; and Detroit, MI.
- Taiwan: Columbia-Snake, OR; Los Angeles, CA; and Houston-Galveston, TX.
- Turkey: New Orleans, LA; Detroit, MI; and Houston-Galveston, TX.

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as “Korea subject” plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).

APPARENT U.S. CONSUMPTION

Table IV-8 presents data on apparent U.S. consumption of CTL plate. These data show that apparent U.S. consumption in terms of quantity increased by 11.3 percent from 2013 to 2014 but fell by 16.2 percent from 2014 to 2015. Apparent U.S. consumption was 6.7 percent lower in 2015 than was reported for 2013. Similar trends were reported for apparent U.S. consumption of CTL plate in terms of value.

Table IV-8
CTL plate: Apparent U.S. consumption, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
U.S. producers' U.S. shipments	6,816,708	6,816,034	5,702,530
U.S. imports from.--			
Austria	50,292	52,031	13,305
Belgium	7,873	32,400	21,023
Brazil	22,152	137,460	44,833
China	29,429	47,992	72,239
France	92,858	116,295	228,220
Germany	138,540	73,146	247,875
Italy	46,508	97,326	59,455
Japan	48,962	77,333	78,523
Korea subject	***	***	***
South Africa	5,174	38,252	21,495
Taiwan	34,302	58,468	35,482
Turkey	20,079	116,494	23,253
Subject sources	***	***	***
Canada	178,573	187,079	168,549
Korea nonsubject	***	***	***
Mexico	55,966	83,862	49,512
All other sources	97,054	354,289	110,602
Nonsubject sources	***	***	***
Total U.S. imports	906,223	1,781,543	1,505,061
Apparent U.S. consumption	7,722,931	8,597,577	7,207,591

Table continued on next page.

Table IV-8 -- Continued
CTL plate: Apparent U.S. consumption, 2013-15

Item	Calendar year		
	2013	2014	2015
	Value (1,000 dollars)		
U.S. producers' U.S. shipments	5,327,677	5,839,624	4,056,877
U.S. imports from.--			
Austria	53,016	51,434	15,353
Belgium	8,676	32,544	20,921
Brazil	14,890	95,565	27,754
China	50,470	64,801	74,601
France	97,082	120,120	189,067
Germany	132,899	100,308	206,629
Italy	34,207	71,988	40,484
Japan	52,127	65,592	61,114
Korea subject	***	***	***
South Africa	3,398	23,436	10,626
Taiwan	23,061	41,146	22,986
Turkey	12,432	73,789	13,408
Subject sources	***	***	***
Canada	150,491	162,776	116,867
Korea nonsubject	***	***	***
Mexico	34,706	58,271	24,982
All other sources	95,956	301,008	99,014
Nonsubject sources	***	***	***
Total U.S. imports	816,395	1,482,475	1,153,073
Apparent U.S. consumption	6,144,072	7,322,099	5,209,950

Source: Official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as “Korea subject” plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).

U.S. MARKET SHARES

U.S. market share data for CTL plate are presented in table IV-9. These data show that the U.S. producers' market share declined in terms of quantity by 9.1 percentage points from 2013 to 2015 and that the market share held by the subject sources combined increased by 8.7 percentage points during the same period. Although the subject countries combined gained market share, Austria consistently lost market share from 0.7 percent of the market in 2013 to 0.2 percent of the market in 2015.

Table IV-9
CTL plate: Market shares, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Apparent U.S. consumption	7,722,931	8,597,577	7,207,591
	Share of quantity (percent)		
U.S. producers' U.S. shipments	88.3	79.3	79.1
U.S. imports from.--			
Austria	0.7	0.6	0.2
Belgium	0.1	0.4	0.3
Brazil	0.3	1.6	0.6
China	0.4	0.6	1.0
France	1.2	1.4	3.2
Germany	1.8	0.9	3.4
Italy	0.6	1.1	0.8
Japan	0.6	0.9	1.1
Korea subject	***	***	***
South Africa	0.1	0.4	0.3
Taiwan	0.4	0.7	0.5
Turkey	0.3	1.4	0.3
Subject sources	***	***	***
Canada	2.3	2.2	2.3
Korea nonsubject	***	***	***
Mexico	0.7	1.0	0.7
All other sources	1.3	4.1	1.5
Nonsubject sources	***	***	***
Total U.S. imports	11.7	20.7	20.9

Table continued on next page.

Table IV-9 -- Continued
CTL plate: Market shares, 2013-15

Item	Calendar year		
	2013	2014	2015
	Value (1,000 dollars)		
Apparent U.S. consumption	6,144,072	7,322,099	5,209,950
	Share of value (percent)		
U.S. producers' U.S. shipments	86.7	79.8	77.9
U.S. imports from.--			
Austria	0.9	0.7	0.3
Belgium	0.1	0.4	0.4
Brazil	0.2	1.3	0.5
China	0.8	0.9	1.4
France	1.6	1.6	3.6
Germany	2.2	1.4	4.0
Italy	0.6	1.0	0.8
Japan	0.8	0.9	1.2
Korea subject	***	***	***
South Africa	0.1	0.3	0.2
Taiwan	0.4	0.6	0.4
Turkey	0.2	1.0	0.3
Subject sources	***	***	***
Canada	2.4	2.2	2.2
Korea nonsubject	***	***	***
Mexico	0.6	0.8	0.5
All other sources	1.6	4.1	1.9
Nonsubject sources	***	***	***
Total U.S. imports	13.3	20.2	22.1

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics using HTS statistical reporting numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1115, 7225.40.1180, 7225.40.1190, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000, accessed April 26, 2016 with modification based on proprietary Customs records for the same HTS numbers to identify as “Korea subject” plate produced by POSCO and POSCO affiliates, as well as imports from Korea produced/exported by non-POSCO entities, provided such imports were not subject to the existing antidumping and countervailing duty orders (e.g., alloy steel plate).

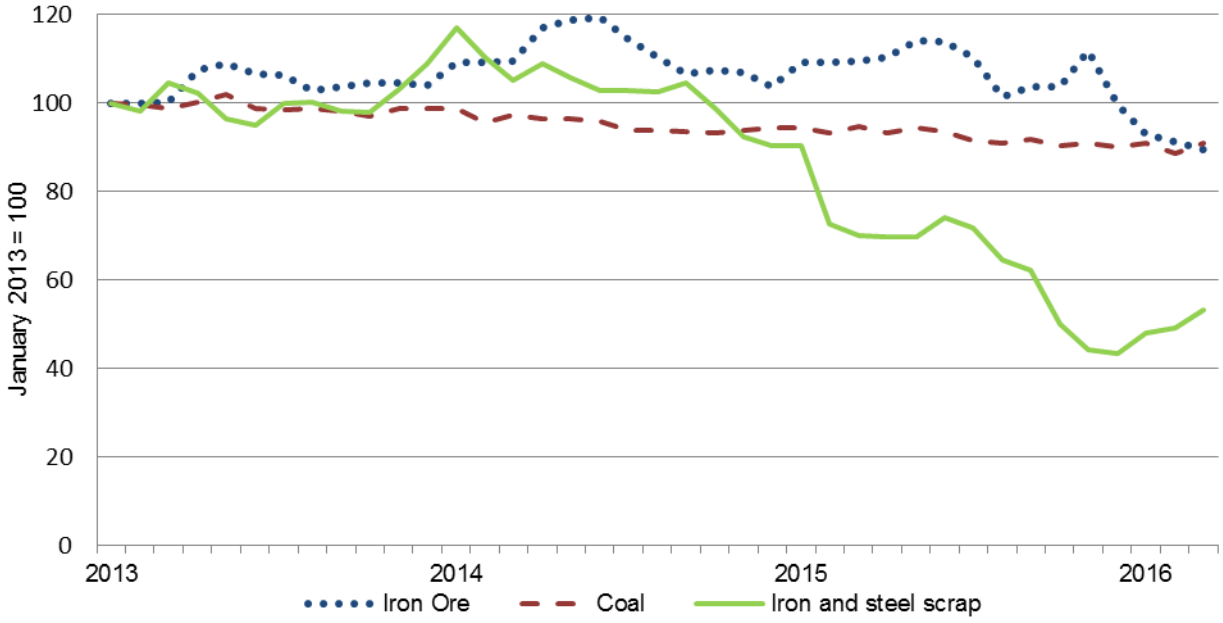
PART V: PRICING DATA

FACTORS AFFECTING PRICES

Raw material costs

Raw materials constitute a substantial portion of the final costs of CTL plate. The primary raw materials used to produce CTL plate include iron ore, coal, and iron and steel scrap. Prices for these raw materials fluctuated but decreased overall during January 2013-December 2015. Prices for iron ore, coal, and iron and steel scrap decreased by 0.4 percent, 9.9 percent, and 56.6 percent, respectively, between January 2013 and December 2015 (figure V-1). U.S. producers' raw material costs as a share of the cost of goods sold ("COGS") decreased from 62.1 percent in 2013 to 57.0 percent in 2015.

Figure V-1
Raw material costs: Producer price indexes of iron ore, coal, and iron and steel scrap in the United States, monthly, January 2013-March 2016



***Source*: U.S. Bureau of Labor Statistics, May 9, 2016.**

All 11 producers and 53 of 57 importers reported that raw material prices had either fluctuated or decreased since January 2013. Four U.S. producers reported that raw material prices decreased while seven reported that raw material prices had fluctuated.[1] Similarly, 32 of 57 responding importers reported that raw material prices had decreased and 21 reported that they had fluctuated. Two U.S. producers reported that raw material pricing increased from 2013 to 2014 but then decreased through December 2015. *** reported, however, that scrap pricing has recently increased. Importer *** stated that "{i}ron ore, coking coal and steel scrap prices have fallen as demand for these materials to produce CTL steel has fallen" echoing a statement made by petitioners at the staff conference.[2] Several importers, however, noted that the reduction in the price of iron ore, coal, or other raw materials have decreased the price of CTL plate. Prices of alloying materials have also reported decreased.[3] Importer *** stated that "{r}aw material alloy surcharges have decreased by 21.7 percent to 46.9 percent for CTL Plate products, between 2013 and 2015."

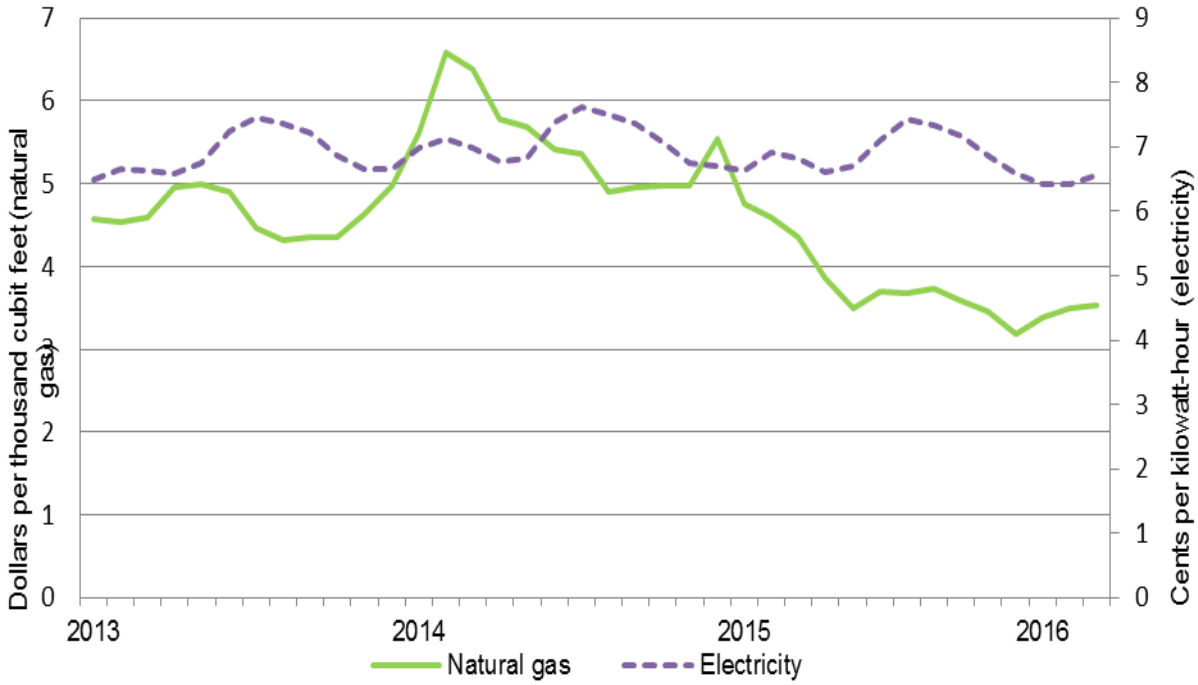
Energy costs are another important factor in CTL plate production. Electricity prices fluctuated slightly from January 2013 to December 2015, but decreased overall by 1.2 percent (figure V-2). Natural gas prices increased from 2013 until early 2014 and then declined, showing an overall decrease of 26.2 percent between January 2013 and December 2015.

[1] In April 2015, during U.S. producer Nucor's quarterly earnings conference call, it was noted by the firm's president and CEO that their St. James Parish facility – which produces direct-reduced iron ("DRI") – produced 1.3 million tons of DRI during the previous year, and that this was a "meaningful factor supporting February {2015}'s dramatic downward adjustment of more than $100 per ton in scrap pricing." Nucor Corporation's Q1 2015 Earnings conference call transcript, available at http://s.t.st/media/xtranscript/2015/Q2/13125011.pdf.

[2] Staff conference transcript, p. 96 (Skagen) and p. 197 (Mendoza).

[3] Staff conference transcript, p. 198 (AuBochon).

Figure V-2
Industrial natural gas and electricity: Monthly prices, January 2013-March 2016



Source: Short Term Energy Outlook, Energy Information Administration, www.eia.gov, May 9, 2016.

U.S. inland transportation costs

Eight of 11 U.S. producers and about half (28 of 54) of responding importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 2 to 10 percent of the total delivered cost. Similarly, most importers (24 of 29) reported inland transportation costs of 1 to 10 percent, with 36 of 53 shipping from the point of importation. U.S. producers' CTL plate typically is shipped a longer distance. On a weighted-average basis, 75.7 percent of U.S. shipments were transported between 101 and 1,000 miles from the production facility, compared with 55.9 percent of imports which were shipped less than 100 miles from their point of importation or storage warehouse.

PRICING PRACTICES

Pricing methods

As presented in table V-1, all U.S. producers and a large majority of importers sell CTL plate on a transaction-by-transaction basis. More than half of the U.S. producers also sell via contract, whereas less than one-quarter of importers do. A few producers and importers use

set price lists or some other method of price setting, such as referencing competing import or market prices, or using short-term back-to-back contracts.

Table V-1
CTL plate: U.S. producers' and importers' reported price setting methods, by number of responding firms[1]

Method	U.S. producers	Importers
Transaction-by-transaction	11	53
Contract	6	16
Set price list	3	3
Other	1	3

[1] 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.

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

U.S. producers reported selling slightly more than half of their product in the spot market whereas importers reported selling the vast majority of their product in the spot market (table V-2). A majority of U.S. producers' short-term and long-term contracts allow for price renegotiation, but do not contain meet-or-release provisions. Short-term contracts typically fix both price and quantity, whereas *** long-term contracts fixes only quantity, and *** fixes both price and quantity.

Table V-2
CTL plate: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2015

Type of sale	U.S. producers	Importers
Long-term contracts	24.6	0.0
Annual contracts	1.9	3.6
Short-term contracts	22.2	25.1
Spot sales	51.3	71.2
Total	100.0	100.0

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

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

Sales terms and discounts

Most U.S. producers typically quote prices on an f.o.b. basis whereas importers are nearly evenly split between quoting prices on an f.o.b. or delivered basis. The majority of U.S. producers (9 of 11) and importers (52 of 59) do not offer discounts. Of those producers that offer discounts, two offer quantity discounts, two offer total volume discounts, one offers a "foreign fighter" discount, and one offers rebates based on annual volume. Among importers, four offer quantity discounts, four offer total volume discounts, three offer early payment discounts, and one offers an annual volume rebate. The majority of producers and importers reported sales terms of net 30 days. In addition, four producers offer terms of net 30 days but offer a ½ percent discount for payment within 10 days.

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following CTL plate products shipped to unrelated U.S. customers during 2013-15 and purchase costs for one product from select countries:

Product 1.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 96" in width, 0.250" thick.

Product 2.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 96" in width, 0.3125" thick.

Product 3.-- Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.375" through 3.00" in thickness.

Product 4.-- Hot-rolled CTL carbon steel plate, high strength low alloy (HSLA), ASTM A-572, Grade 50, mill edge, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.5" through 1.5" in thickness.

Product 5.-- Hot-rolled CTL carbon steel plate, API X-70 or equivalent as rolled, mill or cut edge, not heat treated, not cleaned or oiled, in cut lengths, 72" through 152" in width, 0.375" through 1.0" thick.

Seven U.S. producers and 25 importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products, quarters, or countries.[4] Pricing data reported by these firms accounted for approximately 34.7 percent of U.S. producers' shipments of product and subject imports from Belgium (10.1 percent), Brazil (37.6 percent), China (less than ½ of 0.1 percent), France (71.9 percent), Germany (83.3 percent), Italy (50.7 percent), Japan (41.8 percent), Korea (62.2 percent), South Africa (20.1 percent), Taiwan (20.8 percent), and Turkey (80.2 percent) in 2015.[5] No quarterly pricing data was submitted by any importer for CTL plate imported and resold from Austria.[6]

Price data for products 1-5 are presented in tables V-3 to V-7 and figures V-3 to V-7. Nonsubject country prices are presented in Appendix D.

Additionally, table V-7 presents purchase cost data for product 5 from France, Germany, and Korea, and used internally by pipe manufacturers ***. These purchases accounted for more than *** percent of subject imports of product 5 during 2013-15. ***.[7]

[4] 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.

[5] These shares include data for product 5 which were imported and internally consumed.

[6] These data do not include the quantities of product 5 from France, Germany, and Korea that were imported and internally consumed.

[7] ***.

Table V-3
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 1[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Belgium			Brazil		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$715.17	56,547	--	0	--	--	0	--
Apr.-June	714.73	60,735	--	0	--	$***	***	***
July-Sept.	707.23	56,419	--	0	--	--	0	--
Oct.-Dec.	718.92	63,078	--	0	--	***	***	***
2014:								
Jan.-Mar.	763.94	55,040	--	0	--	***	***	***
Apr.-June	789.73	56,308	--	0	--	***	***	***
July-Sept.	813.48	56,131	--	0	--	***	***	***
Oct.-Dec.	804.25	51,954	$***	***	***	***	***	***
2015:								
Jan.-Mar.	712.94	45,618	***	***	***	***	***	***
Apr.-June	631.95	44,295	--	0	--	***	***	***
July-Sept.	647.88	47,092	--	0	--	--	0	--
Oct.-Dec.	588.17	43,335	--	0	--	***	***	***

Period	United States		Japan			Korea (POSCO)		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$715.17	56,547	$***	***	***	$***	***	***
Apr.-June	714.73	60,735	--	0	--	***	***	***
July-Sept.	707.23	56,419	--	0	--	***	***	***
Oct.-Dec.	718.92	63,078	--	0	--	***	***	***
2014:								
Jan.-Mar.	763.94	55,040	--	0	--	***	***	***
Apr.-June	789.73	56,308	--	0	--	***	***	***
July-Sept.	813.48	56,131	***	***	***	***	***	***
Oct.-Dec.	804.25	51,954	***	***	***	***	***	***
2015:								
Jan.-Mar.	712.94	45,618	***	***	***	***	***	***
Apr.-June	631.95	44,295	***	***	***	***	***	***
July-Sept.	647.88	47,092	***	***	***	***	***	***
Oct.-Dec.	588.17	43,335	--	0	--	***	***	***

Table continued on next page.

Table V-3 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 1[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		South Africa			Taiwan		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$715.17	56,547	--	0	--	$***	***	***
Apr.-June	714.73	60,735	--	0	--	***	***	***
July-Sept.	707.23	56,419	--	0	--	***	***	***
Oct.-Dec.	718.92	63,078	$***	***	***	***	***	***
2014:								
Jan.-Mar.	763.94	55,040	***	***	***	***	***	***
Apr.-June	789.73	56,308	***	***	***	***	***	***
July-Sept.	813.48	56,131	--	0	--	***	***	***
Oct.-Dec.	804.25	51,954	***	***	***	***	***	***
2015:								
Jan.-Mar.	712.94	45,618	--	0	--	***	***	***
Apr.-June	631.95	44,295	--	0	--	***	***	***
July-Sept.	647.88	47,092	--	0	--	--	0	--
Oct.-Dec.	588.17	43,335	--	0	--	***	***	***

[1] Product 1: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 96” in width, 0.250” thick.

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

Table V-4
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 2[1] and margins of underselling/(overselling), by quarters, 2013-15

	United States		Brazil			Japan		
Period	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$711.27	21,141	--	0	--	--	0	--
Apr.-June	714.22	22,424	$***	***	***	--	0	--
July-Sept.	694.26	24,975	--	0	--	--	0	--
Oct.-Dec.	709.84	19,632	***	***	***	--	0	--
2014:								
Jan.-Mar.	759.86	18,474	***	***	***	--	0	--
Apr.-June	772.14	18,970	***	***	***	--	0	--
July-Sept.	791.91	21,058	***	***	***	$***	***	***
Oct.-Dec.	794.45	19,385	***	***	***	--	0	--
2015:								
Jan.-Mar.	726.59	19,451	--	0	--	***	***	***
Apr.-June	622.02	21,998	--	0	--	***	***	***
July-Sept.	588.39	16,510	--	0	--	***	***	***
Oct.-Dec.	530.93	17,412	--	0	--	--	0	--

	United States		Korea (POSCO)			South Africa		
Period	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$711.27	21,141	--	0	--	--	0	--
Apr.-June	714.22	22,424	$***	***	***	--	0	--
July-Sept.	694.26	24,975	--	0	--	--	0	--
Oct.-Dec.	709.84	19,632	--	0	--	--	0	--
2014:								
Jan.-Mar.	759.86	18,474	--	0	--	$***	***	***
Apr.-June	772.14	18,970	***	***	***	***	***	***
July-Sept.	791.91	21,058	***	***	***	--	0	--
Oct.-Dec.	794.45	19,385	***	***	***	***	***	***
2015:								
Jan.-Mar.	726.59	19,451	***	***	***	--	0	--
Apr.-June	622.02	21,998	***	***	***	--	0	--
July-Sept.	588.39	16,510	***	***	***	--	0	--
Oct.-Dec.	530.93	17,412	***	***	***	--	0	--

Table continued on next page.

Table V-4 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 2[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Taiwan			Turkey		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$711.27	21,141	$***	***	***	--	0	--
Apr.-June	714.22	22,424	***	***	***	--	0	--
July-Sept.	694.26	24,975	--	0	--	--	0	--
Oct.-Dec.	709.84	19,632	***	***	***	--	0	--
2014:								
Jan.-Mar.	759.86	18,474	--	0	--	--	0	--
Apr.-June	772.14	18,970	***	***	***	--	0	--
July-Sept.	791.91	21,058	***	***	***	$***	***	***
Oct.-Dec.	794.45	19,385	***	***	***	***	***	***
2015:								
Jan.-Mar.	726.59	19,451	***	***	***	***	***	***
Apr.-June	622.02	21,998	***	***	***	***	***	***
July-Sept.	588.39	16,510	--	0	--	--	0	--
Oct.-Dec.	530.93	17,412	--	0	--	--	0	--

[1] Product 2: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 96” in width, 0.3125” thick.

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

Table V-5
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Belgium			Brazil		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$677.65	352,802	--	0	--	$***	***	***
Apr.-June	695.00	353,504	--	0	--	***	***	***
July-Sept.	675.44	349,661	--	0	--	***	***	***
Oct.-Dec.	673.80	355,113	--	0	--	***	***	***
2014:								
Jan.-Mar.	735.21	331,294	--	0	--	***	***	***
Apr.-June	764.18	341,240	--	0	--	***	***	***
July-Sept.	789.17	370,055	$***	***	***	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***	***	***
2015:								
Jan.-Mar.	706.00	262,411	***	***	***	***	***	***
Apr.-June	597.76	289,388	***	***	***	***	***	***
July-Sept.	549.61	268,375	--	0	--	***	***	***
Oct.-Dec.	475.81	253,568	--	0	--	***	***	***

Period	United States		China			France		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$677.65	352,802	--	0	--	$***	***	***
Apr.-June	695.00	353,504	$***	***	***	--	0	--
July-Sept.	675.44	349,661	--	0	--	--	0	--
Oct.-Dec.	673.80	355,113	--	0	--	--	0	--
2014:								
Jan.-Mar.	735.21	331,294	--	0	--	--	0	--
Apr.-June	764.18	341,240	--	0	--	***	***	***
July-Sept.	789.17	370,055	--	0	--	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***	***	***
2015:								
Jan.-Mar.	706.00	262,411	--	0	--	--	0	--
Apr.-June	597.76	289,388	--	0	--	--	0	--
July-Sept.	549.61	268,375	--	0	--	--	0	--
Oct.-Dec.	475.81	253,568	--	0	--	--	0	--

Table continued on next page.

Table V-5 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Italy			Japan		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$677.65	352,802	$***	***	***	$***	***	***
Apr.-June	695.00	353,504	***	***	***	--	0	--
July-Sept.	675.44	349,661	***	***	***	--	0	--
Oct.-Dec.	673.80	355,113	***	***	***	--	0	--
2014:								
Jan.-Mar.	735.21	331,294	***	***	***	--	0	--
Apr.-June	764.18	341,240	***	***	***	--	0	--
July-Sept.	789.17	370,055	***	***	***	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***	***	***
2015:								
Jan.-Mar.	706.00	262,411	***	***	***	***	***	***
Apr.-June	597.76	289,388	***	***	***	***	***	***
July-Sept.	549.61	268,375	***	***	***	***	***	***
Oct.-Dec.	475.81	253,568	***	***	***	***	***	***

Period	United States		Korea (POSCO)			South Africa		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$677.65	352,802	$***	***	***	--	0	--
Apr.-June	695.00	353,504	***	***	***	--	0	--
July-Sept.	675.44	349,661	***	***	***	--	0	--
Oct.-Dec.	673.80	355,113	***	***	***	$***	***	***
2014:								
Jan.-Mar.	735.21	331,294	***	***	***	***	***	***
Apr.-June	764.18	341,240	***	***	***	***	***	***
July-Sept.	789.17	370,055	***	***	***	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***	***	***
2015:								
Jan.-Mar.	706.00	262,411	***	***	***	--	0	--
Apr.-June	597.76	289,388	***	***	***	***	***	***
July-Sept.	549.61	268,375	***	***	***	***	***	***
Oct.-Dec.	475.81	253,568	***	***	***	***	***	***

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Table V-5 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Taiwan			Turkey		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$677.65	352,802	$***	***	***	$***	***	***
Apr.-June	695.00	353,504	***	***	***	***	***	***
July-Sept.	675.44	349,661	***	***	***	***	***	***
Oct.-Dec.	673.80	355,113	***	***	***	***	***	***
2014:								
Jan.-Mar.	735.21	331,294	***	***	***	***	***	***
Apr.-June	764.18	341,240	***	***	***	***	***	***
July-Sept.	789.17	370,055	***	***	***	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***	***	***
2015:								
Jan.-Mar.	706.00	262,411	***	***	***	***	***	***
Apr.-June	597.76	289,388	***	***	***	--	0	--
July-Sept.	549.61	268,375	***	***	***	--	0	--
Oct.-Dec.	475.81	253,568	***	***	***	***	***	***

[1] Product 3: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 120” in width, 0.375” through 3.00” in thickness.

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

Table V-6
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Belgium			Brazil		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$738.59	126,227	--	0	--	***	***	***
Apr.-June	746.27	141,485	--	0	--	***	***	***
July-Sept.	726.04	137,283	--	0	--	***	***	***
Oct.-Dec.	738.84	153,681	--	0	--	***	***	***
2014:								
Jan.-Mar.	786.73	159,707	***	***	***	***	***	***
Apr.-June	804.31	180,896	***	***	***	***	***	***
July-Sept.	826.80	169,254	***	***	***	***	***	***
Oct.-Dec.	827.74	158,296	--	0	--	***	***	***
2015:								
Jan.-Mar.	772.66	133,655	--	0	--	***	***	***
Apr.-June	678.08	134,380	--	0	--	***	***	***
July-Sept.	646.57	139,629	--	0	--	***	***	***
Oct.-Dec.	581.52	111,822	--	0	--	***	***	***

Period	United States		France			Germany		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$738.59	126,227	--	0	--	--	0	--
Apr.-June	746.27	141,485	--	0	--	--	0	--
July-Sept.	726.04	137,283	--	0	--	--	0	--
Oct.-Dec.	738.84	153,681	--	0	--	--	0	--
2014:								
Jan.-Mar.	786.73	159,707	--	0	--	--	0	--
Apr.-June	804.31	180,896	$***	***	***	--	0	--
July-Sept.	826.80	169,254	--	0	--	--	0	--
Oct.-Dec.	827.74	158,296	--	0	--	--	0	--
2015:								
Jan.-Mar.	772.66	133,655	--	0	--	--	0	--
Apr.-June	678.08	134,380	***	***	***	--	0	--
July-Sept.	646.57	139,629	--	0	--	--	0	--
Oct.-Dec.	581.52	111,822	--	0	--	$***	***	***

Table continued on next page.

Table V-6 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Italy			Japan		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$738.59	126,227	$***	***	***	$***	***	***
Apr.-June	746.27	141,485	***	***	***	--	0	--
July-Sept.	726.04	137,283	--	0	--	--	0	--
Oct.-Dec.	738.84	153,681	--	0	--	--	0	--
2014:								
Jan.-Mar.	786.73	159,707	--	0	--	--	0	--
Apr.-June	804.31	180,896	***	***	***	--	0	--
July-Sept.	826.80	169,254	***	***	***	***	***	***
Oct.-Dec.	827.74	158,296	***	***	***	***	***	***
2015:								
Jan.-Mar.	772.66	133,655	***	***	***	***	***	***
Apr.-June	678.08	134,380	***	***	***	***	***	***
July-Sept.	646.57	139,629	***	***	***	***	***	***
Oct.-Dec.	581.52	111,822	***	***	***	***	***	***

Period	United States		Korea (POSCO)			South Africa		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$738.59	126,227	$***	***	***	--	0	--
Apr.-June	746.27	141,485	***	***	***	--	0	--
July-Sept.	726.04	137,283	***	***	***	--	0	--
Oct.-Dec.	738.84	153,681	***	***	***	$***	***	***
2014:								
Jan.-Mar.	786.73	159,707	***	***	***	***	***	***
Apr.-June	804.31	180,896	***	***	***	***	***	***
July-Sept.	826.80	169,254	***	***	***	***	***	***
Oct.-Dec.	827.74	158,296	***	***	***	***	***	***
2015:								
Jan.-Mar.	772.66	133,655	***	***	***	--	0	--
Apr.-June	678.08	134,380	***	***	***	***	***	***
July-Sept.	646.57	139,629	***	***	***	***	***	***
Oct.-Dec.	581.52	111,822	***	***	***	***	***	***

Table continued on next page.

Table V-6 -- Continued
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), by quarters, 2013-15

Period	United States		Taiwan			Turkey		
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Margin *(percent)*
2013:								
Jan.-Mar.	$738.59	126,227	$***	***	***	--	0	--
Apr.-June	746.27	141,485	***	***	***	--	0	--
July-Sept.	726.04	137,283	***	***	***	$***	***	***
Oct.-Dec.	738.84	153,681	***	***	***	***	***	***
2014:								
Jan.-Mar.	786.73	159,707	***	***	***	***	***	***
Apr.-June	804.31	180,896	***	***	***	***	***	***
July-Sept.	826.80	169,254	***	***	***	***	***	***
Oct.-Dec.	827.74	158,296	***	***	***	***	***	***
2015:								
Jan.-Mar.	772.66	133,655	***	***	***	***	***	***
Apr.-June	678.08	134,380	***	***	***	--	0	--
July-Sept.	646.57	139,629	***	***	***	--	0	--
Oct.-Dec.	581.52	111,822	***	***	***	***	***	***

[1] Product 4: Hot-rolled CTL carbon steel plate, high strength low alloy (HSLA), ASTM A-572, Grade 50, mill edge, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.5" through 1.5" in thickness.

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

Table V-7
CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), and weighted-average import cost by direct importers for internal consumption, by quarters, 2013-15

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Figure V-3
CTL plate: Weighted-average prices and quantities of domestic and imported product 1, by quarters, 2013-15

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Figure V-4
CTL plate: Weighted-average prices and quantities of domestic and imported product 2, by quarters, 2013-15

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Figure V-5
CTL plate: Weighted-average prices and quantities of domestic and imported product 3, by quarters, 2013-15

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Figure V-6
CTL plate: Weighted-average prices and quantities of domestic and imported product 4, by quarters, 2013-15

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Figure V-7
CTL plate: Weighted-average prices and quantities of domestic and imported product 5, by quarters, 2013-15

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Price trends

Prices fluctuated during 2013-15. Across pricing products 1-4, U.S. prices did not change greatly in the first three quarters of 2013 (less than 3 percent in either direction), but in either the fourth quarter of 2013 or the first quarter of 2014, prices rose by between 6.3 and 9.1 percent. U.S. prices then rose through the third quarter of 2014 for all four products. This increase leveled out or started to slightly decline in the fourth quarter of 2014 before dropping between 5.4 and 15.3 percent each quarter for all products, except for product 1 in the third quarter of 2015, when prices rose 2.5 percent. Import prices also followed these general trends: fluctuating in 2013, generally increasing in most of 2014, and falling by larger amounts in 2015. Table V-8 summarizes the price trends, by country and by product. As shown in the table, domestic price decreases ranged from 17.8 to 29.8 percent across 2013-15 for products

1-4, and increased by *** percent for product 5. Import price decreases ranged from 4.0 to 46.5 percent across 18 of 21 country-product combinations. In contrast, three country-product combinations increased in price, ranging from 4.2 to 16.2 percent.

Table V-8
CTL plate: Summary of weighted-average f.o.b. prices for products 1-5 from the United States and subject countries

Item	Number of quarters	Low price (per short ton)	High price (per short ton)	Change in price[1] (percent)
Product 1				
United States	12	$588	$813	(17.8)
Brazil	9	***	***	***
Japan	6	***	***	***
Korea (POSCO)	12	***	***	***
Taiwan	11	***	***	***
Product 2				
United States	12	531	794	(25.4)
Korea (POSCO)	8	***	***	***
Taiwan	8	***	***	***
Product 3				
United States	12	476	789	(29.8)
Brazil	12	***	***	***
Italy	12	***	***	***
Japan	7	***	***	***
Korea (POSCO)	12	***	***	***
South Africa	8	***	***	***
Taiwan	12	***	***	***
Turkey	10	***	***	***
Product 4				
United States	12	582	828	(21.3)
Brazil	12	***	***	***
Italy	9	***	***	***
Japan	7	***	***	***
Korea (POSCO)	12	***	***	***
South Africa	8	***	***	***
Taiwan	12	***	***	***
Turkey	8	***	***	***
Product 5				
United States	12	***	***	***
Japan	4	***	***	***

[1] Percentage change is calculated using data from the first quarter in which data were available in the first year to the last quarter in which data were available if it is among the last four quarters of 2015.

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

Price comparisons

As shown in tables V-9 and V-10, prices for CTL plate imported from the subject countries were below those for U.S.-produced CTL plate in 111 of 239 instances (514,541 short tons); margins of underselling ranged from 0.0 to 19.6 percent, averaging 6.0 percent lower. All 11 countries with pricing data had at least one quarter of underselling and one quarter of overselling U.S. prices on these products with the exception of CTL plate from France.[8] In the remaining 128 instances (307,154 short tons), prices for CTL plate from these 11 countries were between 0.0 and 55.8 percent above prices for the domestic product, averaging 10.2 percent higher.

LOST SALES AND LOST REVENUE

The Commission requested U.S. producers of CTL plate to report purchasers where they experienced instances of lost sales or revenue due to competition from imports of CTL plate from subject countries during 2013-15. Of the nine responding U.S. producers, five reported that they had to either reduce prices or roll back announced price increases, and six firms reported that they had lost sales. Two U.S. producers submitted lost sales and lost revenue allegations. The two responding U.S. producers identified eight firms where they lost sales or revenue (seven firms were associated with lost revenue allegations, and one was associated with both a lost sale and multiple lost revenue of allegations). These allegations covered revenues allegedly lost to seven of the 12 subject countries: Austria, Brazil, Germany, Italy, Korea, South Africa, and Turkey, and the lost sales allegation was with respect to Austria. U.S. producers were also asked to provide information regarding the timing, method of sale, and product type related to the lost sales and lost revenue allegations. The allegations ranged from December 2014 to February 2016 when the producer specified the month, and 2015 and 2016 when the producer did not. All allegations were with respect to individual sales, and covered a broad spectrum of types of CTL plate. Staff sent requests to the eight purchasers and received responses from six purchasers.[9] Responding purchasers reported purchasing a total of 5,822,104 short tons of CTL plate during 2013-15, including 1,960,996 short tons of CTL plate during 2015 (table V-11).

[8] As noted above, no pricing data was received for these pricing products imported from Austria. Whereas there were only six quarters of pricing data for imported French CTL pricing products sold to third parties, the cost for ***.

[9] Staff was unable to contact one of the purchasers originally included in the U.S. producers' lost sales/lost revenues allegations due to incorrect contact information. However, two firms that were not included in the original lost sales/lost revenue allegations and that staff did not send a lost sales/lost revenue survey to, ***, submitted completed responses.

Table V-9
CTL plate: Instances of underselling and the range and average of margins, by country, 2013-15

Source	Underselling				
	Number of quarters	Quantity[1] (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Belgium:					
Product 1	0	0	---	---	---
Product 3	0	0	---	---	---
Product 4	1	***	***	***	***
Total:	1	***	***	***	***
Brazil:					
Product 1	4	***	***	***	***
Product 2	4	***	***	***	***
Product 3	5	***	***	***	***
Product 4	8	***	***	***	***
Total:	21	48,826	5.8	1.1	19.5
China:					
Product 3	1	***	***	***	***
France:					
Product 3	0	0	---	---	---
Product 4	0	0	---	---	---
Total:	0	0	---	---	---
Germany:					
Product 4	0	0	---	---	---
Product 5	1	***	***	***	***
Total:	1	***	***	***	***
Italy:					
Product 3	5	***	***	***	***
Product 4	5	***	***	***	***
Total:	10	24,778	3.8	1.3	8.2
Japan:					
Product 1	0	0	---	---	---
Product 2	3	***	***	***	***
Product 3	3	***	***	***	***
Product 4	6	***	***	***	***
Product 5	3	***	***	***	***
Total:	15	47,287	4.3	0.0	8.5

Table continued on next page.

Table V-9 -- Continued
CTL plate: Instances of underselling and the range and average of margins, by country, 2013-15

Source	Underselling				
	Number of quarters	Quantity[1] (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Korea (POSCO):					
Product 1	7	***	***	***	***
Product 2	1	***	***	***	***
Product 3	7	***	***	***	***
Product 4	7	***	***	***	***
Total:	22	250,808	5.5	0.6	15.0
South Africa:					
Product 1	4	***	***	***	***
Product 2	3	***	***	***	***
Product 3	6	***	***	***	***
Product 4	7	***	***	***	***
Total:	20	19,566	12.2	1.1	19.6
Taiwan:					
Product 1	1	***	***	***	***
Product 2	0	***	***	***	***
Product 3	2	***	***	***	***
Product 4	1	***	***	***	***
Total:	4	12,233	3.7	0.1	6.2
Turkey:					
Product 2	1	***	***	***	***
Product 3	8	***	***	***	***
Product 4	7	***	***	***	***
Total:	16	109,398	8.6	3.0	18.4
Grand Total	111	514,541	6.0	0.0	19.6

[1] These data include only quarters in which there is a comparison between the U.S. and subject product.

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

Table V-10
CTL plate: Instances of (overselling) and the range and average of margins, by country, 2013-15

Source	(Overselling)				
	Number of quarters	Quantity[1] (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Belgium:					
Product 1	2	***	***	***	***
Product 3	4	***	***	***	***
Product 4	2	***	***	***	***
Total:	8	5,017	(11.9)	(1.8)	(29.2)
Brazil:					
Product 1	5	***	***	***	***
Product 2	2	***	***	***	***
Product 3	7	***	***	***	***
Product 4	4	***	***	***	***
Total:	18	27,177	(11.6)	(1.4)	(45.9)
China:					
Product 3	1	***	***	***	***
France:					
Product 3	***	***	***	***	***
Product 4	***	***	***	***	***
Total:	6	951	(19.6)	(2.2)	(55.8)
Germany:					
Product 4	1	***	***	***	***
Product 5	0	0	---	---	---
Total:	1	***	***	***	***
Italy:					
Product 3	7	***	***	***	***
Product 4	4	***	***	***	***
Total:	11	34,848	(16.9)	(1.0)	(51.8)
Japan:					
Product 1	6	***	***	***	***
Product 2	1	***	***	***	***
Product 3	4	***	***	***	***
Product 4	1	***	***	***	***
Product 5	1	***	***	***	***
Total:	13	23,202	(11.7)	(0.1)	(48.2)

Table continued on next page.

Table V-10 -- Continued
CTL plate: Instances of (overselling) and the range and average of margins, by country, 2013-15

Source	(Overselling)				
	Number of quarters	Quantity[1] (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Korea (POSCO):					
Product 1	5	***	***	***	***
Product 2	7	***	***	***	***
Product 3	5	***	***	***	***
Product 4	5	***	***	***	***
Total:	22	151,566	(8.1)	(0.1)	(30.6)
South Africa:					
Product 1	0	0	---	---	---
Product 2	0	0	---	---	---
Product 3	2	***	***	***	***
Product 4	1	***	***	***	***
Total:	3	2,691	(11.6)	(7.3)	(19.6)
Taiwan:					
Product 1	10	***	***	***	***
Product 2	8	***	***	***	***
Product 3	10	***	***	***	***
Product 4	11	***	***	***	***
Total:	39	39618	(13.4)	(0.1)	(49.2)
Turkey:					
Product 2	3	***	***	***	***
Product 3	2	***	***	***	***
Product 4	1	***	***	***	***
Total:	6	18,080	2.9	(0.4)	(11.0)
Grand Total	128	307,154	(10.2)	(0.0)	(55.8)

[1] These data include only quarters in which there is a comparison between the U.S. and subject product.

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

Table V-11
CTL plate: Purchasers' responses to purchasing patterns

* * * * * * *

During 2015, the responding purchasers purchased 67.4 percent of their CTL plate from U.S. producers, 24.5 percent from subject countries, and 2.2 percent from nonsubject countries. The majority of domestic purchases in 2015 (86.6 percent) were made by ***, which accounted for ***. The majority of subject product purchased in 2015 (***) was from ***.[10] Of the responding purchasers, four of six reported decreasing purchases from domestic producers, and one reported increasing its purchases from domestic producers (table V-12). A majority of the purchasers that reported purchasing from France, Germany, Italy, and Japan reported increasing their purchases from these sources.

Table V-12
CTL plate: Purchasers' responses to changes in purchasing patterns

* * * * * * *

Of the five purchasers that reported shifting purchases of CTL plate from U.S. producers to subject imports since 2013, three reported shifting to Belgium, two to Brazil, two to China, one to France, three to Germany, four to Italy, three to Japan, four to the Korean firm POSCO, three to other Korean sources, two to South Africa, one to Taiwan, and three to Turkey (table V-13).[11] All five firms reported that in all but one instance prices of the subject imports were lower than the domestic price, and three firms reported that price was a primary reason for the shift. The reported estimated quantity of purchases shifted between 2013 and 2015 ranged from 230 short tons (***) to 25,288 short tons (***), and totaled *** short tons.

Two firms reported that price was not a primary reason for shifting purchases of CTL plate from U.S. producers to subject imports, but only one firm indicated a reason: *** reported that ***.

Table V-13
CTL plate: Purchasers' responses to shifting supply sources

* * * * * * *

[10] ***.

[11] No firm reported shifting purchases to Austria.

Of the six responding purchasers, three reported that U.S. producers had to reduce prices in order to compete with lower-priced imports from at least one subject country (table V-14). Specifically, firms reported that U.S. producers had to reduce prices in order to compete with lower-priced imports from Italy and Korea (POSCO) (three firms); China, Korea (other), and Taiwan (two firms); and Brazil, Germany, Japan, and South Africa (one firm).[12] The most commonly reported estimated price reductions ranged from *** percent, with one firm reporting reductions of *** percent for *** noting that the decrease reflected both specific and overall market reductions. Purchaser *** noted that domestic firms had lowered their prices by 10 to 15 percent, but those prices were still not at a competitive level. When comparing U.S. price reductions to prices of German products, it also noted that its estimate ***.

In responding to the lost sales lost revenue survey, some purchasers provided additional information on purchases and market dynamics. *** reported that the strength (high value) of the U.S. dollar has played a major role in global steel sourcing. *** also reported the following: "***."

Table V-14
CTL plate: Purchasers' responses to U.S. producer price reductions

* * * * * * *

[12] The other three purchasers (***) either did not respond or reported that they did not know.

PART VI: FINANCIAL EXPERIENCE OF U.S. PRODUCERS

BACKGROUND

The financial results of seven U.S. mills and two processors of CTL plate are presented in this section of the report.[1] With the exception of ***, U.S. producers reported their financial results on the basis of generally accepted accounting principles ("GAAP").[2] Six U.S. producers reported their full-year financial data on a calendar year basis.[3] Commercial sales account for the large majority of reported CTL plate revenue with internal consumption and transfers to related firms representing a relatively small share. Accordingly, the tables below present a combined revenue total.

With respect to their U.S. operations, several producers reported that they purchase inputs from related firms: ***.[4] [5]

OPERATIONS ON CTL PLATE

Table VI-1 presents aggregated data on U.S. producers' operations in relation to CTL plate over the period examined, while table VI-2 presents selected company-specific financial data.[6]

Net sales

As shown in table VI-1, CTL plate sales quantity increased in 2014 and decreased in 2015, to a level 13.1 percent lower than in 2013. The directional trend of individual firms' sales quantities were mostly uniform with six of nine companies reporting increasing net sales quantities from 2013 to 2014, and seven of nine companies reporting decreasing sales from 2014 to 2015. Overall net sales values followed the same trend (increasing in 2014 and decreasing in 2015). Net sales unit values increased from $786 per short ton in 2013 to $851

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[1] While *** submitted questionnaire responses to the Commission, they did not report usable financial results. The CTL plate operations of these companies, therefore, are not reflected in this section of the report.

[2] ***.

[3] *** reported their financial results on a fiscal-year basis ending May 31, March 31, and October 31, respectively.

[4] ***. *** U.S. producer questionnaires, responses at III-7.

[5] The Commission's current practice requires that relevant cost information associated with input purchases from related suppliers correspond to the manner in which this information is reported in the U.S. producer's own accounting books and records. *See 1,1,1,2-Tetrafluorethane from China, Inv. Nos. 701-TA-509 and 731-TA-1244 (Final),* USITC Publication 4503, December 2014, pp. 23 and 37.

[6] CTL plate operations vary from company to company in terms of features such as the level of integration, steel production process, and product mix. Two of the responding companies, Cargill and Friedman, are processors of CTL plate, which means the components of their cost of goods sold as well as certain other financial measures will vary when compared with the steel mills.

per short ton in 2014, before decreasing to $709 per short ton in 2015. The net sales unit values of the majority of U.S. producers had the same directional trend.[7]

Table VI-1
CTL plate: Results of operations of U.S. producers, 2013-15

Item	Fiscal year		
	2013	2014	2015
	Quantity (short tons)		
Total net sales	7,208,020	7,397,128	6,260,381
	Value ($1,000)		
Total net sales	5,664,531	6,292,881	4,439,472
Cost of goods sold.-- Raw materials	3,339,932	3,500,714	2,403,493
Direct labor	356,640	363,289	319,511
Other factory costs	1,684,586	1,760,531	1,494,132
Total COGS	5,381,158	***	***
Gross profit	283,373	668,347	222,336
SG&A expense	192,562	182,479	177,359
Operating income or (loss)	90,811	485,868	44,977
Other expense or (income), net	***	***	***
Net income or (loss)	***	***	***
Depreciation/amortization	72,252	86,744	78,333
Cash flow	***	***	***
	Ratio to net sales (percent)		
Cost of goods sold.-- Raw materials	59.0	55.6	54.1
Direct labor	6.3	5.8	7.2
Other factory costs	29.7	28.0	33.7
Average COGS	95.0	89.4	95.0
Gross profit	5.0	10.6	5.0
SG&A expense	3.4	2.9	4.0
Operating income or (loss)	1.6	7.7	1.0
Net income or (loss)	***	***	***

Table continued on next page.

[7] ***.

Table VI-1—Continued
CTL plate: Results of operations of U.S. producers, 2013-15

Item	Calendar year		
	2013	2014	2015
	Ratio to total COGS (percent)		
Cost of goods sold.-- Raw materials	62.1	62.2	57.0
Direct labor	6.6	6.5	7.6
Other factory costs	31.3	31.3	35.4
Average COGS	100.0	100.0	100.0
	Unit value (dollars per short ton)		
Total net sales	786	851	709
Cost of goods sold.-- Raw materials	463	473	384
Direct labor	49	49	51
Other factory costs	234	238	239
Average COGS	747	760	674
Gross profit	39	90	36
SG&A expense	27	25	28
Operating income or (loss)	13	66	7
Net income or (loss)	***	***	***
	Number of firms reporting		
Operating losses	2	2	5
Net losses	3	1	6
Data	9	9	9

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

Table VI-2
CTL plate: Results of operations of U.S. producers, by firm, 2013-15

* * * * * * *

Cost of goods sold and gross profit or (loss)

Table VI-1 shows that although there was an increase in the cost of goods sold ("COGS") unit value from 2013 to 2014 (of $14 per short ton), the average net sales values increased by a greater amount ($65 per short ton), which led to higher gross profits and gross profit margins. In contrast, from 2014 to 2015, average net sales values decreased by $142 per short ton, compared to the $86 per short ton decrease in the unit value of COGS, leading to decreasing gross profits.

Raw materials were the largest component of COGS, accounting for between 57.0 percent (2015) and 62.2 percent (2014). Table VI-1 shows that the industry's per-short ton raw material cost decreased by 17.1 percent from 2013 to 2015. As seen in table VI-2, all U.S. producers reported a lower per-short ton raw material cost in 2015 than in 2013.

The second largest component of COGS is other factory costs, which accounted for between 31.3 percent and 35.4 percent of total COGS. Company-specific average other factory costs appear to be consistent with differences in their underlying operations; e.g., ***.

Lastly, direct labor was the smallest component of COGS, representing between 6.5 percent and 7.6 percent of total COGS. As with other factory costs, company-specific average direct labor is generally lower for processors than steel mills.

SG&A expenses and operating income or (loss)

The industry's SG&A expense ratio moved within a relatively narrow range, from 2.9 percent (2014) to 4.0 percent (2015). Although the total SG&A expense was at its lowest level of the period in 2015 on an absolute basis, the SG&A expense ratio was at its highest level in the same year due to the lower quantity of sales in 2015.

On an overall basis, operating income increased from $90.8 million in 2013 to $485.9 million in 2014, but decreased to $45.0 million in 2015. Two firms reported operating losses in 2013 and 2014, while five firms reported operating losses in 2015.

All other expenses and net income or (loss)

Interest expense accounted for the vast majority of all other expenses/income reported from 2013 to 2015. All other expenses (net of all other income) decreased from 2013 to 2015. ***. In response to questions by staff, ***.[8] On an overall basis, net income followed the same trend as gross and operating incomes (increased from 2013-2014 and decreased from 2014 to 2015).

Variance analysis

A variance analysis for the operations of U.S. producers of CTL plate is presented in table VI-3.[9] The information for this variance analysis is derived from table VI-1. The variance analysis shows that the decreasing operating income from 2013 to 2015 was primarily due to a negative price variance despite a positive cost/expense variance (i.e., prices decreased more than costs).

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[8] ***.

[9] The Commission's variance analysis is calculated in three parts: Sales variance, cost of sales variance (COGS variance), and SG&A expense variance. Each part consists of a price variance (in the case of the sales variance) or a cost or expense variance (in the case of the COGS and SG&A expense variance), and a volume variance. The sales or cost/expense variance is calculated as the change in unit price or per-unit cost/expense times the new volume, while the volume variance is calculated as the change in volume times the old unit price or per-unit cost/expense. Summarized at the bottom of the table, the price variance is from sales; the cost/expense variance is the sum of those items from COGS and SG&A variances, respectively, and the volume variance is the sum of the volume components of the net sales, COGS, and SG&A expense variances. The overall volume component of the variance analysis is generally small.

Table VI-3
CTL plate: Variance analysis on the operations of U.S. producers, 2013-15

Item	Between fiscal years		
	2013-15	2013-14	2014-15
Net sales:			
Price variance	(480,343)	479,737	(886,356)
Volume variance	(744,716)	148,613	(967,053)
Net sales variance	(1,225,059)	628,350	(1,853,409)
COGS:			
Price variance	456,561	(102,197)	543,053
Volume variance	707,461	(141,179)	864,345
COGS variance	1,164,022	(243,376)	1,407,398
Gross profit variance	(61,037)	384,974	(446,011)
SG&A expenses:			
Cost/expense variance	(10,113)	15,135	(22,922)
Volume variance	25,316	(5,052)	28,042
Total SG&A expense variance	15,203	10,083	5,120
Operating income variance	(45,834)	395,057	(440,891)
Summarized (at the operating income level) as:			
Price variance	(480,343)	479,737	(886,356)
Net cost/expense variance	446,448	(87,062)	520,130
Net volume variance	(11,939)	2,382	(74,665)
Financial expenses:			
Cost/expense variance	15,356	40,144	(18,619)
Volume variance	27,091	(5,406)	26,328
Total SG&A expense variance	42,447	34,738	7,709
Net income variance	(3,387)	429,795	(433,182)
Summarized (at the net income level) as:			
Price variance	(480,343)	479,737	(886,356)
Net cost/expense variance	461,803	(46,918)	501,511
Net volume variance	15,152	(3,024)	(48,337)

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

CAPITAL EXPENDITURES AND RESEARCH AND DEVELOPMENT EXPENSES

Table VI-4 presents capital expenditures and research and development ("R&D") expenses by firm. Capital expenditures increased in 2014 and decreased in 2015. ***.

Table VI-4
CTL plate: Capital expenditures and research and development expenses of U.S. producers, 2013-15

Item	Fiscal year		
	2013	2014	2015
	Capital expenditures ($1,000)		
ArcelorMittal	***	***	***
Cargill	***	***	***
Evraz	***	***	***
Friedman	***	***	***
Gerdau Ameristeel US Inc.	***	***	***
Joy Global	***	***	***
Nucor	***	***	***
SSAB	***	***	***
Universal Stainless	***	***	***
Total capital expenditures	113,515	143,444	103,497
	Research and development expenses ($1,000)		
ArcelorMittal	***	***	***
Cargill	***	***	***
Evraz	***	***	***
Friedman	***	***	***
Gerdau Ameristeel US Inc.	***	***	***
Joy Global	***	***	***
Nucor	***	***	***
SSAB	***	***	***
Universal Stainless	***	***	***
Total research and development expenses	***	***	***

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

ASSETS AND RETURN ON INVESTMENT

Table VI-5 presents data on the U.S. producers' total assets and their return on assets. As reported by the U.S. industry, total assets decreased from $6.7 billion in 2013 to $5.9 billion in 2015.

Table VI-5
CTL plate: U.S. producers' total assets and return on assets, 2013-15

Firm	Fiscal years		
	2013	2014	2015
	Total net assets ($1,000)		
ArcelorMittal	***	***	***
Cargill	***	***	***
Evraz	***	***	***
Friedman	***	***	***
Gerdau Ameristeel US Inc.	***	***	***
Joy Global	***	***	***
Nucor	***	***	***
SSAB	***	***	***
Universal Stainless	***	***	***
Total net assets	6,745,330	6,726,341	5,908,779
	Operating return on assets (percent)		
ArcelorMittal	***	***	***
Cargill	***	***	***
Evraz	***	***	***
Friedman	***	***	***
Gerdau Ameristeel US Inc.	***	***	***
Joy Global	***	***	***
Nucor	***	***	***
SSAB	***	***	***
Universal Stainless	***	***	***
Average operating return on assets	1.3	7.2	0.8
	Asset turnover ratio (multiple)		
ArcelorMittal	***	***	***
Cargill	***	***	***
Evraz	***	***	***
Friedman	***	***	***
Gerdau Ameristeel US Inc.	***	***	***
Joy Global	***	***	***
Nucor	***	***	***
SSAB	***	***	***
Universal Stainless	***	***	***
Average asset turnover	0.8	0.9	0.8

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

CAPITAL AND INVESTMENT

The Commission requested U.S. producers of CTL plate to describe any actual or potential negative effects of imports of CTL plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, or Turkey on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-6 presents the number of firms reporting an impact in each category, while table VI-7 provides the narrative responses. Seven of nine U.S. producers responded "yes" to negative effects on investment by imports, four of nine responded "yes" to negative effects on growth and development, and eight of nine responded "yes" to anticipated negative effects.

Table VI-6
CTL plate: Actual and anticipated negative effects of imports on investment and growth and development

Item	No	Yes
Negative effects on investment	2	7
Cancellation, postponement, or rejection of expansion projects		4
Denial or rejection of investment proposal		0
Reduction in the size of capital investments		3
Return on specific investments negatively impacted		4
Other		3
Negative effects on growth and development	5	4
Rejection of bank loans		0
Lowering of credit rating		3
Problem related to the issue of stocks or bonds		1
Ability to service debt		4
Other		3
Anticipated negative effects of imports	1	8

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

Table VI-7
CTL plate: Narratives relating to actual and anticipated negative effects of imports on investment and growth and development, since January 1, 2013

* * * * * * *

PART VII: THREAT CONSIDERATIONS AND INFORMATION ON NONSUBJECT COUNTRIES

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

> *In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors*[1]*--*
>
> *(I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
>
> *(II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
>
> *(III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
>
> *(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
>
> *(V) inventories of the subject merchandise,*

---

[1] Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that "The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition."

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

(VII) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),

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

(IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).[2]

Information on the nature of the alleged subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in *Parts IV* and *V*; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in *Part VI*. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

[2] Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

THE INDUSTRY IN AUSTRIA

Overview

The Commission issued a foreign producers' or exporters' questionnaire to ***, the firm believed to produce and/or export the vast majority of CTL plate from Austria.[3] The Commission received responses from three firms: Boehler Bleche, Böhler Edelstahl, and Voestalpine. These firms' exports to the United States accounted for *** U.S. imports of CTL plate from Austria in 2015.[4] According to estimates requested of the responding Austrian producers, the production of CTL plate in Austria reported in questionnaire responses accounted for *** production of CTL plate in Austria in 2015. Table VII-1 presents information on the CTL plate operations of the responding producers and exporters in Austria. Only Boehler Bleche reported changes in operations by ***.

Table VII-1
CTL plate: Data for producers in Austria, 2015

* * * * * * *

Operations on CTL plate

Table VII-2 presents information on the CTL plate operations of the responding Austrian producers and exporters for 2013-15, as well as projections for 2016-17. Austrian capacity for CTL plate increased slightly by *** percent from 2013 to 2015. Production increased by *** from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Similarly, capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. Voestalpine recently booked the largest pipeline plate order in the firm's history to supply plate for pipe for use in a gas pipeline project in Eastern Europe called Nord Stream 2. Production will begin in August 2016. Therefore, capacity utilization is projected to be very high over the 2016-17 time period.[5] In addition, no firm reported end-of-period inventories.

Total shipments of the responding Austrian producers increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments

---

[3] This firm was identified through a review of information submitted in the petition and contained in *** records.

[4] The coverage estimates presented are based on official import statistics.

[5] Conference transcript, p. 153 (Bauer); Voestalpine's postconference brief, p. 7, attachment 2. Petitioners, however, contend that there are recent indications that the project may be cancelled or postponed due to mounting political tensions and conflict over the project. Nucor's postconference brief, pp. 18-19.

declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2014, but increased to *** percent of total shipments in 2015.

Table VII-2
CTL plate: Data on the industry in Austria, 2013-15, and projections, 2016-17

* * * * * * *

Exports of CTL plate to the United States decreased by *** percent from 2013 to 2015. As a share of the responding Austrian producers' total shipments, exports to the United States decreased from *** percent in 2013 to *** percent in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

Alternative products

The responding Austrian producers produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-3. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, the Austrian producers reported ***.

Table VII-3
CTL plate: Austrian producers' overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Austria was Germany in 2015 (table VII-4). India was the second-largest export destination of CTL plate from Austria. During 2015, Germany and India accounted for 25.0 and 12.5 percent of total exports from Austria of CTL plate, respectively.

Table VII-4
CTL plate: Austria's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Austria's exports to the United States	50,580	49,533	12,810
Austria's exports to other major destination markets.-- Germany	257,604	228,771	243,470
India	67,221	7,153	121,461
Brazil	11,990	73,268	95,325
Czech Republic	60,740	63,068	83,985
Italy	45,719	50,821	53,073
Hungary	35,255	42,146	44,403
Netherlands	32,393	35,524	33,969
Denmark	4,558	11,392	27,978
All other destination markets	307,253	452,426	255,938
Total Austria exports	873,312	1,014,103	972,411
	Value (1,000 dollars)		
Austria's exports to the United States	50,987	47,918	18,002
Austria's exports to other major destination markets.-- Germany	223,960	188,930	160,892
India	49,893	10,944	68,724
Brazil	10,825	52,266	60,769
Czech Republic	53,368	51,444	53,174
Italy	43,878	47,679	42,043
Hungary	28,335	28,072	24,469
Netherlands	25,833	29,074	22,178
Denmark	3,857	7,966	15,834
All other destination markets	287,767	380,766	200,284
Total Austria exports	778,703	845,061	666,370

Table continued on next page.

Table VII-4 -- Continued
CTL plate: Austria's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Austria's exports to the United States	1,008	967	1,405
Austria's exports to other major destination markets.--			
Germany	869	826	661
India	742	1,530	566
Brazil	903	713	637
Czech Republic	879	816	633
Italy	960	938	792
Hungary	804	666	551
Netherlands	797	818	653
Denmark	846	699	566
All other destination markets	937	842	783
Total Austria exports	892	833	685
	Share of quantity (percent)		
Austria's exports to the United States	5.8	4.9	1.3
Austria's exports to other major destination markets.--			
Germany	29.5	22.6	25.0
India	7.7	0.7	12.5
Brazil	1.4	7.2	9.8
Czech Republic	7.0	6.2	8.6
Italy	5.2	5.0	5.5
Hungary	4.0	4.2	4.6
Netherlands	3.7	3.5	3.5
Denmark	0.5	1.1	2.9
All other destination markets	35.2	44.6	26.3
Total Austria exports	100.0	100.0	100.0

Source: Official export statistics of Austria as reported by EuroStat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN BELGIUM

Overview

The Commission issued foreign producers' or exporters' questionnaires to two firms believed to produce and/or export CTL plate from Belgium.[6] Useable responses to the Commission's questionnaire were received from two firms: ArcelorMittal (BE) and NLMK Plates. These firms' exports to the United States accounted for approximately *** U.S. imports of CTL plate from Belgium in 2015.[7] According to estimates requested of the responding Belgian producers, the production of CTL plate in Belgium reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in Belgium in 2015. Table VII-5 presents information on the CTL plate operations of the responding producers and exporters in Belgium. No responding firm reported any changes in operations since January 1, 2013.

Table VII-5
CTL plate: Data for producers in Belgium, 2015

* * * * * * *

Operations on CTL plate

Table VII-6 presents information on the CTL plate operations of the responding Belgian producers and exporters for 2013-15, as well as projections for 2016-17. Belgian capacity for CTL plate decreased by *** percent from 2013 to 2014 but increased by *** percent from 2014 to 2015. Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-period inventories increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.

Total shipments of the responding Belgian producers increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[8] As a share of the responding Belgian producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent 2015. Exports of CTL plate to countries other

[6] These firms were identified through a review of information submitted in the petition and contained in *** records.

[7] The coverage estimates presented are based on official import statistics.

[8] The fluctuation in exports of CTL plate to the United States is due to ***. ***.

than the United States increased by *** percent from 2013 to 2015. Other export markets identified include ***.

Table VII-6
CTL plate: Data on the industry in Belgium, 2013-15, and projections, 2016-17

* * * * * * *

Alternative products

The responding Belgian producers produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-7. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

Table VII-7
CTL plate: Belgian producers' overall capacity and production on the same equipment as subject production, 2013-15

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Exports

According to GTA, the top export market for CTL plate from Belgium was Germany in 2015 (table VII-8). The Netherlands was the second-largest export destination of CTL plate from Belgium. During 2015, Germany and the Netherlands accounted for 33.7 and 17.2 percent of total exports from Belgium of CTL plate, respectively.

Table VII-8
CTL plate: Belgium's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Belgium's exports to the United States	26,685	62,097	27,286
Belgium's exports to other major destination markets.--			
Germany	334,870	372,010	507,957
Netherlands	233,256	222,856	259,112
France	238,343	236,704	258,118
Italy	30,942	33,281	41,193
Poland	20,461	21,677	32,254
Spain	23,517	20,523	29,409
United Arab Emirates	13,751	24,392	27,318
Korea	22,163	50,331	26,212
All other destination markets	306,863	283,697	297,859
Total Belgium exports	1,250,851	1,327,569	1,506,719
	Value (1,000 dollars)		
Belgium's exports to the United States	30,735	59,953	25,824
Belgium's exports to other major destination markets.--			
Germany	269,919	275,804	294,525
Netherlands	178,442	162,429	144,779
France	202,419	182,629	157,281
Italy	36,335	38,480	37,767
Poland	14,860	14,005	16,361
Spain	21,448	20,643	22,292
United Arab Emirates	15,528	21,640	19,502
Korea	39,300	88,664	32,958
All other destination markets	340,282	296,211	259,353
Total Belgium exports	1,149,268	1,160,457	1,010,642

Table continued on next page.

Table VII-8 -- Continued
CTL plate: Belgium's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Belgium's exports to the United States	1,152	965	946
Belgium's exports to other major destination markets.--			
Germany	806	741	580
Netherlands	765	729	559
France	849	772	609
Italy	1,174	1,156	917
Poland	726	646	507
Spain	912	1,006	758
United Arab Emirates	1,129	887	714
Korea	1,773	1,762	1,257
All other destination markets	1,109	1,044	871
Total Belgium exports	919	874	671
	Share of quantity (percent)		
Belgium's exports to the United States	2.1	4.7	1.8
Belgium's exports to other major destination markets.--			
Germany	26.8	28.0	33.7
Netherlands	18.6	16.8	17.2
France	19.1	17.8	17.1
Italy	2.5	2.5	2.7
Poland	1.6	1.6	2.1
Spain	1.9	1.5	2.0
United Arab Emirates	1.1	1.8	1.8
Korea	1.8	3.8	1.7
All other destination markets	24.5	21.4	19.8
Total Belgium exports	100.0	100.0	100.0

Source: Official export statistics of Belgium as reported by EuroStat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN BRAZIL

Overview

The Commission issued foreign producers' or exporters' questionnaires to four firms believed to produce and/or export CTL plate from Brazil.[9] Useable responses to the Commission's questionnaire were received from two firms: Usiminas and Villares. These firms' exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from Brazil in 2015.[10] According to estimates requested of the responding Brazilian producers, the production of CTL plate in Brazil reported in questionnaire responses accounted for *** production of CTL plate in Brazil in 2015.[11] Table VII-9 presents information on the CTL plate operations of the responding producers and exporters in Brazil. Usiminas reported that ***.

Table VII-9
CTL plate: Data for producers in Brazil, 2015

* * * * * * *

Operations on CTL plate

Table VII-10 presents information on the CTL plate operations of the responding Brazilian producers and exporters for 2013-15, as well as projections for 2016-17. Brazilian capacity for CTL plate increased slightly by *** percent from 2013 to 2014 but decreased slightly by *** percent from 2014 to 2015. Production decreased by *** percent from 2013 to 2015. Capacity utilization decreased by *** percentage point from 2013 to 2015. In addition, end-of-period inventories decreased by *** percent from 2013 to 2015.

Total shipments of the responding Brazilian producers decreased by *** percent from 2013 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2014 but increased to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[12] Exports of CTL plate to the United States increased overall by *** percent from 2013 to 2015. As a share of the responding Brazilian producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

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[9] These firms were identified through a review of information submitted in the petition and contained in *** records.

[10] The coverage estimates presented are based on official import statistics.

[11] *** accounts for the vast majority of CTL plate production in Brazil. ***. ***.

[12] The increase in exports to the United States in 2014 is reportedly due to ***. ***.

Table VII-10
CTL plate: Data on the industry in Brazil, 2013-15, and projections, 2016-17

* * * * * * *

Alternative products

*** produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-11. Overall capacity utilization decreased from *** percent in 2013 to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***.

Table VII-11
CTL plate: Brazilian producers' overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Brazil was the United States in 2015 (table VII-12). Argentina was the second-largest export destination of CTL plate from Brazil. During 2015, the United States and Argentina accounted for 26.0 and 21.8 percent of total exports from Brazil of CTL plate, respectively.

Table VII-12
CTL plate: Brazil's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Brazil's exports to the United States	36,932	129,757	36,033
Brazil's exports to other major destination markets.-- Argentina	39,007	45,027	30,235
Taiwan	21,095	36,074	29,621
Vietnam	4,907	1,702	25,375
Paraguay	6,762	6,026	5,712
Belgium	0	0	3,349
Bolivia	1,356	4,032	2,129
Chile	3,883	947	1,424
Uruguay	3,421	1,223	1,093
All other destination markets	55,260	80,073	3,501
Total Brazil exports	172,622	304,861	138,472
	Value (1,000 dollars)		
Brazil's exports to the United States	28,407	86,656	21,558
Brazil's exports to other major destination markets.-- Argentina	35,120	40,624	24,618
Taiwan	8,480	14,039	8,582
Vietnam	1,915	649	5,871
Paraguay	4,701	4,253	3,584
Belgium	0	0	1,393
Bolivia	1,009	2,813	1,491
Chile	2,323	680	611
Uruguay	2,484	1,056	721
All other destination markets	42,686	70,724	2,704
Total Brazil exports	127,124	221,494	71,133

Table continued on next page.

Table VII-12 -- Continued
CTL plate: Brazil's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Brazil's exports to the United States	769	668	598
Brazil's exports to other major destination markets.-- Argentina	900	902	814
Taiwan	402	389	290
Vietnam	390	381	231
Paraguay	695	706	627
Belgium	0	0	416
Bolivia	744	698	700
Chile	598	718	429
Uruguay	726	863	660
All other destination markets	772	883	772
Total Brazil exports	736	727	514
	Share of quantity (percent)		
Brazil's exports to the United States	21.4	42.6	26.0
Brazil's exports to other major destination markets.-- Argentina	22.6	14.8	21.8
Taiwan	12.2	11.8	21.4
Vietnam	2.8	0.6	18.3
Paraguay	3.9	2.0	4.1
Belgium	0.0	0.0	2.4
Bolivia	0.8	1.3	1.5
Chile	2.2	0.3	1.0
Uruguay	2.0	0.4	0.8
All other destination markets	32.0	26.3	2.5
Total Brazil exports	100.0	100.0	100.0

Source: Official export statistics of Brazil as reported by SECEX – Foreign Trade Secretariat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN CHINA

Overview

The Commission issued foreign producers' or exporters' questionnaires to 46 firms believed to produce and/or export CTL plate from China.[13] Useable responses to the Commission's questionnaire were received from one firm: Jiangyin XingCheng. This firm's exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from China in 2015.[14] According to estimates requested of the responding Chinese producer, the production of CTL plate in China reported in the questionnaire response accounted for approximately *** percent of overall production of CTL plate in China in 2015. According to ***, total capacity of reversing mill plate in China was *** short tons and production was *** short tons in 2015, resulting in a capacity utilization of *** percent.[15] Table VII-13 presents information on the CTL plate operations of the responding producer and exporter in China. The responding firm did not report any changes in operations since January 1, 2013.

Table VII-13
CTL plate: Data for the producer in China, 2015

* * * * * * *

Operations on CTL plate

Table VII-14 presents information on the CTL plate operations of the responding Chinese producer and exporter for 2013-15, as well as projections for 2016-17. Chinese capacity for CTL plate *** from 2013 to 2015. Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-period inventories decreased by *** percent from 2013 to 2015.

Total shipments of the responding Chinese producers increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

[13] These firms were identified through a review of information submitted in the petition and contained in *** records.

[14] The coverage estimates presented are based on official import statistics.

[15] ***.

Table VII-14
CTL plate: Data on Chinese producer Jiangyin Xingcheng, 2013-15, and projections, 2016-17

* * * * * * *

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[16] As a share of the responding Chinese producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

Alternative products

*** produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-15. Overall capacity utilization *** from 2013 to 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

Table VII-15
CTL plate: Chinese producer Jiangyin Xingcheng's overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from China was Vietnam in 2015 (table VII-16). Korea was the second-largest export destination of CTL plate from China. During 2015, Vietnam and Korea accounted for 19.3 and 10.5 percent of total exports from China of CTL plate, respectively.

[16] Jiangyin Xingcheng noted that ***. ***.

Table VII-16
CTL plate: China's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
China's exports to the United States	37,036	65,441	60,263
China's exports to other major destination markets.--Vietnam	553,234	1,057,815	1,582,733
Korea	1,054,594	1,224,526	864,793
Japan	73,095	472,760	429,503
United Arab Emirates	174,268	397,137	426,241
India	111,720	592,316	379,971
Italy	25,788	247,878	370,722
Spain	138,005	340,992	334,766
Philippines	208,219	292,480	299,407
All other destination markets	2,122,552	2,956,802	3,471,008
Total China exports	4,498,511	7,648,147	8,219,406
	Value (1,000 dollars)		
China's exports to the United States	46,035	63,282	42,923
China's exports to other major destination markets.--Vietnam	275,864	492,929	519,644
Korea	522,974	579,281	301,068
Japan	35,228	220,039	138,692
United Arab Emirates	87,666	191,077	149,655
India	60,129	328,390	152,112
Italy	15,923	124,523	136,536
Spain	71,026	168,018	121,685
Philippines	103,521	136,302	109,526
All other destination markets	1,247,128	1,546,473	1,426,515
Total China exports	2,465,493	3,850,315	3,098,357

Table continued on next page.

Table VII-16 -- Continued
CTL plate: China's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
China's exports to the United States	1,243	967	712
China's exports to other major destination markets.-- Vietnam	499	466	328
Korea	496	473	348
Japan	482	465	323
United Arab Emirates	503	481	351
India	538	554	400
Italy	617	502	368
Spain	515	493	363
Philippines	497	466	366
All other destination markets	588	523	411
Total China exports	548	503	377
	Share of quantity (percent)		
China's exports to the United States	0.8	0.9	0.7
China's exports to other major destination markets.-- Vietnam	12.3	13.8	19.3
Korea	23.4	16.0	10.5
Japan	1.6	6.2	5.2
United Arab Emirates	3.9	5.2	5.2
India	2.5	7.7	4.6
Italy	0.6	3.2	4.5
Spain	3.1	4.5	4.1
Philippines	4.6	3.8	3.6
All other destination markets	47.2	38.7	42.2
Total China exports	100.0	100.0	100.0

Source: Official export statistics of China as reported by China Customs in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN FRANCE

Overview

The Commission issued foreign producers' or exporters' questionnaires to eight firms believed to produce and/or export CTL plate from France.[17] Useable responses to the Commission's questionnaire were received from two firms: ArcelorMittal (FR) and Dillinger France. These firms' exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from France in 2015.[18] According to estimates requested of the responding French producers, the production of CTL plate in France reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in France in 2015. Table VII-17 presents information on the CTL plate operations of the responding producers and exporters in France. No responding firm reported changes in operations since January 1, 2013.

Table VII-17
CTL plate: Data for producers in France, 2015

* * * * * * *

Operations on CTL plate

Table VII-18 presents information on the CTL plate operations of the responding French producers and exporters for 2013-15, as well as projections for 2016-17. French capacity for CTL plate decreased by *** percent from 2013 to 2015. Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[19] Capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-period inventories increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.

Total shipments of the responding French producers decreased by *** percent from 2013 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2015. As a share of the responding French producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

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[17] These firms were identified through a review of information submitted in the petition and contained in *** records.

[18] The coverage estimates presented are based on official import statistics.

[19] ArcelorMittal (FR) is a ***. ***.

Table VII-18
CTL plate: Data on the industry in France, 2013-15, and projections, 2016-17

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Alternative products

*** produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-19. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment as CTL plate and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***.

Table VII-19
CTL plate: French producers' overall capacity and production on the same equipment as subject production, 2013-15

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Exports

According to GTA, the top export market for CTL plate from France was Germany in 2015 (table VII-20). The United States was the second-largest export destination of CTL plate from France. During 2015, Germany and the United States accounted for 34.1 and 27.5 percent of total exports from France of CTL plate, respectively.

Table VII-20
CTL plate: France's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
France's exports to the United States	98,324	149,568	200,372
France's exports to other major destination markets.-- Germany	236,539	203,456	249,195
Netherlands	62,000	71,353	39,429
India	5,533	110,983	39,208
Belgium	31,617	29,454	22,696
United Arab Emirates	18,242	18,113	22,473
Spain	13,204	12,179	16,165
Austria	6,485	14,884	13,321
Korea	5,929	10,138	12,679
All other destination markets	176,282	134,427	114,201
Total France exports	654,156	754,555	729,739
	Value (1,000 dollars)		
France's exports to the United States	98,716	145,104	152,914
France's exports to other major destination markets.-- Germany	196,869	172,176	156,709
Netherlands	49,400	58,379	25,108
India	10,133	76,240	31,367
Belgium	25,526	23,718	16,009
United Arab Emirates	20,159	18,786	17,539
Spain	11,728	9,711	9,265
Austria	11,185	13,843	12,623
Korea	7,260	11,002	12,032
All other destination markets	216,486	170,737	122,329
Total France exports	647,460	699,695	555,895

Table continued on next page.

Table VII-20 -- Continued
CTL plate: France's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
France's exports to the United States	1,004	970	763
France's exports to other major destination markets.--			
Germany	832	846	629
Netherlands	797	818	637
India	1,831	687	800
Belgium	807	805	705
United Arab Emirates	1,105	1,037	780
Spain	888	797	573
Austria	1,725	930	948
Korea	1,224	1,085	949
All other destination markets	1,228	1,270	1,071
Total France exports	990	927	762
	Share of quantity (percent)		
France's exports to the United States	15.0	19.8	27.5
France's exports to other major destination markets.--			
Germany	36.2	27.0	34.1
Netherlands	9.5	9.5	5.4
India	0.8	14.7	5.4
Belgium	4.8	3.9	3.1
United Arab Emirates	2.8	2.4	3.1
Spain	2.0	1.6	2.2
Austria	1.0	2.0	1.8
Korea	0.9	1.3	1.7
All other destination markets	26.9	17.8	15.6
Total France exports	100.0	100.0	100.0

Source: Official export statistics of France as reported by EuroStat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN GERMANY

Overview

The Commission issued foreign producers' or exporters' questionnaires to 16 firms believed to produce and/or export CTL plate from Germany.[20] Useable responses to the Commission's questionnaire were received from six firms: Buderus, Deutsche Edelstahlwerke, Dilinger Huettenwerke, Thyssenkrupp Europe, Friedr. Lohmann, and Salzgitter. These firms' exports to the United States accounted for *** U.S. imports of CTL plate from Germany in 2015.[21] According to estimates requested of the responding German producers, the production of CTL plate in Germany reported in questionnaire responses accounted for *** production of CTL plate in Germany in 2015. Table VII-21 presents information on the CTL plate operations of the responding producers and exporters in Germany.

Table VII-21
CTL plate: Data for producers in Germany, 2015

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Changes in operations

As presented in table VII-22, responding German producers reported several operational changes since January 1, 2013.

Table VII-22
CTL plate: Reported changes in operations by firms in Germany since January 1, 2013

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[20] These firms were identified through a review of information submitted in the petition and contained in *** records.

[21] The coverage estimates presented are based on official import statistics.

Operations on CTL plate

Table VII-23 presents information on the CTL plate operations of the responding German producers and exporters for 2013-15, as well as projections for 2016-17. German capacity for CTL plate increased by 3.0 percent from 2013 to 2014 but decreased by 2.8 percent from 2014 to 2015. Production increased by 11.1 percent from 2013 to 2015. Capacity utilization increased by 9.4 percentage points from 2013 to 2015.[22] In addition, end-of-period inventories increased by 18.7 percent from 2013 to 2015.

Total shipments of the responding German producers increased by 9.7 percent from 2013 to 2015. Home market shipments increased from 61.0 percent of total shipments in 2013 to 64.6 percent of total shipments in 2014 and declined to 60.4 percent of total shipments in 2015.

Exports of CTL plate to the United States decreased by *** percent from 2013 to 2014 but increased by *** percent from 2014 to 2015.[23] [24] As a share of the responding German producers' total shipments, exports to the United States decreased from *** percent in 2013 to *** percent in 2014 but increased to *** percent in 2015. Exports of CTL plate to countries other than the United States decreased by *** percent from 2013 to 2014 but increased by *** percent from 2014 to 2015. Other export markets identified include ***.

[22] Salzgitter is also participating in the pipeline project in Eastern Europe with Austrian producer Voestalpine and therefore does not expect to have much excess capacity over the next couple years. Conference transcript, p. 185 (Moore).

[23] The increase in exports to the United States in 2015 was due to ***. ***.

[24] Approximately 90 percent of CTL plate exports to the United States from Germany are reportedly X-70 plate. Conference transcript, p. 126 (Moore).

Table VII-23
CTL plate: Data on the industry in Germany, 2013-15, and projections, 2016-17

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2013	2014	2015	2016	2017
	Quantity (short tons)				
Capacity	3,714,592	3,827,499	3,719,739	3,714,927	3,743,321
Production	3,181,811	3,444,639	3,535,835	3,607,227	3,689,634
End-of-period inventories	336,764	391,486	399,759	408,218	418,139
Shipments:					
Home market shipments:					
Internal consumption/transfers	720,286	824,129	799,756	861,784	904,625
Home market commercial shipments	1,239,267	1,365,755	1,330,971	1,599,216	1,681,943
Subtotal, home market shipments	1,959,553	2,189,884	2,130,727	2,461,000	2,586,568
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	3,214,662	3,389,916	3,527,563	3,598,767	3,679,718
	Ratio and shares (percent)				
Capacity utilization	85.7	90.0	95.1	97.1	98.6
Inventories/production	10.6	11.4	11.3	11.3	11.3
Inventories/total shipments	10.5	11.5	11.3	11.3	11.4
Share of total shipments:					
Home market shipments:					
Internal consumption/transfers	22.4	24.3	22.7	23.9	24.6
Home market commercial shipments	38.6	40.3	37.7	44.4	45.7
Subtotal, home market shipments	61.0	64.6	60.4	68.4	70.3
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0

Note.--***. ***.

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

Alternative products

Four of the responding German producers produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-24. Overall capacity utilization increased from 86.2 percent in 2013 to 94.8 percent in 2015. Production of subject CTL plate accounted for 94.8 percent of total production on the same equipment and out-of-scope production accounted for 5.2 percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

Table VII-24
CTL plate: German producers' overall capacity and production on the same equipment as subject production, 2013-15

Item	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Overall production capacity	3,955,469	4,081,434	3,933,385
Production:			
CTL plate	3,181,811	3,444,639	3,535,835
Other products	226,565	229,076	194,869
Total production	3,408,376	3,673,715	3,730,704
	Ratios and shares (percent)		
Overall capacity utilization	86.2	90.0	94.8
Share of production:			
CTL plate	93.4	93.8	94.8
Other products	6.6	6.2	5.2
Total production	100.0	100.0	100.0

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

Exports

According to GTA, the top export market for CTL plate from Germany was the Netherlands in 2015 (table VII-25). The United States was the second-largest export destination of CTL plate from Germany. During 2015, the Netherlands and the United States accounted for 15.0 and 13.5 percent of total exports from Germany of CTL plate, respectively.

Table VII-25
CTL plate: Germany's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Germany's exports to the United States	120,859	107,069	259,107
Germany's exports to other major destination markets.--			
Netherlands	257,832	265,000	286,752
France	173,297	159,914	146,740
Austria	89,761	94,030	108,656
Russia	19,688	143,773	102,573
Italy	80,414	90,437	100,791
United Kingdom	56,628	65,200	98,113
Poland	79,676	76,618	83,454
Switzerland	71,188	71,042	78,279
All other destination markets	769,002	639,173	653,331
Total Germany exports	1,718,344	1,712,256	1,917,798
	Value (1,000 dollars)		
Germany's exports to the United States	121,756	122,114	199,782
Germany's exports to other major destination markets.--			
Netherlands	242,343	248,964	190,073
France	164,843	143,684	104,123
Austria	92,885	90,696	84,308
Russia	21,177	114,672	73,144
Italy	94,384	100,729	91,163
United Kingdom	55,970	58,384	67,156
Poland	100,587	90,793	76,148
Switzerland	62,063	60,448	51,286
All other destination markets	914,061	767,271	572,561
Total Germany exports	1,870,070	1,797,756	1,509,744

Table continued on next page.

Table VII-25 -- Continued
CTL plate: Germany's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Germany's exports to the United States	1,007	1,141	771
Germany's exports to other major destination markets.--			
Netherlands	940	939	663
France	951	899	710
Austria	1,035	965	776
Russia	1,076	798	713
Italy	1,174	1,114	904
United Kingdom	988	895	684
Poland	1,262	1,185	912
Switzerland	872	851	655
All other destination markets	1,189	1,200	876
Total Germany exports	1,088	1,050	787
	Share of quantity (percent)		
Germany's exports to the United States	7.0	6.3	13.5
Germany's exports to other major destination markets.--			
Netherlands	15.0	15.5	15.0
France	10.1	9.3	7.7
Austria	5.2	5.5	5.7
Russia	1.1	8.4	5.3
Italy	4.7	5.3	5.3
United Kingdom	3.3	3.8	5.1
Poland	4.6	4.5	4.4
Switzerland	4.1	4.1	4.1
All other destination markets	44.8	37.3	34.1
Total Germany exports	100.0	100.0	100.0

Source: Official export statistics of Germany as reported by EuroStat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN ITALY

Overview

The Commission issued foreign producers' or exporters' questionnaires to nine firms believed to produce and/or export CTL plate from Italy.[25] Useable responses to the Commission's questionnaire were received from three firms: Ilva, NLMK Verona, and Officine.[26] These firms' exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from Italy in 2015.[27] According to estimates requested of the responding Italian producers, the production of CTL plate in Italy reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in Italy in 2015. Table VII-26 presents information on the CTL plate operations of the responding producers and exporters in Italy.

Table VII-26
CTL plate: Data for producers in Italy, 2015

* * * * * * *

Changes in operations

As presented in table VII-27, responding Italian producers reported several operational changes since January 1, 2013.

Table VII-27
CTL plate: Reported changes in operations by firms in Italy since January 1, 2013

* * * * * * *

Operations on CTL plate

Table VII-28 presents information on the CTL plate operations of the responding Italian producers and exporters for 2013-15, as well as projections for 2016-17. Italian capacity for CTL plate remained steady from 2013 to 2015. Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Similarly, capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from

[25] These firms were identified through a review of information submitted in the petition and contained in *** records.

[26] Staff also received a questionnaire response from Evraz Palini E Bertoil S.r.l. but did not incorporate it into the aggregate data due to its late submission.

[27] The coverage estimates presented are based on official import statistics.

2014 to 2015. In addition, end-of-period inventories increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.

Table VII-28
CTL plate: Data on the industry in Italy, 2013-15, and projections, 2016-17

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2013	2014	2015	2016	2017
	Quantity (short tons)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/transfers	***	***	***	***	***
Home market commercial shipments	***	***	***	***	***
Subtotal, home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratio and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of total shipments:					
Home market shipments:					
Internal consumption/transfers	***	***	***	***	***
Home market commercial shipments	***	***	***	***	***
Subtotal, home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***

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

Total shipments of the responding Italian producers increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[28] Exports of CTL plate to the United States decreased overall by *** percent from 2013 to 2015. As a share of the responding Italian producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

Alternative products

*** produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-29. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent of total production in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

[28] The increase in ***. ***.

Table VII-29
CTL plate: Italian producers' overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Italy was Germany in 2015 (table VII-30). Turkey was the second-largest export destination of CTL plate from Italy. During 2015, Germany and Turkey accounted for 22.1 and 10.7 percent of total exports from Italy of CTL plate, respectively.

Table VII-30
CTL plate: Italy's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Italy's exports to the United States	49,142	112,369	45,397
Italy's exports to other major destination markets.--Germany	440,010	400,685	322,366
Turkey	169,542	169,822	156,573
France	224,241	183,948	144,497
Austria	113,382	107,712	109,221
Hungary	62,335	77,076	82,278
Slovenia	53,615	57,172	79,941
Czech Republic	27,102	42,334	57,358
Spain	71,084	57,938	56,183
All other destination markets	349,016	383,540	404,791
Total Italy exports	1,559,470	1,592,597	1,458,606
	Value (1,000 dollars)		
Italy's exports to the United States	32,536	75,166	27,525
Italy's exports to other major destination markets.--Germany	289,840	256,983	162,097
Turkey	88,762	91,627	68,932
France	145,286	117,265	75,006
Austria	74,167	71,140	54,871
Hungary	39,668	49,462	40,247
Slovenia	36,229	37,870	40,487
Czech Republic	18,615	28,222	29,083
Spain	47,101	39,595	30,848
All other destination markets	255,646	263,614	221,554
Total Italy exports	1,027,849	1,030,944	750,650

Table continued on next page.

Table VII-30 -- Continued
CTL plate: Italy's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Italy's exports to the United States	662	669	606
Italy's exports to other major destination markets.--			
Germany	659	641	503
Turkey	524	540	440
France	648	637	519
Austria	654	660	502
Hungary	636	642	489
Slovenia	676	662	506
Czech Republic	687	667	507
Spain	663	683	549
All other destination markets	732	687	547
Total Italy exports	659	647	515
	Share of quantity (percent)		
Italy's exports to the United States	3.2	7.1	3.1
Italy's exports to other major destination markets.--			
Germany	28.2	25.2	22.1
Turkey	10.9	10.7	10.7
France	14.4	11.6	9.9
Austria	7.3	6.8	7.5
Hungary	4.0	4.8	5.6
Slovenia	3.4	3.6	5.5
Czech Republic	1.7	2.7	3.9
Spain	4.6	3.6	3.9
All other destination markets	22.4	24.1	27.8
Total Italy exports	100.0	100.0	100.0

Source: Official export statistics of Italy as reported by EuroStat in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN JAPAN

Overview

The Commission issued foreign producers' or exporters' questionnaires to nine firms believed to produce and/or export CTL plate from Japan.[29] Useable responses to the Commission's questionnaire were received from four firms: JFE Corporation, Kobe Steel, NSSMC, and Tokyo Steel. These firms' exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from Japan in 2015.[30] According to estimates requested of the responding Japanese producers, the production of CTL plate in Japan reported in questionnaire responses accounted for *** production of CTL plate in Japan in 2015. Table VII-31 presents information on the CTL plate operations of the responding producers and exporters in Japan.

Table VII-31
CTL plate: Data for producer in Japan, 2015

* * * * * * *

Changes in operations

As presented in table VII-32, responding Japanese producers reported several operational changes since January 1, 2013.

Table VII-32
CTL plate: Reported changes in operations by firms in Japan since January 1, 2013

* * * * * * *

Operations on CTL plate

Table VII-33 presents information on the CTL plate operations of the responding Japanese producers and exporters for 2013-15, as well as projections for 2016-17. Japanese capacity for CTL plate decreased by 5.0 percent from 2013 to 2015. Production increased by 2.5 percent from 2013 to 2014 but decreased by 9.7 percent from 2014 to 2015. Capacity utilization increased by 2.8 percentage points from 2013 to 2014 but decreased by 5.1 percentage points from 2014 to 2015. In addition, end-of-period inventories increased by 24.2 percent from 2013 to 2014 but decreased by 3.2 percent from 2014 to 2015.

[29] These firms were identified through a review of information submitted in the petition and contained in *** records.

[30] The coverage estimates presented are based on official import statistics.

Table VII-33
CTL plate: Data on the industry in Japan, 2013-15, and projections, 2016-17

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2013	2014	2015	2016	2017
	Quantity (short tons)				
Capacity	14,617,707	14,542,634	13,888,019	13,822,101	13,839,071
Production	13,382,499	13,719,928	12,386,229	12,068,506	12,088,783
End-of-period inventories	439,662	545,911	528,172	481,875	481,875
Shipments:					
Home market shipments:					
Internal consumption/transfers	***	***	***	***	***
Home market commercial shipments	***	***	***	***	***
Subtotal, home market shipments	9,603,862	10,296,714	9,125,737	8,973,082	8,947,212
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	13,401,810	13,613,679	12,403,968	12,114,803	12,088,783
	Ratio and shares (percent)				
Capacity utilization	91.5	94.3	89.2	87.3	87.4
Inventories/production	3.3	4.0	4.3	4.0	4.0
Inventories/total shipments	3.3	4.0	4.3	4.0	4.0
Share of total shipments:					
Home market shipments:					
Internal consumption/transfers	***	***	***	***	***
Home market commercial shipments	***	***	***	***	***
Subtotal, home market shipments	71.7	75.6	73.6	74.1	74.0
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0

Note.--NSSMC ***. ***.

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

Total shipments of the responding Japanese producers increased by 1.6 percent from 2013 to 2014 but decreased by 8.9 percent from 2014 to 2015. Home market shipments increased from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[31] As a share of the responding Japanese producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent of total shipments in 2015. Exports of CTL plate to countries other than the United States decreased by *** percent from 2013 to 2015. Other export markets identified include ***.

Alternative products

*** produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-34. Overall capacity utilization increased to *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

Table VII-34
CTL plate: Japanese producers' overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

[31] Tokyo Steel ***. ***.

Exports

According to GTA, the top export market for CTL plate from Japan was China in 2015 (table VII-35). Korea was the second-largest export destination of CTL plate from Japan. During 2015, China and Korea accounted for 26.7 and 25.4 percent of total exports from Japan of CTL plate, respectively.

Table VII-35
CTL plate: Japan's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Japan's exports to the United States	46,682	94,918	64,490
Japan's exports to other major destination markets.--China	894,215	1,042,299	1,017,797
Korea	1,250,581	1,278,701	969,877
Philippines	319,882	349,328	381,007
Singapore	407,447	183,884	204,991
Vietnam	141,549	114,304	172,661
India	194,966	68,407	165,598
Mexico	99,582	64,265	136,438
Thailand	74,977	91,910	103,872
All other destination markets	713,739	461,059	598,938
Total Japan exports	4,143,620	3,749,074	3,815,667
	Value (1,000 dollars)		
Japan's exports to the United States	48,123	71,543	46,296
Japan's exports to other major destination markets.--China	657,656	788,118	575,101
Korea	866,729	896,476	560,559
Philippines	186,268	196,813	182,503
Singapore	243,169	134,357	104,137
Vietnam	66,642	56,634	62,752
India	131,345	65,608	113,732
Mexico	56,535	38,549	62,561
Thailand	55,959	67,087	68,706
All other destination markets	468,632	340,659	359,031
Total Japan exports	2,781,057	2,655,845	2,135,378

Table continued on next page.

Table VII-35 -- Continued
CTL plate: Japan's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Japan's exports to the United States	1,031	754	718
Japan's exports to other major destination markets.-- China	735	756	565
Korea	693	701	578
Philippines	582	563	479
Singapore	597	731	508
Vietnam	471	495	363
India	674	959	687
Mexico	568	600	459
Thailand	746	730	661
All other destination markets	657	739	599
Total Japan exports	671	708	560
	Share of quantity (percent)		
Japan's exports to the United States	1.1	2.5	1.7
Japan's exports to other major destination markets.-- China	21.6	27.8	26.7
Korea	30.2	34.1	25.4
Philippines	7.7	9.3	10.0
Singapore	9.8	4.9	5.4
Vietnam	3.4	3.0	4.5
India	4.7	1.8	4.3
Mexico	2.4	1.7	3.6
Thailand	1.8	2.5	2.7
All other destination markets	17.2	12.3	15.7
Total Japan exports	100.0	100.0	100.0

Source: Official export statistics of Japan as reported by Japan Ministry of Finance in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN KOREA

Overview

The Commission issued foreign producers' or exporters' questionnaires to 20 firms believed to produce and/or export CTL plate from Korea.[32] Useable responses to the Commission's questionnaire were received from POSCO. POSCO's exports to the United States accounted for *** subject U.S. imports of CTL plate from Korea in 2015.[33] According to estimates requested of the responding Korean producer, the production of CTL plate in Korea reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in Korea in 2015. Table VII-36 presents information on the CTL plate operations of the responding producer and exporter in Korea. POSCO did not report any changes in operations in January 1, 2013.

Table VII-36
CTL plate: Data for the producer in Korea, 2015

* * * * * * *

Operations on CTL plate

Table VII-37 presents information on the CTL plate operations of the responding Korean producer and exporter for 2013-15, as well as projections for 2016-17. POSCO's capacity for CTL plate increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Capacity utilization decreased by *** percentage points from 2013 to 2015. In addition, end-of-period inventories increased by *** percent from 2013 to 2015.

Total shipments of the responding Korean producer increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[34] Exports of CTL plate to the United States increased overall by *** percent from 2013 to 2015. As a share of the responding Korean producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Exports of CTL plate to countries

[32] These firms were identified through a review of information submitted in the petition and contained in *** records.

[33] The coverage estimates presented are based on official import statistics.

[34] POSCO attributed the ***. Furthermore, shipbuilding is another sector in which POSCO increased its supply to the U.S. market. ***; POSCO's postconference brief, p. 14.

other than the United States decreased by *** percent from 2013 to 2014 but increased by *** percent from 2014 to 2015. Other export markets identified include ***.

Table VII-37
CTL plate: Data on Korean producer POSCO, 2013-15, and projections, 2016-17

* * * * * * *

Alternative products

POSCO produced *** as shown in table VII-38. Overall capacity utilization decreased from *** percent in 2013 to *** percent in 2015. Production of subject CTL plate accounted for *** production on the CTL plate equipment. Other products produced on the same equipment as CTL plate include ***. Additionally, POSCO reported ***.

Table VII-38
CTL plate: Korean producer POSCO's overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Korea was Japan in 2015 (table VII-39). China was the second-largest export destination of CTL plate from Korea. During 2015, Japan and China accounted for 16.7 and 15.5 percent of total exports from Korea of CTL plate, respectively.

Table VII-39
CTL plate: Korea’s exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Korea's exports to the United States	90,322	390,569	306,648
Korea's exports to other major destination markets.-- Japan	451,825	516,167	517,994
China	570,408	642,824	479,940
Vietnam	161,567	223,600	252,636
India	148,552	138,891	216,326
Philippines	234,924	236,110	205,742
Taiwan	76,630	113,829	185,674
Saudi Arabia	161,430	105,820	139,238
United Arab Emirates	253,875	130,605	137,619
All other destination markets	751,357	801,360	663,767
Total Korea exports	2,900,891	3,299,774	3,105,585
	Value (1,000 dollars)		
Korea's exports to the United States	55,383	259,762	193,071
Korea's exports to other major destination markets.-- Japan	240,558	274,291	211,348
China	392,112	463,809	294,641
Vietnam	101,384	150,687	121,525
India	92,108	76,590	92,285
Philippines	140,738	137,919	94,060
Taiwan	42,071	60,387	75,983
Saudi Arabia	91,985	62,313	69,518
United Arab Emirates	144,787	83,234	60,536
All other destination markets	485,612	517,236	341,279
Total Korea exports	1,786,737	2,086,230	1,554,246

Table continued on next page.

Table VII-39 -- Continued
CTL plate: Korea's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Korea's exports to the United States	613	665	630
Korea's exports to other major destination markets.-- Japan	532	531	408
China	687	722	614
Vietnam	628	674	481
India	620	551	427
Philippines	599	584	457
Taiwan	549	531	409
Saudi Arabia	570	589	499
United Arab Emirates	570	637	440
All other destination markets	646	645	514
Total Korea exports	616	632	500
	Share of quantity (percent)		
Korea's exports to the United States	3.1	11.8	9.9
Korea's exports to other major destination markets.-- Japan	15.6	15.6	16.7
China	19.7	19.5	15.5
Vietnam	5.6	6.8	8.1
India	5.1	4.2	7.0
Philippines	8.1	7.2	6.6
Taiwan	2.6	3.4	6.0
Saudi Arabia	5.6	3.2	4.5
United Arab Emirates	8.8	4.0	4.4
All other destination markets	25.9	24.3	21.4
Total Korea exports	100.0	100.0	100.0

Note.--These data may include exports by firms other than ***.

Source: Official export statistics of Korea as reported by Korea Customs and Trade Development Institution in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN SOUTH AFRICA

Overview

The Commission issued foreign producers' or exporters' questionnaires to four firms believed to produce and/or export CTL plate from South Africa.[35] Useable responses to the Commission's questionnaire were received from two firms: ArcelorMittal South Africa and Evraz Highveld. These firms' exports to the United States accounted for *** percent of U.S. imports of CTL plate from South Africa in 2015.[36] According to estimates requested of the responding South African producers, the production of CTL plate in South Africa reported in questionnaire responses accounted for *** production of CTL plate in South Africa in 2015.[37] Table VII-40 presents information on the CTL plate operations of the responding producers and exporters in South Africa.

Table VII-40
CTL plate: Data for producers in South Africa, 2015

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Changes in operations

As presented in table VII-41, responding South African producers reported several operational changes since January 1, 2013.

Table VII-41
CTL plate: Reported changes in operations by firms in South Africa since January 1, 2013

* * * * * * *

Operations on CTL plate

Table VII-42 presents information on the CTL plate operations of the responding South African producers and exporters for 2013-15, as well as projections for 2016-17. South African capacity for CTL plate decreased by *** percent from 2013 to 2015. Production decreased by *** percent from 2013 to 2015. Capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-

[35] These firms were identified through a review of information submitted in the petition and contained in *** records.

[36] The coverage estimates presented are based on official import statistics.

[37] ArcelorMittal South Africa noted that ***. ***.

period inventories increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.

Total shipments of the responding South African producers decreased by *** percent from 2013 to 2015. Home market shipments decreased from *** percent of total shipments in 2013 to *** percent of total shipments in 2015.

Table VII-42
CTL plate: Data on the industry in South Africa, 2013-15, and projections, 2016-17

* * * * * * *

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Exports of CTL plate to the United States increased overall by *** percent from 2013 to 2015. Exports of CTL plate to countries other than the United States decreased by *** percent from 2013 to 2014 but increased by *** percent, although exports to all other markets *** during 2013-15. Other export markets identified include ***.

Alternative products

One of the responding South African producers produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-43. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, ***.

Table VII-43
CTL plate: South African producers' overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from South Africa was the United States in 2015 (table VII-44). Zambia was the second-largest export destination of CTL plate from South Africa. During 2015, the United States and Zambia accounted for 34.8 and 18.3 percent of total exports from South Africa of CTL plate, respectively.

Table VII-44
CTL plate: South Africa's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
South Africa's exports to the United States	15,888	29,761	20,168
South Africa's exports to other major destination markets.--			
Zambia	11,331	11,701	10,628
Canada	0	0	7,529
Zimbabwe	6,647	4,873	6,703
Mozambique	3,152	3,500	2,651
Congo Dem. Rep.	3,031	1,938	1,482
Namibia	146	776	1,355
Malawi	1,831	961	1,243
Tanzania	1,245	712	1,210
All other destination markets	1,405	24,713	4,967
Total South Africa exports	44,675	78,934	57,935
	Value (1,000 dollars)		
South Africa's exports to the United States	8,871	16,753	9,459
South Africa's exports to other major destination markets.--			
Zambia	10,077	10,264	7,902
Canada	0	0	3,165
Zimbabwe	5,634	3,942	4,324
Mozambique	2,697	2,670	2,661
Congo Dem. Rep.	3,792	1,927	956
Namibia	111	613	1,134
Malawi	1,523	760	717
Tanzania	1,438	810	1,180
All other destination markets	1,053	20,901	6,163
Total South Africa exports	35,195	58,641	37,661

Table continued on next page.

Table VII-44 -- Continued
CTL plate: South Africa's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
South Africa's exports to the United States	558	563	469
South Africa's exports to other major destination markets.--			
Zambia	889	877	743
Canada	0	0	420
Zimbabwe	848	809	645
Mozambique	856	763	1,004
Congo Dem. Rep.	1,251	995	645
Namibia	758	789	837
Malawi	832	791	577
Tanzania	1,155	1,137	975
All other destination markets	749	846	1,241
Total South Africa exports	788	743	650
	Share of quantity (percent)		
South Africa's exports to the United States	35.6	37.7	34.8
South Africa's exports to other major destination markets.--			
Zambia	25.4	14.8	18.3
Canada	0.0	0.0	13.0
Zimbabwe	14.9	6.2	11.6
Mozambique	7.1	4.4	4.6
Congo Dem. Rep.	6.8	2.5	2.6
Namibia	0.3	1.0	2.3
Malawi	4.1	1.2	2.1
Tanzania	2.8	0.9	2.1
All other destination markets	3.1	31.3	8.6
Total South Africa exports	100.0	100.0	100.0

Source: Official export statistics of South Africa as reported by South African Revenue Service in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN TAIWAN

Overview

The Commission issued foreign producers' or exporters' questionnaires to eight firms believed to produce and/or export CTL plate from Taiwan.[38] Useable responses to the Commission's questionnaire were received from three firms: CSC Shang Chen, and Tung Ho. These firms' exports to the United States accounted for approximately *** percent of U.S. imports of CTL plate from Taiwan in 2015.[39] According to estimates requested of the responding Taiwanese producers, the production of CTL plate in Taiwan reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in Taiwan in 2015. Table VII-45 presents information on the CTL plate operations of the responding producers and exporters in Taiwan. No responding firm reported changes in operations since January 1, 2013.

Table VII-45
CTL plate: Data for producers in Taiwan, 2015

* * * * * * *

Operations on CTL plate

Table VII-46 presents information on the CTL plate operations of the responding producers and exporters in Taiwan for 2013-15, as well as projections for 2016-17. Capacity for CTL plate in Taiwan increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[40] Production increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Capacity utilization increased by *** percentage point from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-period inventories increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.

Total shipments of the responding producers in Taiwan increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2014 but increased to *** percent of total shipments in 2015.

Exports of CTL plate from Taiwan to the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015.[41] As a share of the responding

[38] These firms were identified through a review of information submitted in the petition and contained in *** records.

[39] The coverage estimates presented are based on official import statistics.

[40] Tung Ho noted that ***. ***.

[41] This increase in 2014 was reportedly due to ***. ***.

producers' total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

Table VII-46
CTL plate: Data on the industry in Taiwan, 2013-15, and projections, 2016-17

* * * * * * *

Alternative products

All of the responding producers in Taiwan produced both subject CTL plate and out-of-scope products on the same equipment as shown in table VII-47. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, the producers in Taiwan reported ***.

Table VII-47
CTL plate: Producers' overall capacity and production in Taiwan on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Taiwan was Japan in 2015 (table VII-48). The United States was the second-largest export destination of CTL plate from Taiwan. During 2015, Japan and the United States accounted for 33.6 and 20.1 percent of total exports from Taiwan of CTL plate, respectively.

Table VII-48
CTL plate: Taiwan's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Taiwan's exports to the United States	41,992	64,256	26,923
Taiwan's exports to other major destination markets.-- Japan	35,909	49,492	45,045
Australia	27,335	22,499	10,681
Canada	3,111	4,126	9,254
Vietnam	18,198	20,883	8,213
Malaysia	16,395	4,336	7,032
China	3,372	5,504	5,731
Thailand	114,335	7,428	4,853
Indonesia	16,991	8,240	3,982
All other destination markets	32,624	10,259	12,168
Total Taiwan exports	310,262	197,024	133,882
	Value (1,000 dollars)		
Taiwan's exports to the United States	24,633	40,186	14,908
Taiwan's exports to other major destination markets.-- Japan	18,662	26,856	18,634
Australia	16,400	13,450	5,254
Canada	1,858	2,533	4,636
Vietnam	11,263	14,381	4,480
Malaysia	10,337	2,880	3,796
China	6,185	7,011	5,509
Thailand	6,312	5,068	2,997
Indonesia	9,905	5,354	2,233
All other destination markets	19,708	7,004	6,224
Total Taiwan exports	125,262	124,722	68,672

Table continued on next page.

Table VII-48 -- Continued
CTL plate: Taiwan's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Taiwan's exports to the United States	587	625	554
Taiwan's exports to other major destination markets.-- Japan	520	543	414
Australia	600	598	492
Canada	597	614	501
Vietnam	619	689	545
Malaysia	631	664	540
China	1,834	1,274	961
Thailand	55	682	617
Indonesia	583	650	561
All other destination markets	604	683	511
Total Taiwan exports	404	633	513
	Share of quantity (percent)		
Taiwan's exports to the United States	13.5	32.6	20.1
Taiwan's exports to other major destination markets.-- Japan	11.6	25.1	33.6
Australia	8.8	11.4	8.0
Canada	1.0	2.1	6.9
Vietnam	5.9	10.6	6.1
Malaysia	5.3	2.2	5.3
China	1.1	2.8	4.3
Thailand	36.9	3.8	3.6
Indonesia	5.5	4.2	3.0
All other destination markets	10.5	5.2	9.1
Total Taiwan exports	100.0	100.0	100.0

Source: Official export statistics of Taiwan as reported by Taiwan Directorate General of Customs in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRY IN TURKEY

Overview

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export CTL plate from Turkey.[42] Useable responses to the Commission's questionnaire were received from one firm: Erdemir. This firm's exports to the United States accounted for *** U.S. imports of CTL plate from Turkey in 2015.[43] According to estimates requested of the responding Turkish producer, the production of CTL plate in Turkey reported in questionnaire responses accounted for approximately *** percent of overall production of CTL plate in Turkey in 2015. Table VII-49 presents information on the CTL plate operations of the responding producer and exporter in Turkey. Erdemir did not report any changes in operations since January 1, 2013.

Table VII-49
CTL plate: Data for the producer in Turkey, 2015

* * * * * * *

Operations on CTL plate

Table VII-50 presents information on the CTL plate operations of the responding Turkish producer/exporter for 2013-15, as well as projections for 2016-17. Turkish capacity for CTL plate increased by *** percent from 2013 to 2015. Production also increased by *** percent from 2013 to 2015. Capacity utilization increased by *** percentage points from 2013 to 2014 but decreased by *** percentage points from 2014 to 2015. In addition, end-of-period inventories decreased by *** percent from 2013 to 2015.

Total shipments of the responding Turkish producer increased by *** percent from 2013 to 2015. Home market shipments declined from *** percent of total shipments in 2013 to *** percent of total shipments in 2014 but increased to *** percent of total shipments in 2015.

Exports of CTL plate to the United States increased by *** percent from 2013 to 2014 due to *** but decreased by *** percent from 2014 to 2015.[44] [45] Exports of CTL plate to the United States decreased overall by *** percent from 2013 to 2015. As a share of the responding Turkish producer's total shipments, exports to the United States increased from *** percent in 2013 to *** percent in 2014 but decreased to *** percent in 2015. Exports of CTL plate to countries other than the United States increased by *** percent from 2013 to 2014 but decreased by *** percent from 2014 to 2015. Other export markets identified include ***.

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[42] These firms were identified through a review of information submitted in the petition and contained in *** records.

[43] The coverage estimates presented are based on official import statistics.

[44] ***.

[45] ***. ***.

Table VII-50
CTL plate: Data on Turkish producer Erdemir, 2013-15, and projections, 2016-17

* * * * * * *

Alternative products

Erdemir produced *** as shown in table VII-51. Overall capacity utilization increased from *** percent in 2013 to *** percent in 2015. Production of subject CTL plate accounted for *** percent of total production on the same equipment and out-of-scope production accounted for *** percent in 2015. Other products produced on the same equipment as CTL plate include ***. Additionally, Erdemir reported that ***.

Table VII-51
CTL plate: Turkish producer Erdemir's overall capacity and production on the same equipment as subject production, 2013-15

* * * * * * *

Exports

According to GTA, the top export market for CTL plate from Turkey was Iraq in 2015 (table VII-52). Nigeria was the second-largest export destination of CTL plate from Turkey. During 2015, Iraq and Nigeria accounted for 15.0 and 11.4 percent of total exports from Turkey of CTL plate, respectively.

Table VII-52
CTL plate: Turkey's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Quantity (short tons)		
Turkey's exports to the United States	32,089	115,117	17,724
Turkey's exports to other major destination markets.-- Iraq	18,801	23,869	42,460
Nigeria	31,800	29,618	32,173
Egypt	4,071	5,894	23,252
Syria	220	6,567	14,942
United Kingdom	1,555	8,653	14,911
Ethiopia	6,362	15,900	10,546
France	5,888	5,026	9,622
Georgia	5,310	5,888	7,294
All other destination markets	100,923	131,192	109,549
Total Turkey exports	207,020	347,724	282,474
	Value (1,000 dollars)		
Turkey's exports to the United States	18,028	67,681	6,463
Turkey's exports to other major destination markets.-- Iraq	14,620	17,438	22,747
Nigeria	23,803	19,816	15,886
Egypt	2,484	3,444	8,796
Syria	136	3,467	8,148
United Kingdom	932	4,628	5,742
Ethiopia	3,857	9,349	5,176
France	3,274	2,798	3,817
Georgia	4,768	3,548	3,336
All other destination markets	68,283	79,488	55,383
Total Turkey exports	140,184	211,658	135,496

Table continued on next page.

Table VII-52 -- Continued
CTL plate: Turkey's exports to its top destination markets and the United States, 2013-15

Destination	Calendar year		
	2013	2014	2015
	Unit value (dollars per short ton)		
Turkey's exports to the United States	562	588	365
Turkey's exports to other major destination markets.--			
Iraq	778	731	536
Nigeria	749	669	494
Egypt	610	584	378
Syria	618	528	545
United Kingdom	599	535	385
Ethiopia	606	588	491
France	556	557	397
Georgia	898	603	457
All other destination markets	677	606	506
Total Turkey exports	677	609	480
	Share of quantity (percent)		
Turkey's exports to the United States	15.5	33.1	6.3
Turkey's exports to other major destination markets.--			
Iraq	9.1	6.9	15.0
Nigeria	15.4	8.5	11.4
Egypt	2.0	1.7	8.2
Syria	0.1	1.9	5.3
United Kingdom	0.8	2.5	5.3
Ethiopia	3.1	4.6	3.7
France	2.8	1.4	3.4
Georgia	2.6	1.7	2.6
All other destination markets	48.8	37.7	38.8
Total Turkey exports	100.0	100.0	100.0

Source: Official export statistics of Turkey as reported by State Institute of Statistics in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

THE INDUSTRIES IN THE SUBJECT COUNTRIES (COMBINED)

Table VII-53 presents information on the CTL plate operations of the producers and exporters in all 12 subject countries combined during 2013-15, as well as projections for 2016-17.

Table VII-53
CTL plate: Data on the industry in subject countries, 2013-15, and projections, 2016-17

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2013	2014	2015	2016	2017
	Quantity (short tons)				
Capacity	38,754,345	39,101,916	38,249,920	37,100,594	37,156,281
Production	30,744,945	32,342,946	29,576,144	29,725,731	30,338,883
End-of-period inventories	1,958,297	2,138,973	1,917,160	1,726,429	1,706,508
Shipments:					
Home market shipments:					
Internal consumption/transfers	2,786,464	2,825,382	2,087,964	2,306,134	2,314,174
Home market commercial shipments	18,523,201	19,319,555	18,139,805	18,297,981	18,580,455
Subtotal, home market shipments	21,309,665	22,144,937	20,227,769	20,604,115	20,894,629
Export shipments to:					
United States	575,162	1,252,328	980,648	725,277	851,819
All other markets	9,037,446	8,729,335	8,556,671	8,540,832	8,564,672
Total exports	9,612,608	9,981,663	9,537,319	9,266,109	9,416,491
Total shipments	30,922,273	32,126,600	29,765,088	29,870,224	30,311,120
	Ratio and shares (percent)				
Capacity utilization	79.3	82.7	77.3	80.1	81.7
Inventories/production	6.4	6.6	6.5	5.8	5.6
Inventories/total shipments	6.3	6.7	6.4	5.8	5.6
Share of total shipments:					
Home market shipments:					
Internal consumption/transfers	9.0	8.8	7.0	7.7	7.6
Home market commercial shipments	59.9	60.1	60.9	61.3	61.3
Subtotal, home market shipments	68.9	68.9	68.0	69.0	68.9
Export shipments to:					
United States	1.9	3.9	3.3	2.4	2.8
All other markets	29.2	27.2	28.7	28.6	28.3
Total exports	31.1	31.1	32.0	31.0	31.1
Total shipments	100.0	100.0	100.0	100.0	100.0

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

U.S. INVENTORIES OF IMPORTED MERCHANDISE

Table VII-54 presents data on U.S. importers' reported inventories of CTL plate.

Table VII-54
CTL plate: U.S. importers' inventories, 2013-15

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U.S. IMPORTERS' OUTSTANDING ORDERS

The Commission requested importers to indicate whether they imported or arranged for the importation of CTL plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan and/or Turkey after December 31, 2015 (table VII-55).

Table VII-55
CTL plate: U.S. importers' arranged imports, January 2016 through December 2016

Item	Period				
	Jan-Mar 2016	Apr-Jun 2016	Jul-Sep 2016	Oct-Dec 2016	Total
	Quantity (short tons)				
Austria	***	***	***	***	***
Belgium	***	***	***	***	***
Brazil	***	***	***	***	***
China	***	***	***	***	***
France	***	***	***	***	***
Germany	***	***	***	***	***
Italy	***	***	***	***	***
Japan	***	***	***	***	***
Korea (POSCO)	***	***	***	***	***
South Africa	***	***	***	***	***
Taiwan	***	***	***	***	***
Turkey	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All sources	244,521	208,367	192,141	78,358	723,387

Note.--A portion of the importer questionnaire data for Korea (POSCO) submitted by five importing firms (***) may double-count a small share of arranged imports also reported by ***. The amount of reported arranged imports from Korea (subject) that appear to be double-counted, however, are believed to account for at most 5-7 percent of the total arranged imports from Korea (subject).

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

ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

The Commission asked questionnaire recipients to identify whether the products subject to this proceeding have been the subject of any other import relief proceedings in the United States or in any other countries. Staff also requested in the preliminary phase of these investigations that parties identify any such proceedings in their postconference briefs. Information obtained from such requests is presented in table VII-56.

Table VII-56

CTL plate: Import relief proceedings in third-country markets

Export market	Subject country	Date/measure
Australia	China (AD and CVD), Japan, Korea	December 19, 2013: AD and CVD orders on hot-rolled steel plate
	Japan	November 15, 2014: AD order on quenched and tempered alloy steel plate
Brazil	China, Korea, South Africa	October 2, 2013: AD orders on low-carbon heavy plates
Canada	China	October 27, 1997: AD order on hot-rolled carbon steel plate and high-strength low-alloy steel plate in cut lengths
	Brazil, Italy, Japan, Korea	May 20, 2014: AD orders on hot-rolled carbon steel plate and high-strength low-alloy steel plate in cut lengths
European Union	China	Initiated on February 13, 2016: AD investigation on flat products of non-alloy or alloy steel; hot; rolled; not in coils
	China	Initiated on February 13, 2016: AD investigation on flat products of iron, non-alloy steel or other alloy steel

Table continued on next page.

Table VII-56 -- Continued

CTL plate: Import relief proceedings in third-country markets

Export market	Subject country	Date/measure
	Austria, Belgium, Brazil, China, France, Germany, Italy, South Africa, Taiwan, and Turkey	December 7, 2015: Safeguard investigation initiated on alloy or non-alloy hot-rolled flat sheets and plates
	Austria, Belgium, Brazil, China, France, Germany, Italy ,South Africa, Taiwan, and Turkey	Effective August 12, 2015: Increased import duties on hot-rolled steel plate to 10 percent
	Brazil, China, Japan, and Korea	April 11, 2016: Initiated AD investigation on hot-rolled flat products of alloy or non-alloy steel
India	Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey	February 5, 2016: Minimum import price set on hot-rolled flat-rolled products of iron, non-allot, or other alloy steel
Indonesia	China	January 10, 2012: AD order on hot-rolled plate
Malaysia	Austria, Belgium, China, France, Germany, Italy, Japan, and Korea	July 2, 2015: Safeguard measures on hot-rolled steel plate of iron or non-alloy steel and other alloy steel
Mexico	China	October 15, 2014: AD order on hot-rolled carbon steel plate
Morocco	Austria, Belgium, France, Germany, and Italy	September 26, 2014: AD order on hot-rolled steel plate
Pakistan	Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey	Increased import duties of 12.5 percent.
South Africa	Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, Taiwan, and Turkey	March 24, 2016: Initiated safeguard investigation on hot-rolled, flat-rolled products of iron, non-alloy or other alloy steel
Taiwan	Brazil, China, India, Indonesia, Korea, and Ukraine	February 22, 2016: Initiated AD investigations on carbon steel plate

Table continued on next page.

Table VII-56 -- Continued

CTL plate: Import relief proceedings in third-country markets

Export market	Subject country	Date/measure
	Japan, Korea, South Africa, and Taiwan	May 27, 2003: AD order on flat hot-rolled steel
	Austria, Belgium, China, France Germany, Italy, Japan, Korea, and Turkey	February 27, 2013: Safeguard measures put into place, which were extended on February 27, 2016 for three years
	Austria, Belgium, Brazil, France, Germany, Italy, Japan, Korea, Taiwan, and Turkey	June 7, 2014: Safeguard measures on non-alloy hot-rolled flat products
	China	August 12, 2011: AD order on flat hot-rolled steel
Thailand	China	December 26, 2012: AD order on flat hot-rolled steel added boron

Source: Compiled from data submitted in response to Commission questionnaires; ArcelorMittal's postconference brief, exh. 19; Nucor's postconference brief, exh. 38; SSAB's postconference brief, exh. 4; Japanese respondents' postconference brief, exh. 10; CSC and Shang Chen's postconference brief, p. 13.

INFORMATION ON NONSUBJECT COUNTRIES

The industry in Canada

Canada was the largest nonsubject source of CTL plate imports into the United States 2013-15. According to ***, *** is the only producer of CTL plate in Canada, which had a reversing mill plate capacity of *** short tons in 2015.[46] Data from Global Trade Atlas ("GTA") indicates that in 2015, CTL plate from Canada accounted for approximately *** percent of CTL plate imports into the United States from nonsubject countries, and *** percent of all U.S. CTL plate imports. In the first quarter of 2016 (January-March), CTL plate from Canada accounted for *** percent of CTL plate imported into the United States and *** percent of CTL plate imports from nonsubject countries. Reported data indicates that in 2015, imports from Canada accounted for a 2.3 percent market share in the United States by volume and 2.2 percent by value.

The United States is by far Canada's largest export market for CTL plate. The only other export market that accounted for as much as 1 percent of Canada's exports over 2013-15 was Mexico. The average unit value of Canada's CTL plate exports to the United States was $839 per short ton in 2013, $843 in 2014, and $688 in 2015.

[46] ***. This capacity does not include potential strip mill, Steckel mill, or bar mill production.

Table VII-57

CTL plate: Canada exports by destination market, 2013-15

Item	Calendar year			Calendar year		
	2013	2014	2015	2013	2014	2015
	Quantity (short tons)			Value (1,000 dollars)		
Canada's exports to the United States	223,349	310,585	280,806	187,462	261,898	193,191
Canada's exports to other major destination markets.--						
Mexico	3,727	17,981	13,114	3,416	16,800	10,548
Cuba	330	487	227	317	516	165
Korea South	4	19	185	9	19	229
Germany	11	0	161	8	0	111
China	4	44	51	4	29	44
United Arab Emirates	0	5	44	0	8	27
Egypt	0	0	30	0	0	42
India	30	1	20	46	0	11
All other destination markets	1,742	1,338	52	1,805	1,148	50
Total Canada exports	229,197	330,460	294,691	193,067	280,416	204,417
	Share of quantity (percent)			Unit value (dollars per short ton)		
Canada's exports to the United States	97.4	94.0	95.3	839	843	688
Canada's exports to other major destination markets.--						
Mexico	1.6	5.4	4.5	917	934	804
Cuba	0.1	0.1	0.1	961	1,060	728
Korea South	0.0	0.0	0.1	2,089	963	1,236
Germany	0.0	0.0	0.1	760	0	688
China	0.0	0.0	0.0	1,020	659	867
United Arab Emirates	0.0	0.0	0.0	0	1,453	600
Egypt	0.0	0.0	0.0	0	0	1,412
India	0.0	0.0	0.0	1,526	534	547
All other destination markets	0.8	0.4	0.0	1,036	858	956
Total Canada exports	100.0	100.0	100.0	842	849	694

Source: Official export statistics of Canada as reported by Statistics Canada in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

The industry in Mexico

Mexico is also a substantial source of CTL plate imports into the United States. According to ***, *** is the only producer of CTL plate in Mexico, which had a reversing mill plate capacity of *** short tons in 2015.[47] In 2015, imports from Mexico accounted for approximately *** percent of CTL plate imports from nonsubject countries into the United States and *** percent of all U.S. CTL plate imports. In the first quarter of 2016, the share of imports from Mexico increased to *** percent of all CTL plate imports into the United States

[47] ***. This capacity does not include potential strip mill, Steckel mill, or bar mill production.

and *** percent of imports from nonsubject countries. In 2015, imports from Mexico accounted for 0.7 percent market share in the United States by volume, and 0.5 percent by value. The United States is by far Mexico's largest export market for CTL plate. The only other export markets that accounted for as much as one percent of Mexico's exports in 2015 were Guatemala, Cuba, and Australia.

Table VII-58

CTL plate: Mexico exports by destination market, 2013-15

Item	Calendar year			Calendar year		
	2013	2014	2015	2013	2014	2015
	Quantity (short tons)			Value (1,000 dollars)		
Mexico's exports to the United States	89,931	100,647	63,218	57,046	69,851	36,519
Mexico's exports to other major destination markets.--						
Guatemala	1,642	1,185	5,868	1,390	1,244	4,945
Cuba	474	60	2,696	749	83	1,747
Australia	265	348	1,206	308	376	1,088
Honduras	293	1,496	1,011	267	1,422	698
Belize	298	495	399	246	440	307
Nicaragua	652	675	341	550	641	299
Colombia	449	46	179	331	36	147
El Salvador	1,320	585	130	1,127	517	100
All other destination markets	4,351	330	229	3,065	2,218	335
Total Mexico exports	99,674	105,867	75,277	65,079	76,829	46,186
	Share of quantity (percent)			Unit value (dollars per short ton)		
Mexico's exports to the United States	90.2	95.1	84.0	634	694	578
Mexico's exports to other major destination markets.--						
Guatemala	1.6	1.1	7.8	847	1,050	843
Cuba	0.5	0.1	3.6	1,580	1,382	648
Australia	0.3	0.3	1.6	1,163	1,082	902
Honduras	0.3	1.4	1.3	912	950	690
Belize	0.3	0.5	0.5	824	890	771
Nicaragua	0.7	0.6	0.5	844	949	877
Colombia	0.5	0.0	0.2	737	767	821
El Salvador	1.3	0.6	0.2	854	884	770
All other destination markets	4.4	0.3	0.3	704	6,731	1,462
Total Mexico exports	100.0	100.0	100.0	653	726	614

Source: Official export statistics of Mexico as reported by INEGI in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

Austrian producer Voestalpine noted that Petitioners did not include Sweden in the "long list of respondent countries" and indicated that perhaps this was because one of the

Petitioners (SSAB) is owned by a Swedish steel producer.[48] Data from GTA indicates that in 2015, Sweden accounted for 2.6 percent of global CTL plate exports on a volume basis and 5.0 percent on a value basis. The average unit value of CTL plate exports from Sweden in 2013, 2014, and 2015 was $1,280, $1,252, and $1,052 per short ton, respectively, compared to the global average of $700, $680, and $545 over the same three years.[49]

[48] Voestalpine's postconference brief, p. 1.

[49] Export statistics reported by various national statistical authorities in the GTIS/GTA database under HTS subheadings 7208.40, 7208.51, 7208.52, 7211.13, 7211.14, 7225.40, and 7226.20, accessed April 26, 2016.

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
81 FR 22116 April 14, 2016	*Certain Carbon and Alloy Steel Cut-to-Length Plate From Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations*	https://usitc.gov/trade_remedy/731_ad_701_cvd/investigations/2016/Cut-to-Length%20Plate%20from%20Austria,%20Belgium,%20Brazil,%20China,%20France,%20Germany,%20Italy,%20Japan,%20Korea,%20South%20Africa,%20Taiwan,%20and%20Turkey/Preliminary/ctl_plate_-_institution.pdf
81 FR 27089 May 5, 2016	*Certain Carbon and Alloy Steel Cut-To-Length Plate From Austria, Belgium, Brazil, France, the Federal Republic of Germany, Italy, Japan, the Republic of Korea, the People's Republic of China, South Africa, Taiwan, and the Republic of Turkey: Initiation of Less-Than-Fair Value Investigations*	https://www.gpo.gov/fdsys/pkg/FR-2016-05-05/pdf/2016-10627.pdf
81 FR 27098 May 5, 2016	*Certain Carbon and Alloy Steel Cut-to-Length Plate From Brazil, the People's Republic of China, and the Republic of Korea: Initiation of Countervailing Duty Investigations*	https://www.gpo.gov/fdsys/pkg/FR-2016-05-05/pdf/2016-10631.pdf

APPENDIX B

CONFERENCE WITNESSES

CALENDAR OF PUBLIC PRELIMINARY CONFERENCE

Those listed below appeared as witnesses at the United States International Trade Commission's preliminary conference:

Subject: Certain Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey

Inv. Nos.: 701-TA-559-561 and 731-TA-1317-1328 (Preliminary)

Date and Time: April 29, 2016 - 9:00 a.m.

Sessions were held in connection with these preliminary phase investigations in the Main Hearing Room (Room 101), 500 E Street, S.W., Washington, DC.

EMBASSY WITNESS:

Embassy of Brazil
Washington, D.C.

Marcelo Brandt de Oliveira, Secretary Economic Section

OPENING REMARKS:

Petitioners (**Christopher B. Weld**, Wiley Rein LLP)
Respondents (**J. Kevin Horgan**, deKieffer & Horgan, PLLC)

In Support of the Imposition of
Antidumping and Countervailing Duty Orders:

Kelley Drye & Warren LLP
Washington, DC
on behalf of

ArcelorMittal USA

Robert Insetta, Director of Specialty Plate, ArcelorMittal USA

Jeffrey Unruth, Director of Plate Products, ArcelorMittal USA

Holly Hart, Assistant to the International President *and* Legislative Director, United Steelworkers

Gina Beck, Economist, Georgetown Economic Services

Paul Rosenthal)
Kathleen Cannon) – OF COUNSEL
Alan Luberda)

In Support of the Imposition of
Antidumping and Countervailing Duty Orders (continued):

Wiley Rein LLP
Washington, DC
on behalf of

Nucor Corporation ("Nucor")

Randy Skagen, Vice President *and* General Manager, Nucor Steel Tuscaloosa

Jeff Whiteman, Sales Manager, Nucor Steel Hertford County

Alan H. Price)
Christopher B. Weld) – OF COUNSEL
Laura El-Sabaawi)

Schagrin Associates
Washington, DC
on behalf of

SSAB Enterprises LLC

Jeff Moskaluk, Vice President *and* Chief Commercial Officer,
SSAB Enterprises LLC

Roger B. Schagrin)
) – OF COUNSEL
Paul W. Jameson)

In Opposition to the Imposition of
Antidumping and Countervailing Duty Orders:

deKieffer & Horgan, PLLC
Washington, DC
on behalf of

Aktiengesellschaft der Dillinger Hüttenwerke; Dillinger France, S.A.; Dillinger America Inc.; Salzgitter Mannesmann GmbH; Universal Steel America Inc.; Thyseenkrupp Steel Europe AG; Thyssenkrupp Steel North America, Inc,; Berg Steel Pipe Corp. and Friedr. Lohmann GmbH

Ingo Riemer, President and Chief Executive Officer, Berg Steel Pipe Corporation

Bob Moore, Vice President, Salzgitter Mannesmann International (USA) Inc.

J. Kevin Horgan) – OF COUNSEL

In Opposition to the Imposition of
Antidumping and Countervailing Duty Orders (continued):

Curtis, Mallet-Prevost, Colt & Mosle LLP
Washington, DC
on behalf of

Japanese Industry

Walter Emslander, Lead Commodity Manager, Manitowoc Company, Inc.

David Necessary, Material Sourcing Manager, Link-Belt Cranes

Gordon AuBuchon, Executive Vice President, Steel Warehouse Company

Matthew P. McCullough) – OF COUNSEL

Morris Manning & Martin LLP
Washington, DC
on behalf of

POSCO

Sukh-Hee Yoon, Manager, International Trade Affairs Group, POSCO

Julie C. Mendoza)
) – OF COUNSEL
R. Will Planert)

Haynes and Boone, LLP
Washington, DC
on behalf of

voestalpine USA Corp
voestalpine Grobblech
voestalpine Edelstahl

Kai Bauer, President, voestalpine USA Corp

Paul Cavanagh, Chief Executive Officer *and* Region Manager-North America, Böhler-Uddeholm Corporation

Al Pilli, President, Böhler-Uddeholm Corporation

Edward M. Lebow)
) – OF COUNSEL
William A. Silverman)

In Opposition to the Imposition of
Antidumping and Countervailing Duty Orders (continued):

Law Office of Jeffrey M. Winton PLLC
Washington, DC
on behalf of

China Steel Corporation
Shang Chen Steel Co. Ltd.

Jeffrey M. Winton) – OF COUNSEL

ADDITIONAL WITNESS IN OPPOSITION:

Liebherr Mining Equipment Newport News Co.
Newport News, VA

Neal H. Seymour, PhD, Contract Manager

REBUTTAL/CLOSING REMARKS:

Petitioners (**Roger B. Schagrin,** Schagrin Associates)
Respondents (**Julie C. Mendoza**, Morris Manning & Martin LLP;
and **J. Kevin Horgan**, deKieffer & Horgan PLLC)

APPENDIX C

SUMMARY DATA

Table C-1
CTL plate: Summary data concerning the U.S. market, 2013-15
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year				Calendar year	
	2013	2014	2015	2013-15	2013-14	2014-15
U.S. consumption quantity:						
Amount	7,722,931	8,597,577	7,207,591	(6.7)	11.3	(16.2)
Producers' share (fn1)	88.3	79.3	79.1	(9.1)	(9.0)	(0.2)
Importers' share (fn1):						
Austria	0.7	0.6	0.2	(0.5)	(0.0)	(0.4)
Belgium	0.1	0.4	0.3	0.2	0.3	(0.1)
Brazil	0.3	1.6	0.6	0.3	1.3	(1.0)
China	0.4	0.6	1.0	0.6	0.2	0.4
France	1.2	1.4	3.2	2.0	0.2	1.8
Germany	1.8	0.9	3.4	1.6	(0.9)	2.6
Italy	0.6	1.1	0.8	0.2	0.5	(0.3)
Japan	0.6	0.9	1.1	0.5	0.3	0.2
Korea subject	***	***	***	***	***	***
South Africa	0.1	0.4	0.3	0.2	0.4	(0.1)
Taiwan	0.4	0.7	0.5	0.0	0.2	(0.2)
Turkey	0.3	1.4	0.3	0.1	1.1	(1.0)
Subject sources	***	***	***	***	***	***
Canada	2.3	2.2	2.3	0.0	(0.1)	0.2
Korea nonsubject	***	***	***	***	***	***
Mexico	0.7	1.0	0.7	(0.0)	0.3	(0.3)
All other sources	1.3	4.1	1.5	0.3	2.9	(2.6)
Nonsubject sources	***	***	***	***	***	***
Total imports	11.7	20.7	20.9	9.1	9.0	0.2
U.S. consumption value:						
Amount	6,144,072	7,322,099	5,209,950	(15.2)	19.2	(28.8)
Producers' share (fn1)	86.7	79.8	77.9	(8.8)	(7.0)	(1.9)
Importers' share (fn1):						
Austria	0.9	0.7	0.3	(0.6)	(0.2)	(0.4)
Belgium	0.1	0.4	0.4	0.3	0.3	(0.0)
Brazil	0.2	1.3	0.5	0.3	1.1	(0.8)
China	0.8	0.9	1.4	0.6	0.1	0.5
France	1.6	1.6	3.6	2.0	0.1	2.0
Germany	2.2	1.4	4.0	1.8	(0.8)	2.6
Italy	0.6	1.0	0.8	0.2	0.4	(0.2)
Japan	0.8	0.9	1.2	0.3	0.0	0.3
Korea subject	***	***	***	***	***	***
South Africa	0.1	0.3	0.2	0.1	0.3	(0.1)
Taiwan	0.4	0.6	0.4	0.1	0.2	(0.1)
Turkey	0.2	1.0	0.3	0.1	0.8	(0.8)
Subject sources	***	***	***	***	***	***
Canada	2.4	2.2	2.2	(0.2)	(0.2)	0.0
Korea nonsubject	***	***	***	***	***	***
Mexico	0.6	0.8	0.5	(0.1)	0.2	(0.3)
All other sources	1.6	4.1	1.9	0.3	2.5	(2.2)
Nonsubject sources	***	***	***	***	***	***
Total imports	13.3	20.2	22.1	8.8	7.0	1.9
U.S. imports from:						
Austria:						
Quantity	50,292	52,031	13,305	(73.5)	3.5	(74.4)
Value	53,016	51,434	15,353	(71.0)	(3.0)	(70.2)
Unit value	$1,054	$989	$1,154	9.5	(6.2)	16.7
Ending inventory quantity	***	***	***	***	***	***
Belgium:						
Quantity	7,873	32,400	21,023	167.0	311.5	(35.1)
Value	8,676	32,544	20,921	141.1	275.1	(35.7)
Unit value	$1,102	$1,004	$995	(9.7)	(8.9)	(0.9)
Ending inventory quantity	***	***	***	***	***	***
Brazil:						
Quantity	22,152	137,460	44,833	102.4	520.5	(67.4)
Value	14,890	95,565	27,754	86.4	541.8	(71.0)
Unit value	$672	$695	$619	(7.9)	3.4	(11.0)
Ending inventory quantity	***	***	***	***	***	***
China:						
Quantity	29,429	47,992	72,239	145.5	63.1	50.5
Value	50,470	64,801	74,601	47.8	28.4	15.1
Unit value	$1,715	$1,350	$1,033	(39.8)	(21.3)	(23.5)
Ending inventory quantity	***	***	***	***	***	***
France:						
Quantity	92,858	116,295	228,220	145.8	25.2	96.2
Value	97,082	120,120	189,067	94.7	23.7	57.4
Unit value	$1,045	$1,033	$828	(20.8)	(1.2)	(19.8)
Ending inventory quantity	***	***	***	***	***	***

Table continued.

Table C-1--Continued
CTL plate: Summary data concerning the U.S. market, 2013-15
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year				Calendar year	
	2013	2014	2015	2013-15	2013-14	2014-15
U.S. imports from:--Continued						
Germany:						
Quantity	138,540	73,146	247,875	78.9	(47.2)	238.9
Value	132,899	100,308	206,629	55.5	(24.5)	106.0
Unit value	$959	$1,371	$834	(13.1)	43.0	(39.2)
Ending inventory quantity	***	***	***	***	***	***
Italy:						
Quantity	46,508	97,326	59,455	27.8	109.3	(38.9)
Value	34,207	71,988	40,484	18.4	110.4	(43.8)
Unit value	$735	$740	$681	(7.4)	0.6	(7.9)
Ending inventory quantity	***	***	***	***	***	***
Japan:						
Quantity	48,962	77,333	78,523	60.4	57.9	1.5
Value	52,127	65,592	61,114	17.2	25.8	(6.8)
Unit value	$1,065	$848	$778	(26.9)	(20.3)	(8.2)
Ending inventory quantity	***	***	***	***	***	***
Korea:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
South Africa:						
Quantity	5,174	38,252	21,495	315.4	639.3	(43.8)
Value	3,398	23,436	10,626	212.7	589.8	(54.7)
Unit value	$657	$613	$494	(24.7)	(6.7)	(19.3)
Ending inventory quantity	***	***	***	***	***	***
Taiwan:						
Quantity	34,302	58,468	35,482	3.4	70.4	(39.3)
Value	23,061	41,146	22,986	(0.3)	78.4	(44.1)
Unit value	$672	$704	$648	(3.6)	4.7	(7.9)
Ending inventory quantity	***	***	***	***	***	***
Turkey:						
Quantity	20,079	116,494	23,253	15.8	480.2	(80.0)
Value	12,432	73,789	13,408	7.8	493.5	(81.8)
Unit value	$619	$633	$577	(6.9)	2.3	(9.0)
Ending inventory quantity	***	***	***	***	***	***
Subject source:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Canada:						
Quantity	178,573	187,079	168,549	(5.6)	4.8	(9.9)
Value	150,491	162,776	116,867	(22.3)	8.2	(28.2)
Unit value	$843	$870	$693	(17.7)	3.2	(20.3)
Korea nonsubject:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Mexico:						
Quantity	55,966	83,862	49,512	(11.5)	49.8	(41.0)
Value	34,706	58,271	24,982	(28.0)	67.9	(57.1)
Unit value	$620	$695	$505	(18.6)	12.0	(27.4)
All other sources:						
Quantity	97,054	354,289	110,602	14.0	265.0	(68.8)
Value	95,956	301,008	99,014	3.2	213.7	(67.1)
Unit value	$989	$850	$895	(9.5)	(14.1)	5.4
Nonsubject sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
All sources:						
Quantity	906,223	1,781,543	1,505,061	66.1	96.6	(15.5)
Value	816,395	1,482,475	1,153,073	41.2	81.6	(22.2)
Unit value	$901	$832	$766	(15.0)	(7.6)	(7.9)
Ending inventory quantity	***	***	***	***	***	***

Table continued.

Table C-1--Continued
CTL plate: Summary data concerning the U.S. market, 2013-15
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year				Calendar year	
	2013	2014	2015	2013-15	2013-14	2014-15
U.S. producers':						
Average capacity quantity	10,103,928	9,638,374	9,610,714	(4.9)	(4.6)	(0.3)
Production quantity	7,449,781	7,869,589	6,358,452	(14.6)	5.6	(19.2)
Capacity utilization (fn1)	73.7	81.6	66.2	(7.6)	7.9	(15.5)
U.S. shipments:						
Quantity	6,816,708	6,816,034	5,702,530	(16.3)	(0.0)	(16.3)
Value	5,327,677	5,839,624	4,056,877	(23.9)	9.6	(30.5)
Unit value	$782	$857	$711	(9.0)	9.6	(17.0)
Export shipments:						
Quantity	672,655	836,881	680,473	1.2	24.4	(18.7)
Value	525,628	706,476	468,390	(10.9)	34.4	(33.7)
Unit value	$781	$844	$688	(11.9)	8.0	(18.5)
Ending inventory quantity	531,114	747,787	723,236	36.2	40.8	(3.3)
Inventories/total shipments (fn1)	7.1	9.8	11.3	4.2	2.7	1.6
Production workers	3,919	4,097	3,889	(0.8)	4.5	(5.1)
Hours worked (1,000s)	8,512	9,074	8,320	(2.3)	6.6	(8.3)
Wages paid ($1,000)	311,214	342,205	296,292	(4.8)	10.0	(13.4)
Hourly wages (dollars)	$36.56	$37.71	$35.61	(2.6)	3.1	(5.6)
Productivity (short tons per 1,000 hours)	875.2	867.3	764.2	(12.7)	(0.9)	(11.9)
Unit labor costs	$41.77	$43.48	$46.60	11.5	4.1	7.2
Net sales:						
Quantity	7,208,020	7,397,128	6,260,381	(13.1)	2.6	(15.4)
Value	5,664,531	6,292,881	4,439,472	(21.6)	11.1	(29.5)
Unit value	$786	$851	$709	(9.8)	8.3	(16.6)
Cost of goods sold (COGS)	5,381,158	5,624,534	4,217,136	(21.6)	4.5	(25.0)
Gross profit or (loss)	283,373	668,347	222,336	(21.5)	135.9	(66.7)
SG&A expenses	192,562	182,479	177,359	(7.9)	(5.2)	(2.8)
Operating income or (loss)	90,811	485,868	44,977	(50.5)	435.0	(90.7)
Net income or (loss)	***	***	***	***	***	***
Capital expenditures	113,515	143,444	103,497	(8.8)	26.4	(27.8)
Unit COGS	$747	$760	$674	(9.8)	1.9	(11.4)
Unit SG&A expenses	$27	$25	$28	6.0	(7.7)	14.8
Unit operating income or (loss)	$13	$66	$7	(43.0)	421.4	(89.1)
Unit net income or (loss)	***	***	***	***	***	***
COGS/sales (fn1)	95.0	89.4	95.0	(0.0)	(5.6)	5.6
Operating income or (loss)/sales (fn1)	1.6	7.7	1.0	(0.6)	6.1	(6.7)
Net income or (loss)/sales (fn1)	***	***	***	***	***	***

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionnaires and modified official U.S. import statistics (see Part IV).

APPENDIX D

NONSUBJECT COUNTRY PRICE DATA

Three importers reported price data for Canada for products 1-4 and four reported price data for Mexico.[1] Price data reported by these firms for 2015 accounted for *** percent of U.S. commercial shipments from Canada and *** from Mexico. These price items and accompanying data are comparable to those presented in tables V-3 to V-6. Price and quantity data for Canada and Mexico are shown in tables D-1 to D-4 and in figures D-1 to D-4 (with domestic and subject sources).

In comparing nonsubject country pricing data with U.S. producer pricing data, prices for product imported from Canada were lower than prices for U.S.-produced product in 19 instances and higher in 29 instances. Prices for product imported from Mexico were lower than prices for U.S.-produced product in 46 instances and higher in 2 instances.

In comparing nonsubject country pricing data with subject country pricing data, prices for product imported from Canada were lower than prices for product imported from subject countries in 108 instances and higher in 126 instances. Prices for product imported from Mexico were lower than prices for product imported from subject countries in 222 instances and higher in 12 instances. A summary of price differentials is presented in table D-5.

Table D-1

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and nonsubject imported product 1,[1] by quarters, 2013-15

Period	United States		Canada		Mexico	
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*
2013:						
Jan.-Mar.	$715.17	56,547	$***	***	$***	***
Apr.-June	714.73	60,735	***	***	***	***
July-Sept.	707.23	56,419	***	***	***	***
Oct.-Dec.	718.92	63,078	***	***	***	***
2014:						
Jan.-Mar.	763.94	55,040	***	***	***	***
Apr.-June	789.73	56,308	***	***	***	***
July-Sept.	813.48	56,131	***	***	***	***
Oct.-Dec.	804.25	51,954	***	***	***	***
2015:						
Jan.-Mar.	712.94	45,618	***	***	***	***
Apr.-June	631.95	44,295	***	***	***	***
July-Sept.	647.88	47,092	***	***	***	***
Oct.-Dec.	588.17	43,335	***	***	***	***

[1] Product 1: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 96” in width, 0.250” thick.

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

[1] No price data were received for imports from Canada or Mexico for product 5.

Table D-2

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and nonsubject imported product 2,[1] by quarters, 2013-15

Period	United States		Canada		Mexico	
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*
2013:						
Jan.-Mar.	$711.27	21,141	$***	***	$***	***
Apr.-June	714.22	22,424	***	***	***	***
July-Sept.	694.26	24,975	***	***	***	***
Oct.-Dec.	709.84	19,632	***	***	***	***
2014:						
Jan.-Mar.	759.86	18,474	***	***	***	***
Apr.-June	772.14	18,970	***	***	***	***
July-Sept.	791.91	21,058	***	***	***	***
Oct.-Dec.	794.45	19,385	***	***	***	***
2015:						
Jan.-Mar.	726.59	19,451	***	***	***	***
Apr.-June	622.02	21,998	***	***	***	***
July-Sept.	588.39	16,510	***	***	***	***
Oct.-Dec.	530.93	17,412	***	***	***	***

[1] Product 2: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 96” in width, 0.3125” thick.

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

Table D-3

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and nonsubject imported product 3,[1] by quarters, 2013-15

Period	United States		Canada		Mexico	
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*
2013:						
Jan.-Mar.	$677.65	352,802	$***	***	$***	***
Apr.-June	695.00	353,504	***	***	***	***
July-Sept.	675.44	349,661	***	***	***	***
Oct.-Dec.	673.80	355,113	***	***	***	***
2014:						
Jan.-Mar.	735.21	331,294	***	***	***	***
Apr.-June	764.18	341,240	***	***	***	***
July-Sept.	789.17	370,055	***	***	***	***
Oct.-Dec.	786.15	313,125	***	***	***	***
2015:						
Jan.-Mar.	706.00	262,411	***	***	***	***
Apr.-June	597.76	289,388	***	***	***	***
July-Sept.	549.61	268,375	***	***	***	***
Oct.-Dec.	475.81	253,568	***	***	***	***

[1] Product 3: Hot-rolled CTL carbon steel plate, ASTM A-36 or equivalent as rolled, mill edge, not heat treated, not cleaned or oiled, in cut lengths, 72” through 120” in width, 0.375” through 3.00” in thickness.

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

Table D-4

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and nonsubject imported product 4,[1] by quarters, 2013-15

Period	United States		Canada		Mexico	
	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*	Price *(dollars per short ton)*	Quantity *(short tons)*
2013:						
Jan.-Mar.	$738.59	126,227	$***	***	$***	***
Apr.-June	746.27	141,485	***	***	***	***
July-Sept.	726.04	137,283	***	***	***	***
Oct.-Dec.	738.84	153,681	***	***	***	***
2014:						
Jan.-Mar.	786.73	159,707	***	***	***	***
Apr.-June	804.31	180,896	***	***	***	***
July-Sept.	826.80	169,254	***	***	***	***
Oct.-Dec.	827.74	158,296	***	***	***	***
2015:						
Jan.-Mar.	772.66	133,655	***	***	***	***
Apr.-June	678.08	134,380	***	***	***	***
July-Sept.	646.57	139,629	***	***	***	***
Oct.-Dec.	581.52	111,822	***	***	***	***

[1] Product 4: Hot-rolled CTL carbon steel plate, high strength low alloy (HSLA), ASTM A-572, Grade 50, mill edge, not cleaned or oiled, in cut lengths, 72" through 120" in width, 0.5" through 1.5" in thickness.

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

Figure D-1

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by quarters, January 2013-December 2015

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Figure D-2

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by quarters, January 2013-December 2015

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Figure D-3

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by quarters, January 2013-December 2015

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Figure D-4

CTL plate: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by quarters, January 2013-December 2015

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Table D-5

CTL plate: Summary of price differentials, by country, January 2013-December 2015

Comparison	Total number of comparisons	Nonsubject higher than the comparison source	Nonsubject lower than the comparison source
Nonsubject vs United States.--			
Canada vs. United States	48	29	19
Mexico vs. United States	48	2	46
Nonsubject vs Subject.--			
Canada vs. Belgium	9	4	5
Canada vs. Brazil	39	21	18
Canada vs. China	2	2	0
Canada vs. France	6	2	4
Canada vs. Germany	1	0	1
Canada vs. Italy	21	12	9
Canada vs. Japan	24	9	15
Canada vs. Korea (POSCO)	44	26	18
Canada vs. South Africa	23	19	4
Canada vs. Taiwan	43	14	29
Canada vs. Turkey	22	17	5
Mexico vs. Belgium	9	0	9
Mexico vs. Brazil	39	2	37
Mexico vs. China	2	1	1
Mexico vs. France	6	0	6
Mexico vs. Germany	1	0	1
Mexico vs. Italy	21	0	21
Mexico vs. Japan	24	1	23
Mexico vs. Korea (POSCO)	44	1	43
Mexico vs. South Africa	23	7	16
Mexico vs. Taiwan	43	0	43
Mexico vs. Turkey	22	0	22

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