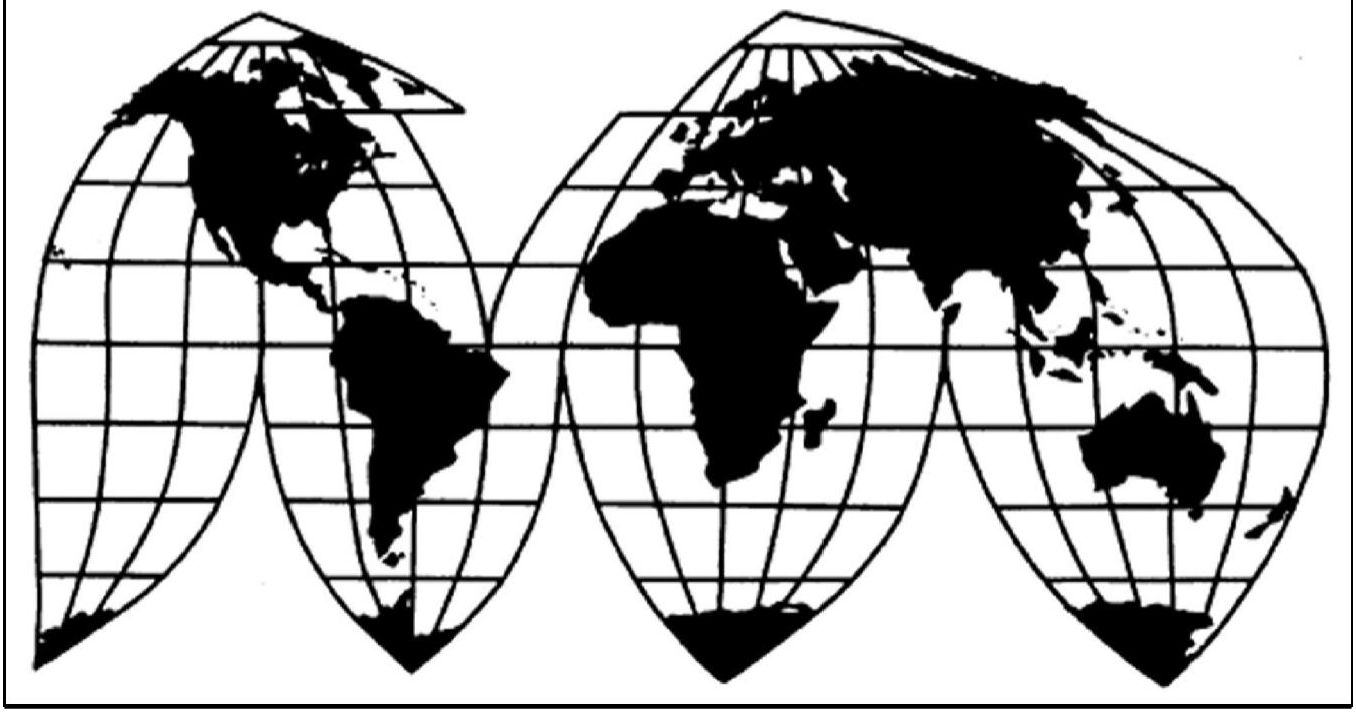
# Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea

Investigation Nos. 701-TA-388, 389, and 391
and 731-TA-817, 818, and 821 (Third Review)

**Publication 4764** **February 2018**

**U.S. International Trade Commission**



**Washington, DC 20436**

# U.S. International Trade Commission

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**UNITED STATES INTERNATIONAL TRADE COMMISSION**

Investigation Nos. 701-TA-388, 389, and 391 and 731-TA-817, 818, and 821 (Third Review)

Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea

## DETERMINATIONS

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the countervailing duty orders and antidumping duty orders on cut-to-length carbon-quality steel plate from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

## BACKGROUND

The Commission, pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)), instituted these reviews on December 1, 2016 (81 F.R. 86725) and determined on March 6, 2017 that it would conduct full reviews (82 F.R. 14030, March 16, 2017). Notice of the scheduling of the Commission's reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on August 10, 2017 (82 F.R. 37465). A revised schedule of the Commission's reviews was published on October 27, 2017 (82 F.R. 49849). The hearing was held in Washington, DC, on January 4, 2018, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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

## Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping and countervailing duty orders on cut-to-length carbon-quality steel plate ("CTL plate") from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

## I. Background

*Original Investigations*: In February 2000, the Commission determined that an industry in the United States was being materially injured by reason of imports of CTL plate from France, India, Indonesia, Italy, Japan, and Korea that were being sold at less than fair value ("LTFV"), and of CTL plate from France, India, Indonesia, Italy, and Korea that were being subsidized by their respective governments.[1] The Department of Commerce ("Commerce") issued antidumping duty orders on CTL plate from France, India, Indonesia, Italy, Japan and Korea and countervailing duty orders on CTL plate from France, India, Indonesia, Italy, and Korea, effective February 3, 2000.[2] The Commission determinations were not the subject of any appeal. Certain Commerce determinations were the subject of a WTO challenge by the European Union, following which Commerce revoked, pursuant to section 129 of the Uruguay Round Agreements Act ("URAA"), the countervailing duty order on France.[3]

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[1] *Certain Cut-to-Length Carbon Steel Plate from France, India, Indonesia, Italy, Japan, and Korea*, Inv. Nos. 701-TA-387-391 (Final) and 731-TA-816-821 (Final), USITC Pub. 3273 (January 2000) ("Original Investigations") (Commissioner Askey dissenting from affirmative determinations with respect to subject imports from France).

[2] *Notice of Amendment of Final Determinations of Sales at Less Than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products From France, India, Indonesia, Italy, Japan and the Republic of Korea*, 65 Fed. Reg. 6585 (February 10, 2000) and *Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea*, 65 Fed. Reg. 6587 (February 10, 2000).

[3] 68 Fed. Reg. 64858 (November 18, 2003). The countervailing duty order on France was also the subject of protracted litigation before the U.S. Court of International Trade and the U.S. Court of Appeals for the Federal Circuit, the ultimate outcome of which was the retroactive application of the order's revocation with respect to all entries of the French producer GTS Industries S.A. on or after July 26, 1999 (Commerce's publication of its preliminary countervailing duty determination). 69 Fed. Reg. 57266 (September 24, 2004).

Separately, pursuant to a changed circumstances review of the antidumping duty order on Japan, in which the domestic parties expressed no interest in the continuation of the order with respect to particular abrasion-resistant steel products, Commerce revoked the order in part on these products. 68 Fed. Reg. 9975 (March 3, 2003).

*First Five-Year Reviews*: On January 3, 2005, the Commission instituted its first five-year review of the orders and, on April 8, 2005, the Commission determined that it would proceed to conduct full reviews. In November 2005, the Commission determined that revocation of the antidumping and countervailing duty orders on CTL plate from India, Indonesia, Italy, and Korea, and the antidumping duty order on CTL plate from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[4] The Commission also determined that revocation of the antidumping duty order on CTL plate from France would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[5]

*Second Five-Year Reviews*: On November 1, 2010, the Commission instituted its second five-year reviews of the orders and, on February 4, 2011, the Commission determined that it would proceed to conduct full reviews. In December 2011, the Commission determined that revocation of the countervailing and antidumping duty orders on CTL plate from India, Indonesia, and Korea would likely lead to the continuation or recurrence of material injury to a domestic industry within a reasonably foreseeable time. The Commission also determined that revocation of the countervailing and antidumping duty orders on CTL plate from Italy and the antidumping duty order on CTL plate from Japan would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[6]

*Current Five-Year Reviews:* On December 1, 2016, the Commission instituted these third five-year reviews.[7] The Commission received five responses to its notice of institution. On behalf of the domestic industry, the Commission received a joint response from domestic producers ArcelorMittal USA LLC ("AMUSA"), Nucor Corporation ("Nucor"), and SSAB Enterprises, LLC ("SSAB") (collectively "Domestic Producers"), each of which is a domestic producer of CTL plate. The Commission also received separate responses to its notice of institution from PT Krakatau Steel (Persero) Tbk. ("Krakatau Steel") and PT Krakatau POSCO ("Krakatau POSCO"), producers of subject merchandise from Indonesia. The Commission did not receive any responses from foreign producers or exporters with respect to the orders on CTL plate from India or Korea.

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[4] *Cut-to-Length Carbon Quality Steel Plate From France, India, Indonesia, Italy, Japan, and Korea*, Inv. Nos. 701-TA-388-391 and 731-TA 816-821 (Review), USITC Pub. 3816 (Nov. 2005) ("First Five-Year Reviews") at 1. Vice Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson dissented from the determinations with respect to these countries. *See* Separate and Dissenting Views of Vice Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson.

[5] First Five-Year Reviews at 1. Commissioner Charlotte R. Lane dissented from this determination with respect to France.

[6] *Cut-to-Length Carbon Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea*, Inv. Nos. 701-TA-388-391 and 731-TA 817-821 (Second Review), USITC Pub. 4296 (Dec. 2011) ("Second Five-Year Reviews") at 1.

[7] *Cut-to-Length Carbon Quality Steel Plate from India, Indonesia, and Korea; Institution of Five-Year Reviews*, 18 Fed. Reg. 86725 (Dec. 1, 2016).

On March 6, 2017, the Commission determined to conduct full reviews pursuant to section 751(c)(5) of the Act.[8] The Commission found the domestic interested party group response to its notice of institution was adequate and that the respondent interested party group response was adequate with respect to Indonesia, but that the respondent interested party group responses with respect to India and Korea were inadequate. The Commission decided, however, to conduct full reviews concerning CTL plate imports from India and Korea to promote administrative efficiency in light of its decision to conduct full reviews of the orders on CTL plate from Indonesia.[9]

The Commission received separate prehearing briefs, posthearing briefs, and final comments from AMUSA, Nucor, and SSAB. Domestic Producers appeared at the Commission's hearing accompanied by counsel. The Commission received separate prehearing briefs, posthearing briefs, and final comments from Krakatau Steel and Krakatau POSCO. The Commission also received prehearing and posthearing submissions, as well as final comments, from the government of Indonesia ("GOI"). A representative of the GOI appeared at the hearing. No producer, exporter, or importer of the subject merchandise from India or Korea participated in these reviews.

U.S. industry data are based on the questionnaire responses of 16 U.S. producers of CTL plate that are believed to account for a substantial majority of domestic production of CTL plate in 2016.[10] U.S. import data and related information are based on the questionnaire responses of 46 U.S. importers of CTL plate that accounted for *** percent of subject imports from India and *** percent of subject imports from Korea in 2016.[11] Foreign industry data and related information are based on the questionnaire responses of two producers of CTL plate in Indonesia accounting for *** percent of production in 2016.[12] No producer or exporter from India or Korea submitted a questionnaire response.

[8] 82 Fed Reg. 14030 (Mar. 16, 2017); *see also* Notice of Commission Determination on Adequacy, EDIS Doc. 605467.

[9] 82 Fed Reg. at 14030; Notice of Commission Determination on Adequacy, EDIS Doc. 605467.

[10] Confidential Report ("CR") at III-1, Public Report ("PR") at III-1.

[11] CR at I-40, IV-1, PR at I-31. IV-1. There were no reported imports of the subject merchandise from Indonesia in 2016. CR/PR at IV-1 n.2

[12] CR at I-18 to I-19, PR at I-15.

## II. Domestic Like Product and Industry

### A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[13] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[14] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[15]

Commerce has defined the scope of the antidumping and countervailing duty orders in these five-year reviews as follows:

> (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 nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat-rolled products, hot-rolled, of a nominal or actual 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 cut-to-length (not in coils).
>
> Steel products to be included in the scope are of rectangular, square, circular or other shape and of 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'')--for example, products which have been beveled or rounded at the edges. Steel products that meet the noted physical characteristics that are painted, varnished or coated with plastic or other non-metallic substances are included within the scope. Also, specifically included in the scope are high strength, low alloy (HSLA) steels. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.
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> Steel products to be included in the scope, regardless of Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which:

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[13] 19 U.S.C. § 1677(4)(A).

[14] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

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

(1) Iron predominates, by weight, over each of the other contained elements, (2) the carbon content is two percent or less, by weight, and (3) none of the elements listed below is equal to or exceeds the quantity, by weight, respectively indicated: 1.80 percent of manganese, or 1.50 percent of silicon, or 1.0 percent of copper, or 0.50 percent aluminum, or 1.25 percent chromium, or 0.30 percent of cobalt, or 0.40 percent lead, or 1.25 percent nickel, or 0.30 percent of tungsten, or 0.10 percent of molybdenum, or 0.10 percent of niobium, or 0.41 percent of titanium, or 0.15 percent of vanadium, or 0.15 percent zirconium. All products that meet the written physical description, and in which the chemistry quantities are not equal or exceed any one of the levels listed above, are within the scope unless otherwise specifically excluded. The following products are specifically excluded from the orders: (1) Products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances; (2) SAE grades (formerly AISI grades) of series 2300 and above; (3) products made to ASTM A710 and A736 or their proprietary equivalents; (4) abrasion-resistant steels (*i.e.,* USS AR 400, USS AR 500); (5) products made to ASTM A202, A225, A514 grade S, A517 grade S, or their proprietary equivalents; (6) ball bearing steels; (7) tool steels; and (8) silicon manganese steel or silicon electric steel.[16]

CTL plate is used for welded load-bearing and structural applications. Common applications include bridgework, transmission towers and other load bearing structures, mobile equipment, and heavy transportation equipment such as railroad cars, ships, and barges.[17]

### 1. The Original Investigations

In the original investigations, the Commission found a single domestic like product corresponding to the scope. In the final phase of those investigations, the Commission considered one like product issue, whether grade X-70 CTL plate constituted a separate like product from other types of CTL plate products.[18] The Commission analyzed the issue under its

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[16] *Certain Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea: Final Results of Expedited Third Sunset Reviews of the Countervailing Duty Orders*, 82 Fed. Reg. 16790, 16791 (Apr. 6, 2017) and *Certain Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 82 Fed. Reg. 18895, 18896 (Apr. 24, 2017).

[17] CR at I-28, II-1; PR at I-24, II-1.

[18] In the preliminary phase of the original investigations, the Commission stated that it would not revisit its determination in *Certain Carbon Steel Plate from China, Russia, South Africa, and Ukraine*, Inv. Nos. 731-TA-753-756 (Final), USITC Pub. 3076 at 5-9 (December 1997), that the domestic like product included plate cut from coils but did not include coiled plate. The Commission thus found that plate cut from coils did not constitute a separate like product. *Certain Cut-to-Length Carbon Steel Plate* (Continued…)

traditional six-factor test. The Commission concluded that grade X-70 plate is not clearly distinct from all other types of CTL plate and constitutes part of a continuum of CTL plate products included within the scope of the investigations. The Commission therefore adopted a single domestic like product definition, which included grade X-70 plate, microalloy steel plate, and plate cut from coils, co-extensive with the scope.[19]

### 2. Prior Five-Year Reviews

In the first and second five-year reviews, the Commission found that there was no new information that would warrant the Commission revisiting the Commission's domestic like product finding from the original determinations. The Commission noted that responding parties to the reviews concurred with the Commission's domestic like product definition in the original investigations. Accordingly, the Commission continued to define a single domestic like product consisting of all domestically produced CTL plate coextensive with the scope description, including grade X-70 plate, microalloy plate, and plate cut from coils.[20]

### 3. Current Reviews

There is no new information in the current reviews to warrant revisiting the domestic like product definition reached by the Commission in the original investigations and prior five-year reviews of CTL plate. Moreover, Domestic Producers have stated that they agree with the Commission's prior definition of the domestic like product, and neither the Indonesian producers nor the GOI have raised any issues regarding the prior definition.[21] We therefore continue to define a single domestic like product consisting of all domestically produced CTL plate that corresponds to the scope description.

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(…Continued)
*from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea and Macedonia*, Inv. Nos. 701-TA-387-392 (Preliminary) and 731-TA-815-822 (Preliminary), USITC Pub. 3181 (April 1999) at 5-6 n.21.

The Commission also addressed whether microalloy CTL plate should be treated as a separate domestic like product. The Commission found that the differences between microalloy and non-alloy CTL plate were not so pronounced as to constitute clear dividing lines, whereas other alloy steel plate showed marked differences from both non-alloy and microalloy CTL plate. The Commission thus did not define microalloy as a separate domestic like product. USITC Pub. 3181 at 6-7. The Commission did not reconsider this issue in the final phase of the original investigations.

[19] Original Investigations, USITC Pub. 3273 at 5-7.

[20] First Five-Year Reviews, USITC Pub. 3816 at 6; Second Five-Year Reviews, USITC Pub. 4296 at 7.

[21] *See* AMUSA Prehearing Brief at 11; Nucor Prehearing Brief at 5; SSAB Prehearing Brief at 11.

## III. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[22] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations, the Commission considered whether the domestic industry should include toll and non-toll processors that changed a non-like product, coiled plate, into the domestic like product, CTL plate. Such processing is performed by steel service centers, using domestic or imported coiled plate as an input, uncoiling it, and cutting it to length to form CTL plate.[23] The Commission found that processors invest a significant amount of capital in relatively sophisticated processing operations, account for a significant percentage of overall employment of the U.S. industry, and their manufacturing equipment and processes are the same as that used by the domestic mills to produce CTL plate from coiled plate. Based on the significance of their production-related activities, the Commission concluded that processors were properly considered a part of the domestic industry and noted that this conclusion was consistent with its prior determination in the 1997 CTL Plate investigations to include processors in the domestic industry.[24] The Commission therefore defined the domestic industry to include all domestic producers of CTL plate, including processors.[25]

In the first and second five-year reviews, the Commission stated that no party objected to the definition of the domestic industry from the original determinations, and no evidence was presented that would support such a different finding. Accordingly, the Commission again defined the domestic industry to include all producers of CTL plate, including processors.[26]

In these third five-year reviews, Domestic Producers have stated that they agree with the Commission's prior definitions of the domestic industry and no party has raised an objection to this domestic industry definition.[27] Therefore, we define, consistent with our domestic like product finding above, a single domestic industry to include all producers, including processors, of CTL plate.

We must also determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This

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[22] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

[23] Original Investigations, USITC Pub. 3273 at 8-10.

[24] *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

[25] Original Investigations, USITC Pub. 3273 at 10.

[26] First Five-Year Reviews, USITC Pub. 3816 at 7; Second Five-Year Reviews, USITC Pub. 4296 at 8.

[27] *See* AMUSA Prehearing Brief at 4; Nucor Prehearing Brief at 5; SSAB Prehearing Brief at 3.

provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry any producer that is related to an exporter or importer of the subject merchandise, or are themselves importers.[28] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[29] The Commission did not exclude any producer from the domestic industry as a related party under 19 U.S.C. § 1677(4)(B) in any of the prior proceedings.[30]

In these reviews, one domestic producer, JSW Steel USA, Inc. ("JSW"), may be a related party on the basis of being affiliated with a subject foreign producer. JSW identifies ***, as its "ultimate parent company."[31] There is no further information on the record to indicate

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[28] *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).

[29] 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.

[30] In the original investigations, the record gave rise to several related parties issues based on the ownership interests of foreign firms from subject countries in eight domestic producers and the fact that certain domestic producers also imported or purchased large volumes of subject imports. The Commission found that in no instance did appropriate circumstances exist to exclude any of the various domestic producers from the domestic industry. *See* Original Investigations, USITC Pub. 3273 at 11-13.

In the first five-year reviews, the Commission found that two U.S. mills were related to firms from subject countries by virtue of corporate ties, and that two domestic producers also reported importing subject imports during the period examined. After an examination of all the facts and data on the record, the Commission determined that appropriate circumstances did not exist to warrant the exclusion of any firm from the domestic industry as a related party. *See* First Five-Year Reviews, USITC Pub. 3816 at 7-8.

In the second five-year reviews, the Commission found that two producers qualified as related parties, Evraz Claymont and Evraz Oregon, both of which were under the direct control of one corporate entity, Evraz Inc., NA., and both had a corporate affiliation with an Italian producer of CTL plate. The Commission determined, based on the record and noting that no party requested any exclusions, that appropriate circumstances did not exist to warrant the exclusion of either firm from the domestic industry as a related party. *See* Second Five-Year Reviews, USITC Pub. 4296 at 8-10.

[31] CR/PR at Table I-8 and *** U.S. Producer Questionnaire Response, EDIS Doc.628415 at I-6.

whether direct or indirect control exists between the JSW Steel entities.[32] Assuming *arguendo* that JSW is a related party by virtue of its corporate affiliation, we find that appropriate circumstances do not exist to exclude it from the domestic industry. JSW is a producer of CTL plate and accounted for *** of reported U.S. CTL plate production in 2016. JWS has indicated its *** for the continuation of the orders on all subject countries.[33] Although JSW reports that it ***,[34] JSW did not directly import or purchase subject CTL plate during the period of review.[35] Given its ***, the lack of any other data indicating that appropriate circumstances exist to exclude it, and the lack of any argument for exclusion, we determine that appropriate circumstances do not exist to exclude JSW from the domestic industry.[36]

We therefore define a single domestic industry comprised of all U.S. producers of CTL plate.

# IV. Cumulation

## A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows:

> the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports

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[32] The statute defines related parties in terms of direct or indirect control. 19 U.S.C. § 1677(4)(B). Direct or indirect control exists when "the party is legally or operationally in a position to exercise restraint or direction over the other party." *Id*. The Statement of Administrative Action ("SAA") for the URAA notes that this definition is consistent with Commission practice. SAA, H.R. Rep. 316, 103 Cong., 2d Sess., vol. 1 at 858 (1994).

[33] CR/PR at Table I-7.

[34] CR at III-32, PR at III-17; JSW U.S. Producers Questionnaire Response, EDIS Doc. 628415 at III-7 and III-15.

[35] CR/PR at Table III-10.

[36] In these reviews, three domestic producers -- ***, ***, and *** – also may be related parties on the basis of purchasing subject CTL plate. None of the firms directly imported the subject merchandise. The Commission has concluded that a domestic producer that does not itself import subject merchandise, or does not share a corporate affiliation with an importer, may nonetheless be deemed a related party if it controls large volumes of imports. The Commission has found such control to exist where the domestic producer was responsible for a predominant proportion of an importer's purchases and the importer's purchases were substantial. *See Iron Construction Castings from Brazil, Canada, and China*, Inv. Nos. 701-TA-249, 731-TA-262-263 and 265 (Fourth Review), USITC Pub. 4655 (December 2016) at 11. Each of these firms purchases of subject merchandise were modest, ranging from *** percent to *** percent of total subject imports in 2016. CR/PR at Tables III-10 and IV-1. Therefore, we find that the requisite control does not exist for any of these firms to be a related party because none of the purchases by these producers were substantial enough to be responsible for a predominant proportion of an importer's purchases.

would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.[37]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[38] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

The statutory threshold for cumulation is satisfied in these reviews, because these reviews were initiated on the same day: March 1, 2017.[39]

## B. Arguments of the Parties

Domestic Producers request that Commission exercise its discretion in these reviews to cumulatively assess subject imports from all three subject countries.[40] The Indonesian Respondents and the GOI argue that cumulation of subject imports from Indonesia with subject imports from India and Korea is not appropriate in these reviews.[41]

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[37] 19 U.S.C. § 1675a(a)(7).

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

[39] 82 Fed Reg. 14030 (Mar. 1, 2017).

[40] *See, e.g.*, AMUSA Prehearing Brief 5-29, AMUSA Posthearing Brief at 8-10; Nucor Prehearing Brief at 7-11, Nucor Posthearing Brief 3-4; SSAB Prehearing Brief at 5-41.

[41] Krakatau Steel Prehearing Brief at 2-3 and Posthearing Brief at 1; Krakatau POSCO Prehearing Brief at 6-11 and Posthearing Brief at 2-3; and GOI Posthearing Brief at 1-3. The GOI argues that Article 3.3 of the Antidumping Agreement requires the Commission to consider the dumping margins and the volume of subject imports from Indonesia during the period of review. The GOI contends that both the dumping margins and the import volumes from Indonesia are negligible. *Id*. at 1. We observe that Article 3.3 of the Antidumping Agreement is applicable to the cumulation analysis for original investigations and not in five-year reviews such as those undertaken here.

## C. Original Investigations and Prior Five-Year Reviews

In its original investigations, the Commission cumulated imports from France, India, Indonesia, Italy, Japan, and Korea.[42] In its first five-year reviews, the Commission did not find that subject imports from India, Indonesia, Italy, Japan, or Korea would be likely to have no discernible adverse impact on the domestic industry if the orders were revoked.[43] The Commission also concluded that subject imports from France, India, Indonesia, Italy, Japan, and Korea likely would be sufficiently fungible, move in the same channels of distribution, and compete simultaneously in the same geographic market if the orders were revoked. Consequently, the Commission found that there would be a likely reasonable overlap of competition between subject imports and the domestic like product, and among subject imports themselves, if the orders were revoked.[44] The Commission did not find any significant differences in the likely conditions of competition among the subject countries, except for France.[45] Therefore, the Commission exercised its discretion to cumulate subject imports from India, Indonesia, Italy, Japan, and Korea, and declined to exercise its discretion to cumulate subject imports from France.[46]

In the second five-year reviews, the Commission did not find that subject imports from India, Indonesia, Italy, Japan, or Korea would be likely to have no discernible adverse impact on the domestic industry if the orders were revoked.[47] The Commission found that there would be a likely reasonable overlap of competition between subject imports and the domestic like product, and among subject imports themselves, if the orders were revoked.[48] The Commission did not find any significant differences in the likely conditions of competition among the subject imports from India, Indonesia, and Korea, and consequently exercised its discretion to cumulate subject imports from these countries.[49] The Commission, however, found that certain factors indicated that subject imports from Italy and Japan were likely to compete in the U.S. market under significantly different conditions of competition from subject imports from the other countries if the orders were revoked.[50] Therefore, the Commission exercised its discretion to

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[42] Original Investigations, USITC Pub. 3273 at 14-15.

[43] First Five-Year Reviews, USITC Pub. 3816 at 9-10. The Commission noted that there were a number of foreign producers that did not participate in those reviews, notwithstanding the Commission's request for data, and that with the exception of France, data coverage was incomplete. Moreover, because the Commission declined to cumulate subject imports from France on the basis of differences in likely conditions of competition, it found it unnecessary to decide the issue of no discernible adverse impact with respect to subject imports from France. *Id*.

[44] First Five-Year Reviews, USITC Pub. 3816 at 18-19.

[45] First Five-Year Reviews, USITC Pub. 3816 at 19-20.

[46] First Five-Year Reviews, USITC Pub. 3816 at 21.

[47] Second Five-Year Reviews, USITC Pub. 4296 at 13 (India), 14 (Indonesia), 15 (Italy), 16 (Japan), and 17 (Korea).

[48] Second Five-Year Reviews, USITC Pub. 4296 at 20.

[49] Second Five-Year Reviews, USITC Pub. 4296 at 23.

[50] Second Five-Year Reviews, USITC Pub. 4296 at 21-23.

cumulate subject imports from India, Indonesia, and Korea, and declined to exercise its discretion to cumulate subject imports from Italy and Japan.[51]

## D. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.[52] Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[53] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the orders under review takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

### 1. CTL plate from India

During the original period of investigation, the quantity of U.S. shipments of subject imports from India increased from 38,081 short tons in 1996 to 130,846 short tons in 1997 to 137,735 short tons in 1998. In the first five-year review, the volume of subject imports from India declined from 6,462 short tons in 1999 to 1,585 short tons in 2004. In the second five-year reviews, the volume of subject imports from India declined from 3,856 short tons in 2005 to 32 short tons in 2010, based on official Commerce import statistics.[54] In these reviews, the quantity of subject U.S. imports of CTL plate from India increased from *** short tons in 2014 to *** short tons in 2016.[55] The market penetration of subject imports from India was *** percent from 2014 to 2016.[56]

No subject Indian producer submitted a questionnaire response in these reviews. According to information from published sources, Indian production of CTL plate declined from 2014 to 2016; estimated production was *** short tons in 2014 and then declined to *** short tons in 2016.[57] The Indian industry maintained excess capacity of over *** short tons in each of the years 2014, 2015, and 2016.[58] These data also show that total Indian exports of CTL plate

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[51] Second Five-Year Reviews, USITC Pub. 4296 at 23.

[52] 19 U.S.C. § 1675a(a)(7).

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

[54] CR/PR at Appendix C-1 (Summary data).

[55] CR/PR at Table IV-1. In 2015, there were *** subject imports of CTL plate into the United States from India. Subject imports from India were *** short tons in January-September 2016 and *** short tons in January-September 2017. *Id*.

[56] CR/PR at Table I-11.

[57] CR/PR at Table IV-7.

[58] CR/PR at Table IV-7.

were 1.01 million short tons in 2014, 1.04 million short tons in 2015, and 806,000 short tons in 2016. The largest export destinations for CTL plate from India in 2016 were Spain, Italy, and Belgium.[59] Additionally, in the original investigations, the Commission found that hot-rolled sheet, strip, and coiled plate were produced on the same equipment used to produce CTL plate and that hot-rolled steel production in India increased during the first five-year reviews.[60]

Subject imports from India undersold the domestic like product in 24 of 26 product comparisons in the original investigations, with an average margin of underselling of 9.5 percent.[61] In these reviews, there are no pricing data for subject imports of CTL plate from India.[62]

In light of the significant increase in, and substantial underselling by, subject imports from India during the original investigations, and substantial capacity, excess capacity, and exports during the current period of review, we find that subject imports of CTL plate from India are not likely to have no discernible adverse impact on the domestic industry if the antidumping and countervailing duty orders on CTL plate from India were revoked.

### 2. CTL Plate from Indonesia

During the original investigations, the quantity of U.S. shipments of subject imports of CTL plate from Indonesia increased from 13,667 short tons in 1996 to 59,837 short tons in 1997 to 137,735 short tons in 1998. In the first five-year reviews, the quantity of U.S. shipments of subject imports of CTL plate decreased over the period of review, from 39,553 short tons in 1999 to 624 short tons in 2004. In the second five-year reviews, the quantity of U.S. shipments of subject imports of CTL plate decreased over the period of review, from 2,682 short tons in 2005 to zero short tons in 2010.[63] In these current reviews, there were no subject imports of CTL plate from Indonesia.

In the current reviews, two Indonesian firms, Krakatau Steel and Krakatau POSCO, reportedly accounting for *** percent of total CTL plate production in 2016, provided data in response to the Commission's questionnaires.[64] Reported annual production capacity for subject producers increased during the period of review from *** short tons in 2014 to *** short tons in 2015 and 2016.[65] The industry's capacity utilization was *** percent in 2014, ***

[59] CR/PR at Table IV-7.

[60] First Five-Year Reviews, USITC Pub. 3816 at 12.

[61] CR/PR at Table V-8 n.1; *see also* Original Investigations, USITC Pub. 3273 at V-33.

[62] CR at V-8, PR at V-6.

[63] CR/PR at Appendix C-1 (Summary data).

[64] CR at I-18-19, PR at I-15. Publically sourced information for the entire Indonesian industry is collected in the Commission's report. *See, e.g.,* CR/PR at Tables IV-18 and IV-19.

[65] CR/PR at Table IV-11. Reported production capacity was *** short tons in January-September 2016 and *** short tons in January-September 2017. *Id*.

percent in 2015, and *** percent in 2016.[66] Reported production for subject producers increased from *** short tons in 2014 to *** short tons in 2015 and *** short ton in 2016.[67]

Total exports of CTL plate from Indonesia reported by subject producers increased from *** short tons in 2014 to *** short tons in 2015 and *** short tons in 2016.[68] Total exports as percentage of shipments increased from *** percent in 2014 to *** percent in 2015 and *** percent in 2016.[69] The largest export markets for CTL plate from Indonesia were Thailand, Malaysia, and Singapore.[70]

Subject imports from Indonesia undersold the domestic like product in 39 of 39 product comparisons in the original investigations, with an average margin of underselling of 13.1 percent.[71] In these reviews, there were no subject imports of CTL plate from Indonesia.[72]

The Indonesian Respondents contend that their likely participation in the U.S. market will be minimal because the industry devotes its production efforts to capital projects in Indonesia or similar projects in nearby countries in Asia and in the Middle East.[73] To the contrary, data reported by Indonesian producers show that the producers export a significant and rising percentage of their production, and published data show rapid shifts in quantities exported to different markets including to distant markets in the EU.[74]

In light of the significant increase in, and substantial underselling by, subject imports from Indonesia during the original investigations, and substantial capacity, excess capacity, and exports during the current period of review, we find that subject imports of CTL plate from Indonesia are not likely to have no discernible adverse impact on the domestic industry if the antidumping and countervailing duty orders on CTL plate from Indonesia were revoked.

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[66] CR/PR at Table IV-11. Capacity utilization was *** percent in January-September 2016 and *** percent in January-September 2017. *Id*.

[67] CR/PR at Table IV-11. Reported production was *** short tons in January-September 2016 and *** short tons in January-September 2017. *Id*.

[68] CR/PR at Table IV-11. Total exports of CTL plate from Indonesia were *** short tons in January-September 2016 and *** short tons in January-September 2017.

[69] CR/PR at Table IV-11. Total exports as a percentage of shipments were *** percent in January-September 2016 and *** percent in January-September 2017. *Id*.

[70] CR/PR at Table IV-13.

[71] CR/PR at Table V-8 n.1; *see also* Original Investigations, USITC Pub. 3273 at V-33.

[72] CR at V-8, PR at V-6.

[73] Krakatau Steel Prehearing Brief at 2-3, 6; Krakatau POSCO Prehearing Brief at 6-11 and Krakatau POSCO Posthearing Brief at 10-11. *See also* GOI Prehearing Brief at 2 and GOI Posthearing Brief at 2-3.

[74] CR/PR at Table IV-11, IV-13. Moreover, POSCO, a CTL plate producer in Korea, has a joint venture with Krakatau Steel to operate the Krakatau POSCO CTL plate mill in Indonesia that would allow the shifting of export shipments of CTL plate to the United States from POSCO Korea to Krakatau POSCO in Indonesia in the event of revocation of the orders on Indonesia. CR at IV-17, PR at IV-14.

### 3. CTL Plate from Korea

During the original period of investigation, the quantity of U.S. shipments of subject imports from Korea decreased from 28,495 short tons in 1996 to 25,432 short tons in 1997, before increasing to *** short tons in 1998. In the first five-year reviews, the quantity of U.S. shipments of subject imports from Korea declined from *** short tons in 1999 to *** short tons in 2004. In the second five-year reviews, the volume of subject imports from Korea declined from *** short tons in 2005 to *** short tons in 2010.[75] In these reviews, the quantity of U.S. imports of subject CTL plate from Korea increased from *** short tons in 2014 to *** short tons in 2015 and *** short tons in 2016.[76] The market penetration of subject imports from Korea was *** percent in 2014, *** percent in 2015, and *** percent in 2016.[77]

No subject Korean producer submitted a questionnaire response in these reviews. According to adjusted information from published sources, Korean production of CTL plate (excluding nonsubject POSCO) decreased from 2014 to 2016; estimated production was *** short tons in 2014, *** short tons in 2015, and *** short tons in 2016.[78] Korean producers (excluding non-subject POSCO) maintained excess production capacity of more than *** short tons in each of 2014, 2015, and 2016.[79] Exports of Korean CTL plate (including CTL plate from non-subject POSCO) to the United States decreased from 565,217 short tons in 2014 to 542,195 short tons in 2015, before increasing to 602,643 short tons in 2016.[80] According to published sources, total Korean exports of CTL plate (including nonsubject POSCO) declined from 5.4 million short tons in 2014 to 5.3 million short tons in 2015, before increasing to 5.4 million short tons in 2016.[81] The largest export destinations for CTL plate from Korea in 2016 were China, the United States, and Japan.[82]

Subject imports from Korea undersold the domestic like product in 23 of 41 product comparisons in the original investigations, with an average margin of underselling of 10.5 percent.[83] In these current reviews, given the limited pricing data, prices for CTL plate from Korea were lower than the domestic like product in *** of *** comparisons at margins of underselling from *** percent to *** percent.[84]

In light of the significant increase in, and substantial underselling by, subject imports from Korea during the original investigations, and substantial capacity, excess capacity, and

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[75] CR/PR at Appendix C-1 (Summary data).

[76] CR/PR at Table IV-1. Subject imports from Korea were *** short tons in January-September 2016 and *** short tons in January-September 2017. *Id*.

[77] CR/PR at Table I-11. Market penetration by subject imports from Korea was *** percent in January-September 2016 and *** percent in January-September 2017. *Id*.

[78] EDIS Docs. 631166 and 631117.

[79] EDIS Docs. 631166 and 631117.

[80] CR/PR at Table IV-15.

[81] CR/PR at Table IV-14.

[82] CR/PR at Table IV-15.

[83] CR/PR at Table V-8; *see also* Original Investigations, USITC Pub. 3273 at V-33.

[84] CR at V-18, PR at V-13, and CR/PR at Table V-8.

exports during the current period of review, we find that subject imports of CTL plate from Korea are not likely to have no discernible adverse impact on the domestic industry if the antidumping and countervailing duty orders on CTL plate from Korea were revoked.

## E. Likely Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[85] Only a "reasonable overlap" of competition is required.[86] In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[87]

*Fungibility*. In comparisons of interchangeability among subject imports of CTL plate from India, Indonesia, Korea and the domestic like product, all reporting U.S. producers and a majority of U.S. importers and purchasers found CTL plate from each of these four sources were either "always" or "frequently" interchangeable.[88] A majority of reporting U.S. producers, importers, and purchasers also reported that differences other than price between the domestic like product and CTL plate from each of the four subject sources were only "sometimes" or "never" significant.[89]

*Channels of Distribution*. During the period of review, U.S. producers U.S. commercial shipments of CTL plate were to both distributors and end users. Shipments to distributors ranged from 42.0 percent to 51.0 percent while end users in construction ranged from 28.9

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

[86] *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); *Wieland Werke,* 718 F. Supp. at 52 ("Completely overlapping markets are not required."); *United States Steel Group v. United States,* 873 F. Supp. 673, 685 (Ct. Int'l Trade 1994), *aff'd*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g*., *Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

[87] *See generally*, *Chefline Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int'l Trade 2002).

[88] CR/PR at Table II-8.

[89] CR/PR at Table II-11.

percent to 34.2 percent and other end users ranged from 20.1 percent to 23.8 percent during the period of review.[90] The data with regard to sales by importers of CTL plate are limited. Available data show that importers of subject CTL plate sold almost exclusively to distributors during the period of review with some exceptions.[91]

*Geographic Overlap*. During the period of review, U.S. producers and importers of subject merchandise from India and Korea reported selling CTL plate to all regions of the United States.[92] During the original investigations, the Commission found that the domestic like product was shipped nationwide and the subject imports were marketed in most areas of the United States.[93] In the prior five-year reviews, the Commission found that both the domestic like product and subject imports served all geographic markets of the United States.[94]

*Simultaneous Presence in the Market*. During the January 2014 through September 2017 period, domestically produced CTL plate was present in the U.S. market in all 15 quarters. Subject imports of CTL plate from India were present in *** months. Subject imports from Korea were present in *** months.[95] There were no imports of subject CTL plate from Indonesia during the period of review.

*Conclusion*. The record indicates that subject imports of CTL plate from India, Indonesia, and Korea are sufficiently fungible with each other and the domestic like product, overlap in channels of distribution and geographic markets, and are likely to have a simultaneous presence in the market to satisfy the "reasonable overlap" criteria. In light of the foregoing, we find there will likely be a reasonable overlap of competition between the domestic like product and subject imports of CTL plate from India, Indonesia, and Korea and between subject imports of CTL plate from each country, upon revocation.

## F. Likely Conditions of Competition

We next consider whether subject imports of CTL plate from India, Indonesia, and Korea are likely to compete under different conditions of competition in the U.S. market. There are a number of similarities between the CTL plate industries in India, Indonesia, and Korea. In the original investigations, imports from all three countries increased substantially and undersold domestic CTL plate in most comparisons. Data from the current review show that the

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

[91] CR/PR at Table II-1. Importers' sales of CTL plate from India were *** to distributors in 2015. Importers' sales of CTL plate from Korea were exclusively to distributors in 2014 and 2015, with some sales to other consumers and to end users in construction in 2016. There were no imports of subject CTL plate from Indonesia during the period of review. *Id*.

[92] CR/PR at Tables II-2 and IV-5. The sole reporting importer of subject merchandise from Indonesia reported selling CTL plate to the Pacific Coast. *Id*.

[93] Original Investigations, USITC Pub. 3273 at 17.

[94] First Five-Year Reviews, USITC Pub. 3816 at 18; Second Five-Year Reviews, USITC Pub. 4296 at 19.

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

industries in all three countries have recently added capacity, possess substantial capacity and excess capacity,[96] and are export oriented.[97]

The Indonesian Respondents contend that the industry has limited excess capacity compared to the industries in India and Korea.[98] However, as noted, the evidence indicates that the industries in all three subject countries have substantial capacity and excess capacity.[99] The record does not indicate that subject imports of CTL plate from any subject country will likely compete under different conditions of competition in the U.S. market than subject imports of CTL plate from the other subject countries in the event of revocation of the orders.

In sum, we determine that the subject imports of CTL plate from India, Indonesia, and Korea are not likely to have no discernible adverse impact on the domestic industry in the event of revocation and that there would likely be a reasonable overlap of competition between and among the subject imports from India, Indonesia, and Korea and the domestic like product. We also determine that subject imports from India, Indonesia, and Korea would be likely to compete under similar conditions of competition upon revocation of the antidumping and countervailing duty orders. Accordingly, for the reasons discussed above, we exercise our discretion to cumulate subject imports of CTL plate from India, Indonesia, and Korea.

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[96] The record shows that the responding Indonesian producers had approximately *** short tons of excess capacity in 2016. Calculated from CR/PR at Table IV-12. Published source information for the entire Indonesian industry demonstrates additional unused capacity. CR/PR at Tables IV-18 and IV-19. While the Commission does not have questionnaire response data on the capacity of the Indian or subject Korean CTL plate industries, published source information indicate that the industries in India and Korea (excluding POSCO) have unused capacity. CR/PR at Table IV-7 and EDIS Docs. 631166 and 631117.

[97] The record shows that the Indonesian industry is highly export oriented. The Indonesian industry's ratio of export shipments to total shipments during the period of review was *** percent in 2014, *** percent in 2015, and *** percent in 2016. CR/PR at Table IV-11. The share of export shipments to total shipments was *** percent in interim 2016 and *** percent in interim 2017. *Id*. The record also shows that the Indian industry is export oriented. The industry's ratio of export shipments to production during the period of review was *** percent in 2014, *** percent in 2015, and *** percent in 2016. Calculated from CR/PR at Table IV-7. Moreover, the record shows that the Korean industry is export oriented, with the United States the second largest destination for subject exports from Korea during the period of review. CR at IV-27, PR at IV-20, and CR/PR at Table IV-15.

[98] Krakatau POSCO Prehearing Brief at 10-11 and Krakatau POSCO Posthearing Brief at 2-3.

[99] Moreover, POSCO, a CTL plate producer in Korea, has a joint venture with Krakatau Steel to operate the Krakatau POSCO CTL plate mill in Indonesia that would allow the shifting of export shipments of CTL plate to the United States from POSCO Korea to Krakatau POSCO in Indonesia in the event of revocation of the orders on Indonesia. CR at IV-17, PR at IV-14.

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

### A. Legal Standards

In a five-year review In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[100] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[101] Thus, the likelihood standard is prospective in nature.[102] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[103]

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[104] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in

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[100] 19 U.S.C. § 1675a(a).

[101] SAA at 883-84. The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

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

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

[104] 19 U.S.C. § 1675a(a)(5).

original investigations."[105]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[106] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[107] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[108]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[109] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[110]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the

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

[106] 19 U.S.C. § 1675a(a)(1).

[107] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings or anti-circumvention findings nor has it conducted any changed circumstances or scope inquiry reviews since the imposition of the antidumping and countervailing duty orders under review here. *See* CR at I-19 n.31 and I-23, PR at I-16 n.31 and I-19

[108] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[109] 19 U.S.C. § 1675a(a)(2).

[110] 19 U.S.C. § 1675a(a)(2)(A-D).

United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[111]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[112] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[113] [114]

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

[112] 19 U.S.C. § 1675a(a)(4).

[113] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885; 19 U.S.C. § 1675(a)(4). Section 752(a)(6) of the Tariff Act states that "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv).

In the final results of its expedited reviews of the antidumping duty orders on CTL plate from India, Indonesia, and Korea, Commerce assigned the following margins likely to prevail -- *India*: margins up to 42.39 percent; *Indonesia*: margins up to 52.42 percent; and *Korea*: margins up to 4.64 percent. *Notice of Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea*, 82 Fed. Reg. 18895 (April 24, 2017), and accompanying Issues and Decision Memorandum (March 31, 2017) at 12. With respect to the antidumping duty orders under review, Commerce has not issued any duty absorption findings. CR at I-19 n.31, PR at I-16 n.31.

In the final results of its reviews of the countervailing duty orders on CTL plate from India, Indonesia, and Korea, Commerce assigned the following likely subsidization rates -- *India*: 12.82 percent for Steel Authority of India and All Others; *Indonesia*: 47.71 for Krakatau Steel and 15.90 percent for All Others; *Korea*: 1.39 percent for Dongkuk Steel Mill, Ltd. and All Others. *Notice of Final Results of*

(Continued…)

## B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to

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(…Continued)
*Expedited Third Sunset Reviews of Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea*, 82 Fed. Reg. 16790, 16792 (April 6, 2017).

In addition, the statute provides that "if a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement." Commerce found that the following programs are prohibited subsidies as described in Article 3 of the SCM:
*India*: Duty Entitlement Passbook Scheme; Advance-Licensing Program; Special Import Licenses; Export Promotion Capital Goods Scheme; and Pre- and Post-Shipment Export Financing. *Indonesia*: Rediscount Loan Program. *Korea*: Reserve for Export Loss – Article 16 of the Tax Reduction and Exemption Control Act ("TERCL"); Reserve for Overseas Market Development – Article 17 of the TERCL; and Short-Term Export Financing. *See* Issues and Decision Memorandum for the Expedited Sunset Review of the Countervailing Duty Orders at 8-10.

Commerce also noted that the several programs found not to meet the definition of an export subsidy may nevertheless be found inconsistent with Article 6 of the Subsidies Agreement if the net countervailable subsidy exceeds five percent. In this regard, Commerce reported the following programs: *India* - Government of India Loan Guarantees; *Indonesia* – Equity Infusions and Two Step Loan Program; and *Korea* – Government of Korea Infrastructure Investments at Inchon North Harbor and Kwangyang Bay, Direction of Credit Loan Inconsistent with Commercial Considerations, Technical Development Reserve Funds Under Article 8 of TERCL, Electricity Discounts Under the Requested Loan Adjustment Program, Selective Depreciation Due to Revaluation of Assets, Price Discount Land Purchase at Asan Bay, Research and Development Grants, Local Tax on Land Outside Metropolitan Areas in Connection with Articles 78 and 120 of the Restriction of Special Location Taxation Act, Investment Tax Credits, and Reserve for Investment Under Article 43-5 of TERCL. *See* Commerce CVD Memorandum at 11-13.

[114] In its prehearing brief, the GOI claims that a number of subsidy programs have been terminated and thus cannot cause any material injury to the domestic industry. GOI Prehearing Brief at 1-2. In their prehearing briefs, both Krakatau Steel and Krakatau POSCO argued that they did not receive any subsidies from the GOI or the programs under which they received support were not steel industry specific or were terminated. Krakatau Steel Prehearing Brief at 2; Krakatau POSCO Prehearing Brief at 13. Krakatau Steel also requests that the Commission terminate three programs that Commerce found to be countervailable because it believes these programs do not provide prohibited subsidies. *See* Krakatau Steel Prehearing Brief at 2.

We observe that the statute vests the authority for determining what constitutes a countervailable subsidy program and whether such a program will continue or recur in five-year reviews exclusively with Commerce and not with the Commission. *See* 19 U.S.C. § 1675(d)(2). The statute provides only that the Commission may consider the magnitude and nature of the net countervailable subsidy, as determined by Commerce, in making its determination in a five-year review. *See* 19 U.S.C. § 1675a(a)(6).

the affected industry."[115]

### 1. The Original Investigations

In the original investigations, the Commission highlighted several conditions of competition pertinent to its analysis of the domestic CTL plate market. The Commission found that demand in most sectors had generally increased since 1996. The Commission found that the industry underwent considerable consolidation over the period examined, added significant capacity, and increased production, although some producers experienced setbacks and delays in bringing new capacity on line.[116] The Commission further found that the costs of raw materials for CTL plate showed differing trends, with the costs of coal and iron ore relatively stable while the cost of scrap fell dramatically in 1998.[117] The shares of apparent U.S. consumption accounted for by total imports, both subject and nonsubject decreased from 1996 to 1997 following the affirmative determinations in the antidumping duty investigations of CTL plate from China, Russia, South Africa, and Ukraine, and then increased in 1998. The Commission further noted that nonsubject market share decreased over the period while subject import market share increased.[118]

### 2. First Five-Year Reviews

The Commission found that overall demand for CTL plate remained largely dependent upon demand for a variety of end-use applications, including construction, railcars, agriculture and industrial machinery, oil and gas, and shipbuilding. The Commission found that demand declined during the early portion of the period, but increased in 2004 and it was projected to grow in 2005. The Commission noted that the domestic industry continued to restructure during this period, and that the domestic industry's capacity fluctuated as capacity losses from the closure of mills such as Geneva Steel and Gulf States were offset by the ramping up of production by Nucor and IPSCO, and the reactivation of Mittal's Burns Harbor plate mill.[119]

The Commission further noted that imports from the cumulated subject countries declined overall after the imposition of the orders, and that there were 29 outstanding antidumping and countervailing duty orders and two suspended investigations covering the subject product. The Commission found a high degree of substitutability between CTL plate produced in the United States and the subject countries. Finally, the Commission noted that global CTL plate consumption had grown since 1999, with China generating much of the growth. It added that, after a period of tight supply and record prices in 2004, global supply and demand trends appeared to be changing as China transitioned from a net importer of steel

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[115] 19 U.S.C. § 1675a(a)(4).
[116] Original Investigations, USITC Doc. 3273 at 20.
[117] Original Investigations, USITC Doc. 3273 at 20-21.
[118] Original Investigations, USITC Doc. 3273 at 21.
[119] First Five-Year Reviews, USITC Pub. 3816 at 25-26.

to a net exporter of steel, with China's production forecasted to exceed its consumption in 2005.[120]

### 3. Second Five-Year Reviews

In the second five-year reviews, the Commission found that overall demand for CTL plate affected by changes in overall U.S. economic activity. As an intermediate product, demand for CTL plate is derived from demand in the sectors in which it is used, including construction, railcars, agricultural and industrial machinery, oil and gas (including pipelines), and shipbuilding. The Commission found that demand had fluctuated since 2005, and followed the overall trend of the economy with strong demand through mid-2008, a steep decline in 2009, and a slow recovery through 2010.[121]

With respect to supply, the Commission found that the U.S. market was supplied by domestic production, as well as by subject and nonsubject imports, with the domestic industry the largest source. It found that the domestic industry experienced growth in production capacity from the restart of idled capacity, changes in ownership and consolidation, as well as new investment, generally in heat-treating facilities over the period, although capacity and production fluctuated. It also noted that the U.S. industry's overall capacity increased, which reflected the restarts and acquisitions reported by domestic mills and processors, although production declined. The Commission also found that cumulated subject imports declined irregularly and that subject import market share followed the same trend. It noted that nonsubject imports decreased over the period of review while Canada was the leading nonsubject source of CTL plate throughout the period.[122]

With respect to substitutability, the Commission noted that although domestic manufacturers produced a wide variety of grades and types of CTL plate within the scope and there was some variation among the grades and types of subject CTL plate, the Commission overall found a moderate to high degree of substitutability.[123] Finally, the Commission found that price continued to be a very important factor in purchasing decisions, along with factors such as quality, availability, and reliability of supply.[124]

The Commission also found other likely conditions of competition relevant to its inquiry. It noted that global production as well as global consumption of reversing mill plate increased from 2007 to 2010 and both were forecasted to increase further from 2011 to 2015. It observed that demand for shipbuilding was an important indicator of demand for CTL plate given that shipbuilding was the primary end use for CTL plate produced in Japan and Korea. It noted that most shipbuilding occurs in Japan, Korea, and China, which represented a combined 92 percent of world shipbuilding deliveries in 2010. It found that there had been a large increase in new ship construction during the period of review, with global orders for new

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[120] First Five-Year Reviews, USITC Pub. 3816 at 26-27.
[121] Second Five-Year Review, USITC Pub. 4296 at 29.
[122] Second Five-Year Review, USITC Pub. 4296 at 30.
[123] Second Five-Year Review, USITC Pub. 4296 at 30.
[124] Second Five-Year Review, USITC Pub. 4296 at 31.

shipbuilding more than doubling between 2005 and 2008. Finally, the Commission found that the principal raw material inputs used to produce CTL plate, iron ore, coal, and steel scrap, increased substantially during the period of review.[125]

### 4. Current Reviews

The following conditions of competition inform our determinations.

*Demand Conditions*. Demand for CTL plate is derived from demand for downstream products that are used in heavy industrial production, line pipe, shipbuilding, railcars, wind towers, and oil and gas structures. A majority of market participants reported that U.S. demand for CTL plate had declined or fluctuated since 2011, resulting from fluctuations in the overall economy in general.[126] Most market participants reported future demand would likely fluctuate or experience no change.[127]

Apparent U.S. consumption of CTL plate declined from 9.5 million short tons in 2014 to 7.9 million short tons in 2015, and 7.5 million short tons in 2016.[128] Overall apparent U.S. consumption of CTL plate was 20.8 percent lower in 2016 than in 2014.[129]

*Supply Conditions*. The domestic industry supplied the largest share of the U.S. CTL plate market, followed by nonsubject imports and then subject imports.

In these reviews, 16 current U.S. producers of CTL plate, which accounted for a substantial majority of overall U.S. CTL plate production in 2016, responded to the Commission's questionnaire.[130] Domestic producers reported a number of plant closures during the period of review, including ***, as well as the announced idling of AMUSA's Conshohocken plant.[131] The domestic industry's market share increased irregularly over the period of review from *** percent in 2014 to *** percent in 2016.[132]

The market share of nonsubject imports was *** percent in 2014, *** percent in 2015, and *** percent in 2016.[133] The market share of nonsubject imports was *** percent in interim 2016 and *** percent in interim 2017.[134] Imports of CTL plate produced by POSCO in Korea are nonsubject imports because POSCO was excluded from the orders on the basis of a *de minimis*

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[125] Second Five-Year Review, USITC Pub. 4296 at 31.

[126] CR at II-11 to II-12, PR at II-8, and CR/PR at Table II-3.

[127] CR/PR at Table II-3.

[128] CR/PR at Table I-10. Apparent U.S. consumption of CTL plate was 5.8 million short tons in interim 2016 and lower, at 5.4 million short tons, in interim 2017. *Id*.

[129] CR/PR at Table C-1. Apparent U.S. consumption of CTL plate was 5.9 percent lower in interim 2017 than in interim 2016. *Id*.

[130] CR at I-35, PR at I-28, and CR/PR at III-1.

[131] CR/PR at Table III-1.

[132] CR/PR at Table I-11. The domestic industry's market share was *** percent in interim 2016 and *** percent in interim 2017. *Id*.

[133] CR/PR at Table I-11. *Id*.

[134] CR/PR at Table I-11.

dumping margin and a *de minimis* net subsidy rate in Commerce's original determinations.[135] Following affirmative determinations by the Commission and Commerce, antidumping duty and/or countervailing duty orders were placed on imports of CTL from twelve countries, including from POSCO in Korea, in 2017.[136] The market share of cumulated subject imports increased over the period of review from *** percent in 2014 to *** percent in 2016.[137]

*Substitutability and Other Conditions*. We find that domestically produced CTL plate and subject imports from India, Indonesia, and Korea are moderately to highly substitutable.[138] We also find that price is a very important factor in purchasing decisions for CTL plate. All reporting purchasers of CTL plate reported that price was a very important factor in their purchasing decisions,[139] and that quality and reliability of supply are also important factors.[140] A majority of purchasers reported that they usually purchase the lowest-priced CTL plate.[141]

## C. Likely Volume of Cumulated Subject Imports

### 1. The Original Investigations

In the original investigations, the Commission found that the volume and market share of subject imports (which included imports from France, Italy, and Japan) had increased significantly over the POI, with subject import volume increasing by 318.4 percent and subject

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[135] *See Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea*, 65 Fed. Reg. 6587 (February 10, 2000). *Notice of Amendment of Final Determinations of Sales at Less than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products from France, India, Indonesia, Italy, Japan and the Republic of Korea,* 65 Fed. Reg. 6585 (February 10, 2000). CR at IV-2 n.4, PR at IV-1 n.4.

[136] *See Certain Carbon and Alloy Steel Cut-To-Length Carbon-Quality Steel Plate From Austria, Belgium, France, the Federal Republic of Germany, Italy, Japan and the Republic of Korea: Amended Final Affirmative Antidumping Determinations for France, the Federal Republic of Germany, the Republic of Korea and Taiwan, and Antidumping Duty Orders*, 82 Fed. Reg. 24096, 24098 (May 25, 2017); *Certain Carbon and Alloy Steel Cut-To-Length Carbon-Quality Steel Plate From the Republic of Korea: Countervailing Duty Order*, 82 Fed. Reg. 24103, 24104 (May 25, 2017); *Certain Carbon and Alloy Steel Cut-to-Length Plate From the People's Republic of China: Countervailing Duty Order*, 82 Fed. Reg. 14346, 14349 (March 20, 2017); *Certain Carbon and Alloy Steel Cut-to-Length Plate From the People's Republic of China: Antidumping Duty Order*, 82 Fed. Reg. 14349, 14352 (March 20, 2017); and *Certain Carbon and Alloy Steel Cut-to-Length Plate From Brazil, South Africa, and the Republic of Turkey: Antidumping Duty Orders*, 82 Fed. Reg. 8911, 8913 (February 1, 2017).

[137] CR/PR at Table I-11. The market share of cumulated subject imports was *** percent in interim 2016 and *** percent in interim 2017. *Id*.

[138] CR at II-16, PR at II-11.

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

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

[141] CR at II-18, PR at II-13.

import market share more than tripling.[142] Though the increase in subject imports had initially been at the expense of non-subject imports, with the domestic industry gaining market share in 1997, the Commission found that domestic producers had lost market share to subject imports in 1998, and particularly in the second half of 1998. The Commission acknowledged that the domestic industry had experienced "sporadic problems" meeting demand during the POI, but rejected the respondents' argument that these occurrences evidenced a supply shortage that pulled subject imports into the U.S. market.[143]

### 2. First Five-Year Reviews

In the first five-year reviews, the Commission noted that cumulated subject imports (which included imports from Italy and Japan) had declined significantly following imposition of the orders, but had increased in the most recent period.[144] The Commission noted several factors indicated that subject producers had the ability and incentive to increase exports to the United States to significant levels if the orders were revoked. First, prior to imposition of the orders, subject producers from the cumulated countries demonstrated the ability to rapidly increase exports to the United States. Since the imposition of the orders, subject producers from the cumulated countries maintained a presence in the United States, albeit at greatly reduced volumes, showing that they have distributors or customers in place for their product. Second, despite limitations in the scope of coverage on foreign production, the data collected and information available showed considerable production and capacity increases in the subject countries over the period of review.[145]

Third, the Commission found that subject producers would be likely to shift to the United States some of their exports that have been destined for other export markets, as the United States was an attractive market due to generally higher prices than in other markets. Moreover, with additional capacity in China expected to come on line and shift the supply/consumption balance in that country, the Commission recognized that cumulated subject producers that rely on the Chinese market (all but Italy), likely would need to shift shipments to some degree to alternative markets in the reasonably foreseeable future.[146] Finally, the Commission noted that exports of subject merchandise from India, Indonesia, Italy, Japan, and Korea were subject to antidumping duties in third-country markets, further increasing the attractiveness of the U.S. market were the orders to be revoked.[147]

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[142] Original Investigations, USTIC Pub. 3273 at 21 (cumulated subject import volume had increased from 274,859 short tons in 1996, or 3.3 percent of apparent U.S. consumption, to 1.15 million short tons in 1998, or 11.7 percent of apparent U.S. consumption).

[143] Original Investigations, USITC Pub. 3273 at 22-23

[144] First Five-Year Reviews, USITC Pub. 3816 at 27-28.

[145] First Five-Year Reviews, USITC Pub. 3816 at 28-29.

[146] First Five-Year Reviews, USITC Pub. 3816 at 30.

[147] First Five-Year Reviews, USITC Pub. 3816 at 31.

### 3. Second Five-Year Reviews

In the second five-year reviews, the Commission found that the ongoing presence in the U.S. market of subject imports from the three currently subject countries during the period of review, although dramatically reduced due to the restraining effect of the orders, demonstrated the continued importance of the U.S. market to subject producers in the face of expanding global production, and further showed that subject imports already had distributors or customers in place for their product. The Commission found that cumulated subject capacity had increased significantly over the period of review, although production had not kept up with the capacity increases, resulting in additional excess capacity.[148] Moreover, it noted that producers in each of the subject countries planned on bringing millions of tons of new capacity on line in the reasonably foreseeable future. Without any increases in demand in these countries' home or regional export markets to absorb such large increases in capacity, the Commission found that subject producers in each subject country had a strong incentive to seek out other markets to export their excess capacity of CTL plate.[149]

The Commission found that subject producers were at least moderately export-oriented and would be likely to shift to the United States some of their exports that were destined for other export markets. The Commission noted that it had found in the first five-year reviews that the potential for product shifting existed for the subject countries, particularly for India and Indonesia, as producers in those countries could easily shift from producing nonsubject hot-rolled sheet, strip or coiled product on the same equipment used to produce CTL plate. It found that there was no evidence in the record that the potential for product shifting did not still exist in the subject countries.[150]

Finally, the Commission noted that exports from India, Indonesia, and Korea all were subject to antidumping duties in third-country markets. In view of the above, the Commission found that the likely volume of subject imports from India, Indonesia, and Korea, both in absolute terms and relative to production and consumption in the United States, would be significant.[151]

### 4. Current Reviews

The record indicates that subject producers of CTL plate in India, Indonesia, and Korea have the means and the incentive to export subject merchandise to the U.S. market in significant volumes within a reasonably foreseeable time if the antidumping and countervailing duty orders were revoked. The cumulated subject industries in India, Indonesia, and Korea have substantial production capacity and unused capacity and the record indicates that the industries in these countries are export oriented. The United States remains an important and attractive export market for CTL plate.

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[148] Second Five-Year Reviews, USITC Pub. 4296 at 31.
[149] Second Five-Year Reviews, USITC Pub. 4296 at 32.
[150] Second Five-Year Reviews, USITC Pub. 4296 at 32.
[151] Second Five-Year Reviews, USITC Pub. 4296 at 32-33.

At the end of the original period of investigation, the volume and market share of cumulated subject imports fell dramatically as a result of the imposition of the orders and continued to remain at substantially lower levels during the periods examined in prior reviews.[152] Cumulated subject imports of CTL plate continued to be present in the U.S. market throughout the period of review even under the discipline of the orders, albeit at reduced volumes. Cumulated subject imports were *** short tons in 2014, *** short tons in 2015, and *** short tons in 2016.[153] The market share of the cumulated subject imports was *** percent in 2014, *** percent in 2015, and *** percent in 2016.[154] We find the limited presence of subject imports in the U.S. market during the period of review, which continues the trend from prior reviews, is a function of the discipline of the orders.

As discussed above, the Commission received questionnaire responses from foreign producers in Indonesia, but no foreign producers in India or Korea responded to the Commission's questionnaires. While the lack of participation by producers from India and Korea has prevented the Commission from assembling a single consistent and comprehensive set of capacity and production data for subject CTL plate producers in the three subject countries, the Commission has published data for India and Korea to supplement the available foreign producer questionnaire data for Indonesia for assessing subject producer capacity, production, capacity utilization, and shipment patterns.[155]

The information available in these five-year reviews indicates that the CTL plate industries in the subject countries, on a cumulated basis, have significant production capacity, considerable and increasing unused capacity, and that they have exported substantial volumes of CTL plate. Production capacity in the three subject countries has remained substantial and even increased over the period of review. Cumulated capacity in the subject countries exceeded *** short tons in every year of the period of review.[156] Moreover, much of that capacity was increasingly unused over the period, with idle capacity growing from *** short tons in 2014 to *** short tons in 2016. The capacity utilization rate of the subject countries on an aggregated basis was just *** percent in 2016.[157] Apparent U.S. consumption of CTL plate

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[152] Original Investigations, USITC Pub. 3273 at 21-23; First Five-Year Reviews, USITC Pub. 3816 at 27-28; Second Five-Year Reviews, USITC Pub. 4296 at 32.

[153] CR/PR at Table C-1. Cumulated subject imports were *** short tons in interim 2016 and *** short tons in interim 2017. *Id*.

[154] CR/PR at Table C-1. The market share of cumulated subject imports was *** percent in interim 2016 and *** percent in interim 2017. *Id*. As noted above, the volume and market share of nonsubject imports was significantly reduced in interim 2017 following issuance of antidumping and/or countervailing duty orders on imports of CTL plate from 12 countries.

[155] *See* CR/PR at Tables IV-7, IV-8, IV-14, and IV-15.

[156] Calculated from CR/PR at Tables IV-7, IV-11, and IV-14, and EDIS Docs. 631166 and 631117 (based on questionnaire responses from the industry in Indonesia and on published data estimates for the industries in India and Korea (exclusive of POSCO)). Data regarding the industry in Indonesia is understated because, as noted, two producers responded to the Commission's questionnaires.

[157] Calculated from CR/PR at Tables IV-7, IV-11, and IV-14, and EDIS Docs. 631166 and 631117 (based on questionnaire responses from the industry in Indonesia and on published data estimates for (Continued…)

was *** short tons in 2016.[158] With idle capacity of approximately *** short tons, the three subject countries are able to supply the entire U.S. market with subject CTL plate in the event of revocation of the orders.

In addition to the capacity possessed by the subject countries available to supply the U.S. market without any diversion of production, they also export substantial volumes of CTL plate. Combined export volumes (excluding POSCO) exceeded *** short tons in 2016.[159]

Moreover, prices for CTL plate in the United States generally are appreciably higher than those in other markets.[160] The attractiveness of the relatively open U.S. market with its generally higher prices provides incentives for subject producers to divert exports currently shipped to other markets to the U.S. market if the orders were revoked. Furthermore, subject producers already have distributors and customers in place in the U.S. market.[161]

CTL exports from each of the three subject countries have been subject to numerous antidumping duty orders, tariffs, and related trade measures in other markets during the period of review.[162] These orders and other trade measures provide an incentive for them to direct export shipments to the U.S. market.[163] [164]

We find that, in the event of revocation, subject producers in India, Indonesia, and Korea are likely to direct significant additional exports to the U.S. market in light of their continued presence since the imposition of the orders, the existing distribution systems in the United States, the attractiveness of the United States as an export market, and their demonstrated excess capacity. Moreover, the cumulated subject imports also demonstrated in the original investigations the ability to increase exports to the United States substantially in a short period of time. We conclude that cumulated subject import volumes would likely be significant, both in absolute terms and relative to U.S. consumption, upon revocation of the antidumping and countervailing duty orders.

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(…Continued)
the industries in India and Korea (exclusive of POSCO)). Data regarding the industry in Indonesia, as noted, is understated.

[158] CR/PR at Table I-10.

[159] CR/PR at Tables IV-7, IV-11, and IV-14, and EDIS Docs. 631166 and 631117.

[160] *See* CR/PR at Table IV-7.

[161] *See* Second Five-Year Reviews, USITC Pub. 4296 at 32-33.

[162] CR/PR at Table IV-16.

[163] We have also examined inventories of the subject merchandise. The information available concerning CTL plate inventories in these countries is limited to the industry in Indonesia. Data indicates that inventory levels were generally stable and at moderate levels during the period of review. CR/PR at Table IV-11. Indonesian producers report that inventories of CTL plate were *** short tons in 2014, *** short tons in 2015, and *** short tons in 2016, and were *** short tons in interim 2016 and *** short tons in 2017. Inventories as a ratio to shipments were *** percent in 2014, *** percent in 2015, *** percent in 2016, and were *** percent in interim 2016 and *** percent in interim 2017. *Id.*

[164] We examined the potential for product shifting as well. The responding Indonesian producers reported no production of other products on the same equipment and machinery used to produce CTL plate. CR at IV-21, PR at IV-16.

## B. Likely Price Effects of Subject Imports

### 1. The Original Investigations

In the original investigations, the Commission found subject imports had undersold the domestic like product in 62.7 percent of pricing product comparisons, and oversold the domestic like product in 37.3 percent of comparisons, with the frequency and severity of underselling increasing in 1998.[165] The Commission also found that subject import average unit values ("AUVs") had declined throughout the POI, and had been lower than domestic producers' AUVs except in 1996 and the first half of 1999.[166] Given that subject imports were highly substitutable for the domestic like product, except in certain specialized applications, the Commission concluded that the increase in undersold subject imports had significantly contributed to the depression of domestic producer prices.[167]

### 2. First Five-Year Reviews

In the first five-year reviews, the Commission noted that there was a degree of product differentiation in the market, yet common grades remained prevalent.[168] The Commission found a fairly high degree of substitutability between CTL plate produced in the United States and the cumulated subject countries, and that price remained an important factor in purchasing decisions. The Commission noted that subject imports from the cumulated countries undersold the domestic like product in 55 of 70 available quarterly comparisons. Given the likely significant volume of imports, the importance of price in the CTL plate market, the substitutability of subject imports and the domestic like product, the price effects of low-priced imports in the original investigations, the underselling by subject imports during the period of review, and the incentive that exists for subject imports to enter the U.S. market, the Commission found a likelihood of significant negative price effects from the subject imports. The Commission concluded, if the orders were revoked, that significant volumes of subject imports from India, Indonesia, Italy, Japan, and Korea likely would significantly undersell the domestic product and gain market share and likely would have significant depressing or suppressing effects on the prices of the domestic like product.

### 3. Second Five-Year Reviews

In the second five-year reviews, the Commission found that there continued to be a degree of product differentiation in the market, although the common grades predominated, with a moderate to high degree of substitutability between CTL plate produced in the United States and the subject countries. Price remained an important factor in purchasing decisions.

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[165] Original Investigations, USITC Pub. 3273 at 24.
[166] Original Investigations, USITC Pub. 3273 at 24.
[167] Original Investigations, USITC Pub. 3273 at 23-24
[168] First Five-Year Reviews, USITC Pub. 3816 at 31.

The Commission found that the prices for all domestically-produced CTL plate products fluctuated during the period of review, but increased substantially from their levels in 2005. The Commission found that at least some of the increase was due to increased raw material costs, as these costs accounted for, on average, 61.3 percent of the total cost of goods sold during the period. It noted that, although pricing data were limited, prices of the subject imports undersold the domestic product in 36 of 61 product comparisons. The Commission concluded that there was a likelihood of significant negative price effects from the subject imports upon revocation of the orders.[169]

### 4. Current Reviews

As previously stated, we have found that domestically produced CTL plate and the cumulated subject imports are moderately to highly substitutable, and price is a very important factor in purchasing decisions for CTL plate.[170]

The Commission requested pricing data for four CTL products for these reviews.[171] The prices of all U.S.-produced CTL plate products fluctuated during the period of review, but overall prices of all U.S. produced CTL plate fell by 4.0 to 13.5 percent during the January 2014 to September 2017 period.[172]

The pricing data collected by the Commission are somewhat limited as price comparisons are only possible for imports from Korea and domestically-produced CTL plate and are only for the last four quarters of the period examined (October 2016 to September 2017). As a result, the price comparison data are not particularly probative of pricing activity in the U.S. market.[173] Prices of the subject imports undersold the domestic like product in 2 of 12 product comparisons, with margins of underselling from *** to *** percent.[174] In the original investigations, the Commission found that cumulated imports of CTL plate from the subject

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[169] Second Five-Year Reviews, USITC Pub. 4296 at 34.

[170] *See* CR at II-16, PR at II-11, CR/PR at Table II-8.

[171] These are: **Product 1.**—Hot-rolled carbon steel plate, ASTMA-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, ASTMA-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, ASTMA-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" though 1.5" in thickness.

[172] CR at V-17, PR at V-12, and CR/PR at Table V-7.

[173] CR/PR at Tables V-3 to V-6. The pricing data for these four products reported by U.S. producers accounted for approximately 37.8 percent of U.S. producers' commercial shipments of CTL plate in 2016. Pricing data for these imported products accounted for 14.1 percent of reported U.S. commercial shipments of CTL plate from Korea (excluding POSCO). CR at V-8, PR at V-6. There were no price data reported for imports from India or Indonesia.

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

countries undersold the domestic like product in 86 of 106 product comparisons, with margins of underselling from *** to *** percent.[175]

In light of the underselling observed during the original investigations and during the current period of review with the orders in place, the significance of price in purchasing decisions, and the moderate to high substitutability between CTL produced in the United States and the cumulated subject countries, we find that significant underselling by subject imports is likely in the event of revocation.

Absent the discipline of the orders, the likely increased and significant volumes of subject merchandise being offered at low prices would require the domestic industry to cut prices and/or restrain price increases when its costs increase to retain sales. Consequently, the increasing volumes of cumulated subject imports of CTL plate are likely to have a significant depressing or suppressing effect on prices for the domestic like product.

For the foregoing reasons, we find that cumulated subject imports of CTL plate would likely have significant price effects upon revocation of the orders.

## F. Likely Impact of Subject Imports

### 1. The Original Investigations

In the original investigations, the Commission found that the domestic industry's operating and financial performance had deteriorated towards the end of the period of investigation[176] as subject import volume and market share rapidly increased. Between the first half of 1998 and the first half of 1999, domestic industry sales volumes and values had declined significantly, cash flow had become negative, gross profits had declined 96 percent, and operating income had decreased from $97.4 million to negative $63.6 million.[177] Domestic industry capital expenditures, employment, hours worked, and wages had declined over the POI, and particularly in the first half of 1999.[178] The Commission concluded that subject imports had caused present material injury to the domestic industry based on the correlation of these adverse domestic industry trends to the increase in subject import volume and market share and the decline in subject import AUVs.[179]

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[175] *See* Memorandum INV-X-004, EDIS Doc. 602566 at Table V-15. Subject imports from India undersold the domestic like product in 24 of 26 comparisons with a margin of underselling of *** percent. Subject imports from Indonesia undersold the domestic like product in 39 of 39 comparisons with a margin of underselling of *** percent. Subject imports from Korea undersold the domestic like product in 23 of 41 comparisons with a margin of underselling of *** percent. *Id*.

[176] Original Investigations, USITC Pub. 3273 at 25-26 (domestic industry capacity and sales had increased with demand through 1998).

[177] Original Investigations, USITC Pub. 3273 at 26.

[178] Original Investigations, USITC Pub. 3273 at 26.

[179] Original Investigations, USITC Pub. 3273 at 26 (for example, the Commission found that domestic industry orders had declined dramatically between the first half of 1998 and the second half of 1998 when two-thirds of 1998 subject imports had entered the U.S. market).

### 2. First Five-Year Reviews

The Commission found that following imposition of the orders subject imports declined and the domestic industry gained market share. Domestic producers' production, U.S. shipments, and net sales declined through 2001, then generally recovered in 2002 and 2003, and showed dramatic improvement in 2004.[180] The Commission found that the industry improved its efficiency and productivity through consolidation, restructuring, and reductions in labor costs. Despite these improvements made by the industry itself, the Commission noted that the industry lost money during most of the period and most recently in 2003, when its operating margin was negative 7.0 percent, and apparent U.S. consumption was at its lowest level of the period.[181] The industry thus experienced five years of poor financial performance, 1999 to 2003, followed by profitable performance at the end of the period. The Commission concluded that based on the industry's recent financial performance, it did not find that the industry was currently vulnerable to injury by virtue of being in a weakened state.

The Commission stated that the conditions that enabled the industry to realize profits at the end of the period, however, were not likely to continue into the reasonably foreseeable future.[182] The Commission stated that the industry, which operated with high fixed costs to begin with, required prices that are considerably higher than historical averages in order to cover increased costs and maintain its profitability. The Commission noted that apparent U.S. consumption of CTL plate was forecasted only to grow modestly for the foreseeable future, and the tight supply that had marked the global market, which had contributed to high U.S. prices at the end of the period, was shifting as China became a net exporter rather than a net importer of the subject product.

The Commission found that any growth in U.S. consumption would not be sufficient to absorb the likely significant increase in subject imports if the orders were revoked.[183] It concluded that the volume and price effects of the subject imports would necessarily have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These reductions, in turn, would have a direct adverse impact on the industry's profitability as well as its ability to raise capital and make and maintain necessary capital investments. Accordingly, the Commission concluded that, if the orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

### 3. Second Five-Year Reviews

The Commission found that the domestic industry was not vulnerable to the continuation or recurrence of material injury because it had undergone significant consolidation since the original investigations making the industry far more productive and

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[180] First Five-Year Reviews, USITC Pub. 3816 at 33.
[181] First Five-Year Reviews, USITC Pub. 3816 at 33.
[182] First Five-Year Reviews, USITC Pub. 3816 at 33-34.
[183] First Five-Year Reviews, USITC Pub. 3816 at 34.

profitable. It found that the domestic industry's condition during the period owed much to the lingering effects of the 2008-2009 economic downturn, and the domestic industry's positive prospects as demand recovered were reflected in the domestic industry's substantial investments in new capacity and equipment during the period of review.[184]

The Commission noted that the domestic industry's capacity increased much more than its production during the period of review, resulting in declines in capacity utilization, while U.S. shipments increased with the recovering economy.[185] The Commission found that, although the domestic industry's financial performance worsened considerably due to the economic downturn in 2009, the domestic industry's performance rebounded strongly with the economic recovery in 2010 and the first half of 2011. It noted that U.S. demand was expected to grow from 2011 to 2013 and observed that the domestic industry was well positioned to be the primary beneficiary of any such growth given its commanding share of the U.S. market. It also observed that prices of the domestic like product increased substantially from their 2005 levels and most increases in raw material and energy costs were passed through to purchasers. Thus, the Commission found that the domestic industry is not currently in a vulnerable condition.[186]

Nevertheless, the Commission found that the industry was not in such a strong condition nor were the likely demand conditions sufficiently favorable that the industry could withstand significantly increased low-priced subject imports from India, Indonesia, and Korea without likely sustaining significant adverse effects. It found that for the domestic industry to compete with the likely additional volumes of cumulated subject imports, it would likely lose sales unless it cut prices or restrained price increases. Thus, the Commission concluded that any lost sales or lost revenue experienced by the domestic industry due to the subject imports would lead to likely declines in output, market share, productivity, employment, wages, growth, and financial performance.[187]

The Commission also considered nonsubject imports in the U.S. market when evaluating the likely impact of subject imports. It noted that the U.S. market share held by nonsubject imports declined irregularly during the period of review and was not likely to increase significantly. Thus, the Commission found that revocation of the orders on subject imports from India, Indonesia, and Korea would likely lead to a significant adverse impact on the domestic industry within a reasonably foreseeable time.[188]

#### 4. Current Reviews

As discussed below, most of the performance indicators of the domestic industry producing CTL plate declined over the period of review, including production, capacity

[184] Second Five-Year Review, USITC Pub. 4296 at 34-35.
[185] Second Five-Year Review, USITC Pub. 4296 at 35.
[186] Second Five-Year Review, USITC Pub. 4296 at 35-36.
[187] Second Five-Year Review, USITC Pub. 4296 at 37.
[188] Second Five-Year Review, USITC Pub. 4296 at 37-38.

utilization, net sales, shipments, revenues, and employment indicators. The domestic industry's profitability and market share also declined over the period of review.[189]

The capacity of U.S. producers of CTL plate declined by 0.5 percent from 2014 to 2016, from 12.3 million short tons in 2014 to 12.2 million short tons in 2015 and 2016.[190] Production fell by 18.5 percent from 2014 to 2016, decreasing from 8.9 million short tons in 2014 to 7.3 million short tons in 2015 and 2016.[191] Capacity utilization fell from 72.4 percent in 2014 to 59.3 percent in 2015 and 2016, far below the 2014 level.[192]

U.S. shipments fell by 18.7 percent from 2014 to 2016, decreasing from 7.9 million short tons in 2014 to 6.5 million short tons in 2015 and then to 6.4 million short tons in 2016.[193] U.S. producers' end-of-period inventories fell by 28.7 percent from 2014 to 2016, decreasing from 811,409 short tons in 2014 to 794,778 short tons in 2015 and then to 578,193 short tons in 2016.[194] The domestic industry's share of apparent U.S. consumption increased irregularly over the period of review, decreasing from 83.2 percent in 2014 to 82.7 percent in 2015, and then increasing to 85.4 percent in 2016.[195]

Employment in terms of production-related workers (PRWs) fell by 3.2 percent from 2014 to 2016, decreasing from 4,320 PRWs in 2014 to 4,003 PRWs in 2015, and then increasing to 4,181 PRWs in 2016.[196] Hours worked fell by 11.8 percent from 2014 to 2016, decreasing from 9.7 million hours in 2014 to 8.5 million hours in 2015 and 2016.[197] Wages paid fell by 12.2 percent from 2014 to 2016, decreasing from $352 million in 2014 to $304 million in 2015, and then increasing to $309 million in 2016.[198] Productivity (in short tons per 1,000 hours) fell by 7.6 percent from 2014 to 2016, decreasing from 922.4 in 2014 to 850.6 in 2015, and then increasing to 852.5 in 2016.[199]

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

[190] CR/PR at Tables III-4 and C-1. Capacity was 9.2 million short tons in interim 2016 and interim 2017. *Id.*

[191] CR/PR at Tables III-4 and C-1. Production was 5.5 million short tons in interim 2016 and interim 2017. *Id.*

[192] CR/PR at Tables III-4 and C-1. Capacity utilization was 59.5 percent in interim 2016 and *** percent in interim 2017. *Id.*

[193] CR/PR at Tables III-7 and C-1. U.S. shipments were 4.9 million short tons in interim 2016 and interim 2017. *Id.*

[194] CR/PR at Tables III-8 and C-1. U.S. producers' end-of-period inventories were 727,468 short tons in interim 2016 and 787,545 short tons in interim 2017. *Id.*

[195] CR/PR at Tables I-11 and C-1. The domestic industry's share of apparent U.S. consumption was *** percent in interim 2016 and 90.5 percent in interim 2017. *Id.*

[196] CR/PR at Tables III-11 and C-1. Employment was 3,983 PRWs in interim 2016 and 4,084 PRWs in interim 2017. *Id.*

[197] CR/PR at Tables III-11 and C-1. Hours worked were 6.3 million hours in interim 2016 and 6.6 million hours in interim 2017. *Id.*

[198] CR/PR at Tables III-11 and C-1. Wages paid were $228 million in interim 2016 and $240 million in interim 2016. *Id.*

[199] CR/PR at Tables III-11 and C-1. Productivity (in short tons per 1,000 hours) was 874.5 in interim 2016 and 830.8 in interim 2017. *Id.*

Net sales value fell by 43.2 percent from 2014 to 2016, decreasing from $6.4 billion in 2014 to $4.5 billion in 2015, and then to $3.6 billion in 2016.[200] Total cost of goods sold ("COGS") fell by 39.3 percent from 2014 to 2016, decreasing from $5.7 billion in 2014 to $4.2 billion in 2015, and then to $3.4 billion in 2016.[201] Operating income declined by 96.2 percent from 2014 to 2016, decreasing from $542 million in 2014 to $46.0 million in 2015, and then to $20.4 million in 2016.[202] The industry's operating income margin fell by 7.9 percentage points from 2014 to 2016, declining from 8.5 percent in 2014 to 1.0 percent in 2015, and then to 0.6 percent in 2016.[203] Capital expenditures and research and development expenses both decreased from 2014 to 2016.[204]

Most performance indicators of the domestic industry declined appreciably during the period of review, with substantial declines in the industry's financial performance. Given the domestic industry's declining production, low capacity utilization rate, and significantly decreased operating income from 2014 to 2016, we conclude that the domestic industry is in a vulnerable condition.[205]

We found above that revocation of the orders would likely result in a significant increase in cumulated subject import volume that would likely have significant price effects. Consequently, the volume of low-priced cumulated subject imports likely upon revocation will likely cause the domestic industry's condition to deteriorate even further. Cumulated subject imports will likely have an adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These reductions would likely have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We therefore conclude that, if the

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[200] CR/PR at Tables III-14 and C-1. Net sales value was $2.7 billion in interim 2016 and $3.2 billion in interim 2017. *Id.*

[201] CR/PR at Tables III-14 and C-1. Total COGS was $2.5 billion in interim 2016 and $3.0 billion in interim 2017. *Id.*

[202] CR/PR at Tables III-14 and C-1. Operating income was $45.2 million in interim 2016 and $61.1 million in interim 2017. *Id.*

[203] CR/PR at Tables III-14 and C-1. The operating income margin was 1.7 percent in interim 2016 and 1.9 percent in interim 2017. *Id.*

[204] Capital expenses decreased from $163 million in 2014 to $112 million in 2015, and to $86.5 million in 2016. They were $64.6 million in interim 2016 and $59.5 million in interim 2017. CR/PR at Table III-15. Research and development expenditures were $*** in 2014, $*** in 2015, and $*** in 2016. They were $*** in interim 2016 and $*** in interim 2017. CR/PR at Table III-15.

[205] We recognize that the recent affirmative determinations in the antidumping and countervailing duty investigations on CTL plate sourced from 12 countries may provide the domestic industry with some relief from unfairly traded CTL imports in the future. CR/PR at Table I-2. According to unadjusted public data, imports from these 12 countries (including imports from Korea subject to the orders currently under review here) accounted for more than three-quarters of all carbon and alloy steel CTL plate imports in 2015, prior to the filing of the petitions in those investigations. CR at IV-2 n.5, PR at IV-2 n.5. We find, nevertheless, based on the record developed here, that the domestic industry is vulnerable to likely injury if the orders in these five-year reviews were revoked.

antidumping and countervailing duty orders were revoked, cumulated subject imports from India, Indonesia, and Korea would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time.

We have also considered the likely role of nonsubject imports in the U.S. market. The volume of nonsubject imports of CTL plate decreased over the period of review.[206] There is no indication or argument on the record of these reviews that the presence of nonsubject imports would prevent cumulated subject imports from India, Indonesia, and Korea from significantly increasing their presence in the U.S. market in the event of revocation of the antidumping and countervailing duty orders, given the export orientation of the subject industries and the relative attractiveness of the U.S. market. Given the substitutability of the subject imports and the domestic like product, an appreciable share of additional subject imports likely upon revocation will likely come at the expense of the of the domestic industry, even if some come at the expense of the significant quantity of nonsubject imports that are present in the U.S. market.

Accordingly, we find that revocation of the antidumping and countervailing duty orders on CTL plate from India, Indonesia, and Korea would likely have a significant impact on the domestic industry.

## VI. Conclusion

For the above-stated reasons, we determine that revocation of the antidumping and countervailing duty orders on cut-to-length carbon-quality steel plate from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

[206] The volume of nonsubject imports was *** short tons in 2014, *** short tons in 2015, and *** short tons in 2016. It was *** short tons in interim 2016 and *** short tons in interim 2017. CR/PR at Table I-10.

# PART I: INTRODUCTION

## BACKGROUND

On December 1, 2016, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of antidumping duty and countervailing duty orders on cut-to-length carbon-quality steel plate ("CTL plate") from India, Indonesia, and Korea would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On March 6, 2017, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act.[4] The following tabulation presents information relating to the background and schedule of this proceeding:[5]

[1] 19 U.S.C. 1675(c).

[2] *Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea; Institution of Five-Year Reviews,* 81 FR 86725, December 1, 2016. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders concurrently with the Commission's notice of institution. *Initiation of Five-Year ("Sunset") Reviews*, 81 FR 86697, December 1, 2016.

[4] *Cut-to-Length Carbon Quality Steel Plate from India, Indonesia, and Korea*; *Notice of Commission Determination to Conduct Full Five-Year Reviews,* 82 FR 14030, March 16, 2017. With respect to the orders concerning Indonesia, the Commission found that both the domestic and respondent interested party group responses to its notice of institution were adequate and determined to proceed to full reviews of the orders. With respect to the orders on the subject merchandise from India and Korea, the Commission found that the domestic interested party group response was adequate and the respondent interested party group response was inadequate, but that circumstances warranted conducting full reviews.

[5] The Commission's notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy are referenced in appendix A and may also be found at the Commission's web site (internet address *www.usitc.gov*). Commissioners' votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B presents the witnesses appearing at the Commission's hearing.

| Effective date | Action |
|---|---|
| December 1, 2016 | Commission's institution of five-year reviews (81 FR 86725) |
| December 1, 2016 | Commerce's initiation of five-year reviews (81 FR 86697) |
| March 6, 2017 | Commission's determinations to conduct full five-year reviews (82 FR 14030; March 16, 2017) |
| April 6, 2017 | Commerce's final results of the expedited reviews of the countervailing duty orders on certain cut-to-length carbon quality steel plate from India, Indonesia and Korea (82 FR 16790) |
| April 24, 2017 | Commerce's final results of the expedited reviews of the antidumping duty orders on cut-to-length carbon quality steel plate from India, Indonesia, and Korea (82 FR 18895) |
| August 4, 2017 | Commission's scheduling of the reviews (82 FR 37465; August 10, 2017) |
| October 20, 2017 | Commission's revised schedule of the reviews (82 FR 49849; October 27, 2017) |
| January 4, 2018 | Commission's hearing |
| February 12, 2018 | Commission's vote |
| February 26, 2018 | Commission's determinations and views |

## The original investigations

The original investigations resulted from petitions filed by Bethlehem Steel Corp./Lukens (Bethlehem, Pennsylvania); U.S. Steel Group (Pittsburgh, Pennsylvania); Gulf States Steel (Gadsden, Alabama); IPSCO Steel Inc. (Muscatine, Iowa); Tuscaloosa Steel Co. (Tuscaloosa, Alabama); and the United Steelworkers of America (Pittsburgh, Pennsylvania) on February 16, 1999, alleging that an industry in the United States was materially injured and threatened with material injury by reason of subsidized imports of CTL plate from France, India, Indonesia, Italy, Korea, and Macedonia and less-than-fair-value ("LTFV") imports of CTL plate from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and Macedonia.[6] [7] In the preliminary phase of its original investigations, the Commission found that subject imports from the Czech Republic and Macedonia were negligible and terminated those investigations.[8]

[6] *Certain Cut-to-Length Steel Plate From France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final)*, USITC Publication 3273, January 2000, p. I-1.

[7] The petitions were filed soon after the sequence of events known as the "Asian financial crisis." The initial crisis spread from Thailand in mid-1997 through Asia. According to Commerce, reduced Asian steel demand, declining Asian currency values, and increased U.S. steel demand contributed to an increase in U.S. steel imports. See *Global Steel Trade: Structural Problems and Future Solutions*, International Trade Administration, U.S. Department of Commerce, July 2000, pp. 17-29.

[8] *Certain Cut-to-Length Steel Plate from the Czech Republic, France, India, Indonesia, Italy, Japan, Korea, and Macedonia, Inv. Nos. 701-TA-387-392 and 731-TA-815-822 (Preliminary)*, USITC Publication 3181, April 1999, pp. 13-17.

The Commission completed the original investigations on February 1, 2000, determining that an industry in the United States was materially injured by reason of imports from France, India, Indonesia, Italy, Japan, and Korea sold at LTFV and subsidized by the governments of France, India, Indonesia, Italy, and Korea.[9] Commerce issued the antidumping duty orders[10] and countervailing duty orders[11] on February 10, 2000. Certain Commerce determinations were the subject of a WTO challenge by the European Union, following which Commerce revoked, pursuant to section 129 of the Uruguay Round Agreements Act, the countervailing duty order on CTL plate from France.[12] [13]

**First five-year reviews**

In November 2005, the Commission completed its full first five-year reviews of the subject orders and determined that revocation of the antidumping duty and countervailing duty orders on CTL plate from India, Indonesia, Italy, and Korea and the antidumping duty order on CTL plate from Japan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[14] The Commission also determined that revocation of the antidumping order on CTL plate from France would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[15] Following the affirmative determinations in the first

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[9] *Certain Cut-to-Length Steel Plate From France, India, Indonesia, Italy, Japan, and Korea, Determinations*, 65 FR 6624, February 10, 2000. Commissioner Okun did not participate and Commissioner Askey dissented with respect to CTL plate from France.

[10] *Notice of Amendment of Final Determinations of Sales at Less than Fair Value and Antidumping Duty Orders: Certain Cut-to-Length Carbon Quality Steel Plate Products from France, India, Indonesia, Italy, Japan, and the Republic of Korea*, 65 FR 6585, February 10, 2000.

[11] *Notice of Amendment of Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate from India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587, February 10, 2000.

[12] *To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 64858, December 8, 2003.

[13] The countervailing duty order on CTL plate from France was also the subject of protracted litigation before the Court of International Trade and the Court of Appeals for the Federal Circuit, the ultimate outcome of which was the retroactive application of the countervailing duty order's revocation to all entries of the French producer GTS Industries S.A. made on or after July 26, 1999 (Commerce's publication of its preliminary countervailing duty determination). *Certain Cut-to-Length Carbon-Quality Steel Plate from France: Notice of Amended Final Determination Pursuant to Final Court Decision and Partial Revocation Order,* 69 FR 57266, September 24, 2004.

[14] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Review)*, USITC Publication 3816, November 2005, p. 1.

[15] Ibid.

five-year reviews by Commerce and the Commission,[16] Commerce issued a continuation of the antidumping and countervailing duty orders on imports of CTL plate from India, Indonesia, Italy, and Korea, effective December 6, 2005, and the antidumping duty order on imports of CTL plate from Japan, effective December 6, 2005.[17]

### Second five-year reviews

In December 2011, the Commission completed its full second five-year reviews of the subject orders and determined that revocation of the antidumping duty and countervailing duty orders on CTL plate from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[18] The Commission also determined that revocation of the countervailing duty order and antidumping duty order on CTL plate from Italy, as well as the antidumping duty order on CTL plate from Japan, would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonable foreseeable time.[19] Following the affirmative determinations in the second five-year reviews by Commerce and the Commission,[20] Commerce issued a continuation of the antidumping and countervailing duty orders on imports of CTL plate from India, Indonesia, and Korea, effective January 4, 2012.[21]

## SUMMARY DATA

Table I-1 presents a summary of data from the original investigations and the first, second, and third full five-year reviews.

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[16] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea*, 70 FR 71331, November 28, 2005; *Certain Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and the Republic of Korea; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 70 FR 45655, August 8, 2005; *Final Results of Expedited Sunset Review of the Countervailing Duty Order: Certain Cut-to-Length Carbon- Quality Steel Plate from Korea*, 70 FR 45689, August 8, 2005.

[17] *Continuation of Antidumping and Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea*, 70 FR 72607, December 6, 2005.

[18] *Cut-to-Length Carbon-Quality 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. 1.

[19] Ibid.

[20] *Cut-To-Length Carbon-Quality Steel Plate From India, Indonesia, Italy, Japan, and Korea*, 76 FR 80963, December 27, 2011; *Certain Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, Italy, Japan, and the Republic of Korea; Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders*, 76 FR 12322, March 7, 2011; *Certain Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, Italy, and the Republic of Korea: Final Results of Expedited Sunset Review*, 76 FR 12702, March 8, 2011.

[21] *Certain Cut-To-Length Carbon-Quality Steel Plate From India, Indonesia, and the Republic of Korea: Continuation of Antidumping and Countervailing Duty Orders*, 77 FR 264, January 4, 2012.

**Table I-1**
**CTL plate: Comparative data from the original investigations and subsequent reviews, 1998, 2004, 2010, and 2016**

| Item | Original investigations | First reviews | Second reviews | Third reviews |
|---|---|---|---|---|
| | 1998 | 2004 | 2010 | 2016 |
| | Quantity (short tons) | | | |
| U.S. consumption quantity | 9,814,196 | 7,759,339 | 5,929,950 | 7,530,833 |
| | Share of quantity (percent) | | | |
| Share of U.S. consumption: | | | | |
| U.S. producers' share | 77.9 | 90.6 | 90.7 | 85.4 |
| U.S. importers' share: | | | | |
| France, subject | 1.3 | ([1]) | ([1]) | ([1]) |
| India | 1.4 | --- | --- | *** |
| Indonesia | 1.7 | --- | --- | *** |
| Italy, subject | 0.8 | 0.4 | ([2]) | ([2]) |
| Japan, subject | 2.9 | *** | ([3]) | ([3]) |
| Korea, subject | 3.6 | *** | *** | *** |
| Subject sources | 11.7 | *** | *** | *** |
| France, nonsubject | ([1]) | *** | ([4]) | *** |
| Italy, nonsubject | ([2]) | ([2]) | *** | *** |
| Japan, nonsubject | ([3]) | ([3]) | *** | *** |
| Korea, nonsubject | | *** | *** | *** |
| Nonsubject, previously subject sources | *** | *** | *** | *** |
| All other sources | 10.4 | 8.4 | *** | 7.5 |
| Nonsubject sources | 10.4 | *** | *** | *** |
| All import sources | 22.1 | 9.5 | 9.3 | 14.6 |
| | Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton) | | | |
| U.S. importers' U.S. shipments of imports from: | | | | |
| France. subject: | | | | |
| Quantity | 123,083 | ([1]) | ([1]) | ([1]) |
| Value | 63,678 | ([1]) | ([1]) | ([1]) |
| Unit value | $517 | ([1]) | ([1]) | ([1]) |
| India: | | | | |
| Quantity | 137,735 | 1,585 | 32 | *** |
| Value | 50,298 | 1,731 | 55 | *** |
| Unit value | $365 | $1,092 | $1,754 | *** |
| Indonesia: | | | | |
| Quantity | 168,098 | 627 | --- | *** |
| Value | 57,763 | 457 | --- | *** |
| Unit value | $344 | $728 | --- | *** |

Table continued on next page.

**Table I-1--Continued**
**CTL plate: Comparative data from the original investigations and subsequent reviews, 1998, 2004, 2010, and 2016**

| Item | Original investigations | First reviews | Second reviews | Third reviews |
|---|---|---|---|---|
| | 1998 | 2004 | 2010 | 2016 |
| | Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton) | | | |
| Italy, subject: | | | | |
| Quantity | 80,766 | 29,130 | ([2]) | ([2]) |
| Value | 32,792 | 19,279 | ([2]) | ([2]) |
| Unit value | $406 | $662 | ([2]) | ([2]) |
| Japan, subject: | | | | |
| Quantity | 288,398 | *** | ([3]) | ([3]) |
| Value | 131,070 | *** | ([3]) | ([3]) |
| Unite Value | $455 | *** | ([3]) | ([3]) |
| Korea subject: | | | | |
| Quantity | *** | *** | *** | *** |
| Value | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** |
| Subject sources: | | | | |
| Quantity | *** | *** | *** | *** |
| Value | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** |
| France, nonsubject: | | | | |
| Quantity | ([1]) | *** | ([4]) | 103,091 |
| Value | ([1]) | *** | ([4]) | 84,834 |
| Unit value | ([1]) | *** | ([4]) | $823 |
| Italy, nonsubject: | | | | |
| Quantity | ([2]) | ([2]) | 718 | 31,258 |
| Value | ([2]) | ([2]) | 2,369 | 23,704 |
| Unit value | ([2]) | ([2]) | $3,299 | $758 |
| Japan, nonsubject: | | | | |
| Quantity | ([3]) | ([3]) | *** | 35,792 |
| Value | ([3]) | ([3]) | *** | 29,315 |
| Unit value | ([3]) | ([3]) | *** | $819 |
| Korea nonsubject: | | | | |
| Quantity | ([5]) | *** | *** | *** |
| Value | ([5]) | *** | *** | *** |
| Unit value | ([5]) | *** | *** | *** |
| All other sources: | | | | |
| Quantity | 1,016,753 | *** | *** | 565,237 |
| Value | 449,154 | *** | *** | 408,213 |
| Unit value | $442 | *** | *** | $722 |

Table continued on next page.

**Table I-1--Continued**
**CTL plate: Comparative data from the original investigations and subsequent reviews, 1998, 2004, 2010, and 2016**

| Item | Original investigations | First reviews | Second reviews | Third reviews |
|---|---|---|---|---|
| | 1998 | 2004 | 2010 | 2016 |
| | Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton) | | | |
| Nonsubject sources: | | | | |
| Quantity | *** | 649,870 | *** | *** |
| Value | *** | 390,069 | *** | *** |
| Unit value | *** | $600 | *** | *** |
| All import sources: | | | | |
| Quantity | 2,166,889 | 730,829 | 551,029 | 1,103,098 |
| Value | 915,669 | 451,012 | 482,282 | 768,723 |
| Unit value | $423 | $617 | $875 | $697 |
| U.S. industry: | | | | |
| Capacity (quantity) | 11,191,586 | 11,041,815 | 9,624,269 | 12,239,304 |
| Production (quantity) | 7,948,996 | 7,520,671 | 6,075,718 | 7,262,460 |
| Capacity utilization (percent) | 71.0 | 68.1 | 63.1 | 59.3 |
| U.S. shipments: | | | | |
| Quantity | 7,647,308 | 7,028,510 | 5,378,921 | 6,427,735 |
| Value | 3,377,079 | 4,456,089 | 3,961,873 | 3,824,172 |
| Unit value | $442 | $634 | $737 | $595 |
| Production workers | 8,547 | 4,125 | 3,339 | 4,181 |
| Hours worked (1,000) | 18,896 | 8,728 | 6,466 | 8,519 |
| Hourly wages | $22 | $25 | $34 | $36 |
| Financial data: | | | | |
| Net sales value | 3,382,607 | 3,628,077 | 4,255,177 | 3,635,284 |
| Operating income or (loss) | 135,678 | 782,756 | 65,533 | 20,382 |
| Operating income or (loss)/ Sales (percent) | 4.0 | 21.6 | 1.5 | 0.6 |

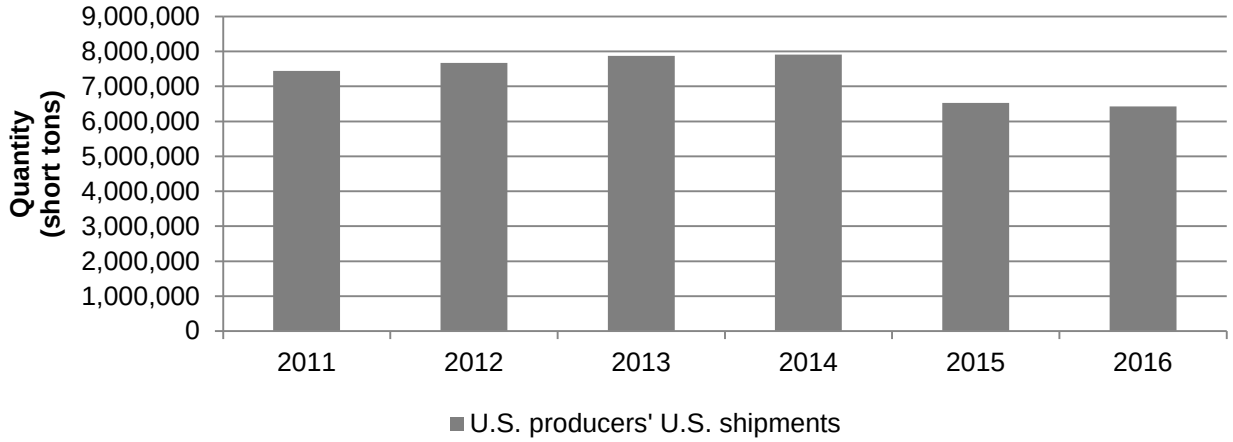
Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

[1] France was subject in the original investigations and was under order until the Commission's negative determinations in the first review. So while CTL plate from France was technically still under order in 2004, it is shown as "nonsubject" in 2004 in this table consistent with the Commission's opinion and analysis in those reviews.
[2] Italy was subject in the original investigations and was under order until the Commission's negative determinations in the second reviews. So while CTL plate from Italy was technically still under order in 2010, it is shown as "nonsubject" in 2010 in this table consistent with the Commission's opinion and analysis in those reviews.
[3] Japan was subject in the original investigations and was under order until the Commission's negative determinations in the second reviews. So while CTL plate from Japan was technically still under order in 2010, it is shown as "nonsubject" in 2010 in this table consistent with the Commission's opinion and analysis in those reviews.
[4] The second reviews did not present France data separately.
[5] In the original investigations, Commerce made an amended final *de minimis* margin determinations on POSCO for both the AD and CVD investigations (after the Commission's vote). Given the timing, CTL plate from Korea POSCO was not presented or analyzed separately by the Commission in the original investigations.

Source: Office of Investigations memo INV-X-004, January 4, 2000, INV-CC-180, October 21, 2005, INV-JJ-119, November 16, 2011, and compiled from data submitted in response to Commission questionnaires, and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

**Figure I-1**

**CTL plate: U.S. producers' U.S. shipments, historical 2011-16**




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

## RELATED INVESTIGATIONS

### Antidumping and countervailing duty investigations

The Commission has conducted numerous antidumping and countervailing duty investigations regarding CTL plate. Table I-2 presents a summary of these investigations. There are currently 18 antidumping duty orders / suspension agreements in place, covering imports of CTL plate from China (two orders), Russia, Ukraine; Austria, Belgium, Brazil, France, Germany, Italy, Japan, South Africa, Taiwan and Turkey; and India, Indonesia, and Korea (two orders).[22] There are also five countervailing duty orders in place, covering imports from India, Indonesia, Korea (two orders), and China.

[22] Although the domestic interested parties filed a request with Commerce to terminate the 2003 agreement suspending the antidumping duty investigation on CTL plate from Russia, arguing that it is both no longer in the public interest and it may have been violated by Severstal, Commerce has not acted on it further. *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, p. I-6; ***.

**Table I-2**

**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)<br>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-2—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)<br>Negative second review (2007) |
| 1992 | 701-TA-320 | Brazil | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 701-TA-321 | France | Negative | - |
| 1992 | 701-TA-322 | Germany | Affirmative | Affirmative first review (2000)<br>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)<br>Negative second review (2007) |
| 1992 | 701-TA-326 | Spain | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 701-TA-327 | Sweden | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 701-TA-328 | United Kingdom | Affirmative | Affirmative first review (2000)<br>ITA revoked (2006) |
| 1992 | 731-TA-573 | Belgium | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-574 | Brazil | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-575 | Canada | Affirmative | Negative first review (2000) |
| 1992 | 731-TA-576 | Finland | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-577 | France | Negative | - |
| 1992 | 731-TA-578 | Germany | Affirmative | Affirmative first review (2000)<br>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)<br>Negative second review (2007) |
| 1992 | 731-TA-583 | Poland | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-584 | Romania | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |

Table continued on next page.

**Table I-2 --Continued**
**CTL plate: U.S. investigations regarding CTL plate**

| Original investigation | | | | |
|---|---|---|---|---|
| Date[1] | Number | Country | Outcome | Subsequent actions |
| 1992 | 731-TA-585 | Spain | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-586 | Sweden | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1992 | 731-TA-587 | United Kingdom | Affirmative | Affirmative first review (2000)<br>Negative second review (2007) |
| 1996 | 731-TA-753 | China | Affirmative | Affirmative first review (2003)<br>Affirmative second review (2009)<br>Affirmative third review (2015) |
| 1996 | 731-TA-754 | Russia | Affirmative[3] | Affirmative first review (2003)<br>Affirmative second review (2009)<br>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)<br>Affirmative second review (2009)<br>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)<br>Affirmative second review (2011)<br>Third review pending |
| 1999 | 731-TA-818 | Indonesia | Affirmative | Affirmative first review (2005)<br>Affirmative second review (2011)<br>Third review pending |
| 1999 | 731-TA-819 | Italy | Affirmative | Affirmative first review (2005)<br>Negative second review (2011) |
| 1999 | 731-TA-820 | Japan | Affirmative | Affirmative first review (2005)<br>Negative second review (2011) |
| 1999 | 731-TA-821 | Korea | Affirmative | Affirmative first review (2005)<br>Affirmative second review (2011)<br>Third review pending |
| 1999 | 731-TA-822 | Macedonia | Negative[2] | - |
| 1999 | 701-TA-388 | India | Affirmative | Affirmative first review (2005)<br>Affirmative second review (2011)<br>Third review pending |
| 1999 | 701-TA-389 | Indonesia | Affirmative | Affirmative first review (2005)<br>Affirmative second review (2011)<br>Third review pending |
| 1999 | 701-TA-391 | Korea | Affirmative | Affirmative first review (2005)<br>Affirmative second review (2011)<br>Third review pending |
| 2016 | 701-TA-559 | Brazil | Negative[2] | - |
| 2016 | 701-TA-560 | China | Affirmative | - |
| 2016 | 701-TA-561 | Korea | Affirmative | - |
| 2016 | 731-TA-1317 | Austria | Affirmative | - |
| 2016 | 731-TA-1318 | Belgium | Affirmative | - |
| 2016 | 731-TA-1319 | Brazil | Affirmative | - |

Table continued on next page.

**Table I-2—Continued**
**CTL plate: U.S. investigations regarding CTL plate**

| Original investigation | | | | Subsequent actions |
|---|---|---|---|---|
| Date[1] | Number | Country | Outcome | |
| 2016 | 731-TA-1320 | China | Affirmative | - |
| 2016 | 731-TA-1321 | France | Affirmative | - |
| 2016 | 731-TA-1322 | Germany | Affirmative | - |
| 2016 | 731-TA-1323 | Italy | Affirmative | - |
| 2016 | 731-TA-1324 | Japan | Affirmative | - |
| 2016 | 731-TA-1325 | Korea | Affirmative | - |
| 2016 | 731-TA-1326 | South Africa | Affirmative | - |
| 2016 | 731-TA-1327 | Taiwan | Affirmative | - |
| 2016 | 731-TA-1328 | Turkey | Affirmative | - |

[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 or suspension agreement that is still in place.

Source: *Carbon and Alloy Steel Cut-to-Length Plate from Austria, Belgium, France, Germany, Italy, Japan, Korea and Taiwan: Determinations,* 82 FR 23592, May 23, 2017. *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, and USITC case website at www.usitc.gov. Retrieved November 15, 2017.

## 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.[23] On March 5, 2002, President George W. Bush announced the implementation of steel safeguard measures. Import

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

relief relating to CTL plate 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).[24] 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.[25]

### Section 232 investigation (Commerce)

On April 19, 2017, Commerce initiated a Section 232 investigation on steel imports into the United States.[26] [27] Section 232 investigations are initiated to determine the effects of imports of any articles on U.S. national security. Commerce initiated the investigation on steel imports in light of the large volumes of excess steel production and capacity in foreign markets. Commerce submitted the results of the investigation to the President on January 11, 2018, and by law, the President has 90 days to decide on any potential trade remedies. After the President announces his decision, Commerce will publish a public version of the report and a summary in the *Federal Register*.[28] [29]

## STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

### Statutory criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation "would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury."

---

[24] *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.

[25] *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.

[26] U.S. Department of Commerce website: https://www.commerce.gov/page/section-232-investigation-effect-imports-steel-us-national-security (accessed January 29, 2018).

[27] Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862) authorizes the Secretary of Commerce to conduct these investigations.

[28] Ibid.

[29] U.S. Department of Commerce website: https://www.commerce.gov/news/press-releases/2018/01/statement-department-commerce-submission-steel-section-232-report (accessed January 23, 2018).

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury--

> *(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*
>
> *(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*
>
> *(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*
>
> *(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*
>
> *(D) in an antidumping proceeding . . ., (Commerce's findings) regarding duty absorption . . ..*
>
> *(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*
>
> *(A) any likely increase in production capacity or existing unused production capacity in the exporting country,*
>
> *(B) existing inventories of the subject merchandise, or likely increases in inventories,*
>
> *(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and*
>
> *(D) 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.*
>
> *(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--*
>
> *(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and*
>
> *(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.*

*(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to–*

*(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,*
*(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and*
*(C) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.*

*The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.*

Section 752(a)(6) of the Act states further that in making its determination, "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement."

**Organization of report**

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for CTL plate as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of 16 U.S. producers of CTL plate that are believed to have accounted for a substantial majority of domestic production of CTL plate in 2016. U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 46 U.S. importers of CTL plate that are believed to have accounted for virtually all U.S. imports during 2016. Foreign industry data and related information are based on the questionnaire responses of two producers of CTL plate. Two producers in Indonesia accounted for *** percent of total production in that country.[30] Foreign industry data are supplemented by information from public sources. Responses by U.S. producers, importers, purchasers, and foreign producers of CTL plate to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D.

[30] Estimate is based on foreign producers' questionnaire responses.

## COMMERCE'S REVIEWS

### Administrative reviews[31]

Since the second continuation of the antidumping and countervailing duty orders in 2012, Commerce has completed five antidumping duty administrative reviews with regard to subject imports of CTL plate from Korea. Commerce has completed three administrative reviews of the outstanding countervailing duty order on CTL plate from Korea. No administrative reviews of CTL plate from India or Indonesia have been conducted by Commerce since the second continuation of the orders.[32]

**Korea**

Commerce has completed five antidumping duty administrative reviews in regard to subject imports of CTL plate from Korea. The results of the administrative reviews are shown in table I-3.

Commerce has completed three administrative reviews of the outstanding countervailing duty order on CTL plate from Korea. The results of the administrative reviews are shown in table I-4.

[31] Commerce has issued no duty absorption findings with respect to CTL plate from the subject countries.

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

**Table I-3**

**CTL plate: Commerce's administrative reviews of the antidumping duty order concerning Korea**

| Date results published | Producer or exporter | Period of review | Margin (percent) |
|---|---|---|---|
| May 17, 2013 (78 FR 29113) | Dongkuk Steel Mill Co., Ltd. | 02/01/11–01/31/12 | 0.00 |
| | Samsung C&T Corp. | | |
| | TCC Steel Corp. | | |
| September 11, 2014 (79 FR 54264) | Dongkuk Steel Mill Co., Ltd. | 02/01/12–01/31/13 | 4.64 |
| | Edgen Murray Corporation | | |
| | Kyoungil Co., Ltd. | | |
| | Samsung C&T Corp. | | |
| | Samwoo EMC Co., Ltd. | | |
| | TCC Steel Corp. | | |
| April 24, 2015 (80 FR 22971) | Bookuk Steel Co., Ltd. | 02/01/13-01/31/14 | 0.56 |
| | Dongkuk Steel Mill Co., Ltd. | | |
| | SM Solution Co. Ltd. | | |
| September 12, 2016 (81 FR 62712) | Dongkuk Steel Mill Co., Ltd. | 02/01/14-01/31/15 | 1.11 |
| September 6, 2017 (82 FR 42075) | BDP International | 02/01/15-01/31/16 | |
| | Bookuk Steel Co., Ltd. | | |
| | Samsung C&T Engineering & Construction Group | | 2.03 |
| | Dongkuk Steel Mill Co., Ltd. | | 1.84 |
| | Hyundai Steel Company | | 2.05 |

Source: Cited *Federal Register* notices.

**Table I-4**

**CTL plate: Commerce's administrative reviews of the countervailing duty order concerning Korea**

| Date results published | Producer or exporter | Period of review | Margin (percent) |
|---|---|---|---|
| August 11, 2014 (79 FR 46770) | Dongkuk Steel Mill Co., Ltd. | 01/01/12–12/31/12 | 0.11 *de minimis* |
| | Edgen Murray Corporation | | *de minimis* |
| | Kyoungil Col., Ltd. | | |
| | Samsung C&T Corp. | | |
| | Samwoo EMC Co., Ltd. | | |
| | TCC Steel Corp. | | |
| September 19, 2016 (81 FR 64138) | Dongkuk Steel Mill Co., Ltd. | 01/01/15-12/31/15 | 0.01 (*de minimis*) |
| | Hyundai Steel Company Ltd. | | 0.23 (*de minimis*) |
| August 18, 2017 (82 FR 39410) | Dongkuk Steel Mill Co., Ltd. | 01/01/15-12/31/15 | 0.13 (*de minimis*) |
| | Hyundai Steel Company Ltd. | | 0.54 |
| | Bookuk Steel Co., Ltd. | | |
| | BDP International | | |
| | Samsung C&T Engineering and Construction Group | | |
| | Sung Jin Steel Co., Ltd. | | |
| | Samsung C&T Trading and Investment Group | | |

Source: Cited *Federal Register* notices.

## New shipper review

On March 30, 2015, Commerce received a timely request for a new shipper review of the antidumping duty order on CTL plate from Korea from Hyundai Steel Co., Ltd ("Hyundai"), a producer and exporter of CTL plate in Korea, for the period February 1, 2014 through January 31, 2015. Hyundai certified that it did not export CTL plate to the United States during the period of review.[33] On September 12, 2016, Commerce determined that a weighted-average dumping margin of zero percent exists for CTL plate produced and exported by Hyundai for the

[33] *Certain Cut-To-Length Carbon-Quality Steel Plate from the Republic of Korea: Initiation of Antidumping Duty New Shipper Review*, 80 FR 16630, March 30, 2015.

period of review (February 1, 2014 through January 31, 2015).34 On September 19, 2016, Commerce determined that a 0.23 percent ad valorem de minimis net subsidy rate for CTL plate from Korea for Hyundai exists for the period of review (January 1, 2014, through December 31, 2014).[35]

**Changed circumstances reviews**

Commerce conducted one changed circumstances antidumping administrative review with respect to CTL plate from Japan. On March 3, 2003, Commerce published its final results in the *Federal Register*.[36] The antidumping duty order was revoked, in part, with respect to particular abrasion-resistant steel products based on the fact that domestic parties expressed no interest in the continuation of the order with respect to these particular abrasion-resistant steel products. Commerce has not completed any critical circumstances reviews or changed circumstances reviews since the second continuation of the orders in 2012.

**Scope inquiry reviews**

Commerce has not conducted any scope inquiry reviews with respect to CTL plate from India, Indonesia or Korea since the second continuation of the orders in 2012.

**Five-year reviews**

Commerce has issued the final results of its expedited/full reviews with respect to all subject countries.[37] [38] Table I-5 presents the countervailable subsidy margins and table I-6 presents the dumping margins calculated by Commerce in its original investigations and in subsequent reviews.

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[34] *Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Final Results of Antidumping Duty Administrative Review and New Shipper Review; 2014-2015*, 81 FR 62712, September 12, 2016.

[35] *Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review and New Shipper Review; Calendar Year 2014*, 81 FR 64138, September 19, 2016.

[36] *Notice of Final Results of Changed Circumstances Antidumping Duty Administrative Review, and Determination to Revoke the Order in Part: Certain Cut-to-Length Carbon-Quality Steel Plate from Japan*, 68 FR 9975, March 3, 2003.

[37] *Notice of Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea,* 82 FR 18895, April 24, 2017.

[38] *Notice of Final Results of Expedited Third Sunset Reviews of Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea,* 82 FR 16790, April 6, 2017.

**Table I-5**

**CTL plate: Commerce's countervailable subsidy margins for the original investigations, the first five-year reviews, the second five-year reviews, and the third reviews by country and firm**

| Country and firm | Original | First reviews | Second reviews | Third reviews |
|---|---|---|---|---|
| | Margin (percent) | | | |
| **India** | | | | |
| Steel Authority of India, Ltd. (SAIL) | 12.82 | 12.82 | 12.82 | [1] |
| All others | 12.82 | 12.82 | 12.82 | [1] |
| **Indonesia** | | | | |
| PT. Krakatau Steel | 47.71 | 47.72 | 47.71 | [1] |
| All others | 15.90 | 15.90 | 15.90 | [1] |
| **Korea** | | | | |
| Dongkuk Steel Mill Co., Ltd. | 3.26 | 2.36 | 1.38 | [1] |
| All others | 3.26 | 2.36 | 1.38 | [1] |

[1] As a result of these reviews, the Department determined that revocation of the countervailing duty orders on CTL plate from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of a countervailable subsidy at the following rates: 12.82 percent for SAIL and all others in India, 47.71 percent for P.T. Krakatau Steel and 15.90 percent for all others in Indonesia, and 1.39 percent for Dongkuk Steel Mill Co., Ltd. and all others in Korea.

Sources: *Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587, February 10, 2000; *Final Results of Expedited Sunset Review of the Countervailing Duty Order: Certain Cut-To-Length Carbon-Quality Steel Plate From Korea*, 70 FR 45689, August 8, 2005; *Final Results of Expedited Sunset Review of the Countervailing Duty Order: Certain Cut-To-Length Carbon-Quality Steel Plate From India*, 70 FR 45691, August 8, 2005; *Certain Cut-to-Length Carbon-Quality Steel Plate from Indonesia: Final Results of Expedited Sunset Review*, 70 FR 45692, August 8, 2005; *Certain Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, Italy, and the Republic of Korea: Final Results of Expedited Sunset Review*, 76 FR 12702, March 8, 2011.

**Table I-6**

**CTL plate: Commerce's weighted-average antidumping duty margins for the original investigations, the first five-year reviews, the second five-year reviews, and the third reviews by country and firm**

| Country and firm | Original | First reviews | Second reviews | Third reviews |
|---|---|---|---|---|
| | Margin (percent) | | | |
| **India** | | | | |
| Steel Authority of India, Ltd. (SAIL) | 72.49 | 42.39 | 42.39 | [1] |
| All others | 72.49 | 42.39 | 42.39 | [1] |
| **Indonesia** | | | | |
| PT Gunawan Dianjaya/PT Jaya Pari Steel Corporation | 50.80 | 50.80 | 50.80 | [1] |
| PT. Krakatau Steel | 52.42 | 52.42 | 52.42 | [1] |
| All others | 50.80 | 50.80 | 50.80 | [1] |
| **Korea** | | | | |
| Dongkuk Steel Mill Co., Ltd. | 2.98 | 2.98 | 2.98 | [1] |
| All others | 2.98 | 2.98 | 2.98 | [1] |

[1] Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, the Department determined that revocation of the antidumping duty orders on CTL plate from India, Indonesia, and Korea would be likely to lead to continuation or recurrence of dumping, and that the magnitude of the margin of dumping that is likely to prevail would be at rates up to 42.39 percent for India, up to 52.42 percent for Indonesia, and up to 4.64 percent for Korea.

Sources: *Notice of Amendment of Final Determinations of Sales at Less Than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products From France, India, Indonesia, Italy, Japan, and the Republic of Korea,* 65 FR 6585, February 10, 2000; *Certain Cut-To-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and the Republic of Korea; Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 70 FR 45655, August 8, 2005; *Certain Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, Italy, Japan, and the Republic of Korea; Final Results of the Expedited Second Sunset Reviews of the Antidumping Duty Orders,* 76 FR 12322, March 7, 2011; *Certain Cut-To-Length Carbon-Quality Steel Plate From India, Indonesia, and the Republic of Korea: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders,* 82 FR 18895, April 24, 2017.

## THE SUBJECT MERCHANDISE

### Commerce's scope

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

*…certain hot-rolled carbon-quality steel: (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 nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat-rolled products, hot-*

*rolled, of a nominal or actual 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 cut-to-length (not in coils).*

*Steel products to be included in the scope are of rectangular, square, circular or other shape and of 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'')—for example, products which have been beveled or rounded at the edges. Steel products that meet the noted physical characteristics that are painted, varnished or coated with plastic or other non-metallic substances are included within the scope. Also, specifically included in the scope are high strength, low alloy (''HSLA'') steels. HSLA steels are recognized as steels with microalloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum.*

*Steel products to be included in the scope, regardless of Harmonized Tariff Schedule of the United States (''HTSUS'') definitions, are products in which: (1) Iron predominates, by weight, over each of the other contained elements, (2) the carbon content is two percent or less, by weight, and (3) none of the elements listed below is equal to or exceeds the quantity, by weight, respectively indicated: 1.80 percent of manganese, or 1.50 percent of silicon, or 1.00 percent of copper, or 0.50 percent of aluminum, or 1.25 percent of chromium, or 0.30 percent of cobalt, or 0.40 percent of lead, or 1.25 percent of nickel, or 0.30 percent of tungsten, or 0.10 percent of molybdenum, or 0.10 percent of niobium, or 0.41 percent of titanium or 0.15 percent of vanadium, or 0.15 percent zirconium. All products that meet the written physical description, and in which the chemistry quantities do not equal or exceed any one of the levels listed above, are within the scope unless otherwise specifically excluded. The following products are specifically excluded from the orders:*

*(1) Products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances;*
*(2) SAE grades (formerly AISI grades) of series 2300 and above;*
*(3) products made to ASTM A710 and A736 or their proprietary equivalents;*
*(4) abrasion-resistant steels (i.e., USS AR 400, USS AR 500);*
*(5) products made to ASTM A202, A225, A514 grade S, A517 grade S, or their proprietary equivalents;*
*(6) ball bearing steels;*
*(7) tool steels; and*
*(8) silicon manganese steel or silicon electric steel.*

*The merchandise subject to the orders is currently classifiable in the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000.*

*Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to the orders is dispositive.*[39]

### Tariff treatment

The subject merchandise is imported under the following HTS statistical reporting numbers: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000.[40] General U.S. tariffs on CTL plate, applicable to U.S. imports that are products of the subject countries and classified under these subheadings, ranged from 1.2 to 3.2 percent *ad valorem* at the time of the original investigations. As of January 1, 2004, these tariffs were eliminated and now the general duty rate is "Free." [41]

## THE PRODUCT

### Description and uses[42]

Steel is generally defined as a combination of carbon and iron that is usefully malleable as first cast, and in which iron predominates, by weight, over each of the other contained elements and the carbon content is 2 percent or less, by weight.[43] CTL steel plate is commonly produced to meet the requirements of ASTM International Standard A36 (the standard specification for carbon structural steel). Plate for shipbuilding purposes may be produced to meet the requirements of ASTM A131 (the standard specification for structural steel for ships), which is similar to the American Bureau of Shipping ("ABS") specifications for steel for hull construction. Both the ASTM and the ABS specifications cover ordinary-strength hull steel, which is similar in properties to common structural steel, and higher strength structural steel,

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[39] *Certain Cut-To-Length Carbon-Quality Steel Plate From India, Indonesia, and the Republic of Korea: Continuation of Antidumping and Countervailing Duty Orders*, 77 FR 264, January 4, 2012.

[40] Commerce's scope also identifies HTS provisions for alloy steel, specifically: 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000, and 7226.99.0180. These provisions are applicable to certain micro-alloy steel CTL plate, but also applicable to steel products that are not included in Commerce's scope. The general duty rate for these provisions is "Free."

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

[42] Unless otherwise noted, this information is based on *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. I-22.

[43] HTSUS (2017), Chapter 72, note 1 (d), Steel: Ferrous materials other than those of heading 7203 which (with the exception of certain types produced in the form of castings) are usefully malleable and which contain by weight 2 percent or less of carbon. However, chromium steels may contain higher proportions of carbon.

which contains grain-refining elements and is processed to meet higher strength levels. The definition of non-alloy steel adopted in the scope of these reviews includes the steel grades considered non-alloy steel by the steel industry. Certain high strength low alloy ("HSLA") steel grades, considered alloy steel using the definition in the HTSUS, are included. End uses for CTL plate include the production of welded load-bearing and structural applications, such as 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); certain tubular products, such as large diameter line pipe; and heavy transportation equipment, such as railroad cars (especially tanker cars), barges, and oceangoing ships. End users concerned about "coil set memory" (such as those that burn out parts from plate) may prefer plate from a reversing mill (described below), since the edges of plate cut from coils may curl on heating.

### Manufacturing process[44]

The manufacturing processes for CTL plate are summarized below. In general, there are three distinct stages that include: (1) melting and 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*

Steel is produced by either the integrated or the non-integrated process. In the non-integrated process, an electric arc furnace melts scrap and primary iron products such as pig iron or direct-reduced iron[45] to produce molten steel. In the integrated process, a blast furnace smelts iron ore with coke to produce molten iron, which is subsequently poured into a steelmaking furnace, generally a basic oxygen furnace, together with a small amount of scrap metal. The molten metal is processed into steel by blowing oxygen into the metal bath.

Whether produced by the integrated or the non-integrated process, molten steel is poured or "tapped" from the furnace into a ladle to be transported to a secondary steelmaking (also called "ladle metallurgy") station (an optional step) and then to casting. Secondary steelmaking refines molten steel into extra-clean or low-carbon steel satisfying stringent

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[44] Unless otherwise noted, this information is based on *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, pp. I-22 through I-25.

[45] Cold pig iron and direct-reduced iron, which includes hot-briquetted iron, are sometimes called scrap substitutes because they can be used as replacements for scrap in an electric arc furnace that could otherwise use a charge consisting only of scrap as its source of iron. Reasons for using scrap substitutes may include the nonavailability of scrap in sufficient quantity, or the relative prices of scrap and scrap substitutes, as well as technical reasons related to the freedom from residual metallic elements in scrap substitutes.

surface or internal requirements or micro-cleanliness quality and mechanical properties.[46] During secondary steelmaking, adjustments may be made to the chemical content by adding alloying elements or by lowering the carbon content (decarburization), and the temperature of the steel is adjusted for optimum casting. The essential characteristics of the steel are established prior to the casting stage.

***Slab casting stage***

Following the production of molten steel with the desired properties, the steel is cast into a form that can enter the rolling process, either by ingot teeming or by continuous casting. Continuous slab casting is the preferred, low-cost method and is normally used to produce plates up to approximately 101.6 mm (4 inches) in thickness. Ingots are used to produce thicker plates, since continuous cast slabs of sufficient thickness are not available.[47]

***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 called the roughing mill and the second is called the finishing mill. The roughing mill in a two-stand mill or the single stand 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 is reduced. After the desired finished width is reached, the plate is again rotated one-quarter turn and rolled straightaway to finished thickness.[48]

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[46] The goals of secondary steelmaking include controlling gases (*e.g.*, decreasing the concentration of oxygen, hydrogen, and nitrogen, called degassing), reducing sulfur, removing undesirable nonmetallic inclusions such as oxides and sulfides, changing the composition and/or shape of oxides and sulfides that cannot be completely removed, and improving the mechanical properties of the finished steel.

[47] Plate of a thickness that requires the use of ingots in the manufacturing process is a relatively small part of the plate market.

[48] Controlled rolling and accelerated cooling are alternative ways to achieve a combination of high strength and high toughness. Together, these processes are known as "Thermo-Mechanical Controlled Processing (TMCP)." Controlled rolling involves a substantial amount of hot work at near the recrystallization temperature. A slab might be partially hot-rolled, then held until it reached a specific temperature, and then finish-rolled. This practice could also involve a second hold for a controlled finishing temperature. Accelerated cooling involves rolling without interruption, then cooling the plate rapidly with water sprays to a specific temperature. Controlled rolling involves holding steel on the tables of the plate mill, and therefore results in lower productivity. Accelerated cooling should not result in the same penalty in productivity, but does require additional equipment. Typical products for which controlled rolling is used include ASTM A656 Grade 80 (HSLA structural steel with improved formability for truck frames, brackets, crane booms, rail cars, and similar applications); ASTM A572 Grades 60 and 65 (HSLA structural steel for bridges, buildings, and other structures where notch-toughness is a

(*continued*...)

Some reversing plate mills are equipped on each side of the finishing mill with coilers that operate inside small heating furnaces, keeping the steel hot and allowing the production of much longer or thinner plates. Such mills are called "Steckel mills." Plate can be rolled on a Steckel mill without using the heated coilers, in which case the mill operates like a conventional reversing plate mill. Because they have the capability to produce long pieces, Steckel mills are equipped with coilers to produce coiled plate as well as in-line shearing facilities to produce discrete plate.

Coiled plate also may be rolled on a continuous hot-strip mill. Such a mill has either a reversing rougher or a number (four or five) of non-reversing roughing mills followed by a finishing section comprised of a series of mill stands, usually six, spaced close together so that the steel 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.

Coiled plate is converted into CTL plate by the process of uncoiling, flattening, and cutting to length, which may be done on a single continuous processing line by either the firm that rolled the coiled plate, or, more commonly, by an independent processing firm or service center. Mills and service centers that purchase coiled plate and cut it in the United States are considered to be producers of CTL plate. Hot-strip mills produce mostly hot-rolled sheet, that is, product less than 4.75 mm thick (0.187 inch), and are usually limited to product no wider than 1,829 mm (72 inches). Steckel plate mills also produce hot-rolled sheet, however, for CTL plate up to 1,829 mm (72 inches) in width, hot-strip mill rolling followed by cutting to length is normally the most economical method of production.

Because of its capability to cross roll, a sheared plate mill is somewhat flexible with regard to the slab width used to produce a given plate width. A Steckel mill or continuous hot-strip mill must have a slab slightly wider than the width of the plate to be produced and has the advantage of being able to roll longer, heavier slabs than could be used on a sheared plate mill.

Reversing and Steckel mills can produce wider and thicker plate than a hot-strip mill. Plate produced on reversing mills in the United States ranges from 4.75 to 508 mm (0.187 to 20 inches) in thickness and up to 4,953 mm (195 inches) in width, while plate produced on Steckel mills typically ranges from 4.75 to 19.1 mm (0.187 to 0.750 inch) in thickness and 1,219 to 2,438 mm (48 to 96 inches) in width.

Most CTL plate is smooth on both sides. However, steel with patterns in relief is included within the scope of these reviews. Floor plate, which has a non-skid pattern of raised figures at regular intervals on one surface, is the main example of steel with patterns in relief. Floor plate is usually produced on a continuous hot-strip mill, using an embossed roll in the final hot rolling stand. It can also be produced on a Steckel mill by holding the hot plate on one of the Steckel furnaces at the mill after completing all but the final rolling pass. One roll is then changed, and the final rolling is completed. Using this method, the roll is again changed to roll

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(…*continued*)
requirement); American petroleum Institute ("API") Specification 2W (Steel plates for offshore structures, produced by TMCP); and API Specification 5L (Line Pipe) Grades X42 and higher.

the next plate. Floor plate is also produced on two-stand reversing mills, with an embossed roll in the finishing stand.

Although most CTL plate is at least 48 inches in width, a product line known as hot-rolled flat bar includes some product that is within the scope of these reviews.[49] Hot-rolled flat bar is produced on a different type of rolling mill in widths from about 1½ inches to as wide as 15 inches and in thicknesses from about 1/4 inch to 3 inches. Only product that is at least 6 inches in width is within the scope of this proceeding. Mills producing subject flat bar also produce other bar products, such as nonsubject flat bar, round bar, and small angle.

## DOMESTIC LIKE PRODUCT ISSUES

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. In its original determinations, the Commission defined the domestic like product as "a single domestic like product consisting of all domestically produced CTL steel plate that corresponds to the scope description, including grade X-70 plate, micro-alloyed steel plate, and the plate cut from coils."[50] In both its full first and second five-year reviews, the Commission again found a single domestic like product consisting of all domestically produced CTL steel plate, which corresponded to the scope description and included grade X-70 plate, micro-alloyed steel plate, and the plate cut from coils.[51]

In its notice of institution for these current third five-year reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry. According to their responses to the notice of institution and prehearing briefs, the domestic interested parties, Krakatau (POSCO), and Krakatau (Persero) indicated that they agree with the definition of the domestic like product used by the Commission during the full second five-year reviews.[52]

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[49] 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.

[50] *Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final)*, USITC Publication 3273, January 2000, p. 7.

[51] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Reviews)*, USITC Publication 3816, November 2005, p. 6; *Cut-to-Length Carbon-Quality 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. 7.

[52] *Prehearing Brief of ArcelorMittal USA LLC*, December 21, 2017, p. 3; *Prehearing Brief of SSAB Enterprises, LLC*, December 21, 2017, 3; *Nucor Corporation's Prehearing Brief*, December 22, 2017, p. 5; *Krakatau (POSCO)'s Response to the Notice of Institution*, December 29, 2016, p. 7; *Krakatau (Persero)'s Response to the Notice of Institution*, December 29, 2016, p. 3.

## U.S. MARKET PARTICIPANTS

### U.S. producers

During the original investigations, 29 firms supplied the Commission with information on their U.S. operations with respect to CTL plate. These firms accounted for 86 percent of U.S. production of CTL plate in 1998. In the Commission's first five-year reviews, 13 mills and 11 processors supplied the Commission with data on their U.S. operations with respect to CTL plate. The mills accounted for 98.4 percent of U.S. production of CTL plate in 2004. In the Commission's second five-year reviews, 15 producers (nine mills and six processors) supplied the Commission with usable information on their U.S. operations with respect to CTL plate. The responding producers accounted for approximately 90 percent of U.S. mill production in 2010.[53]

In these current proceedings, the Commission issued U.S. producers' questionnaires to 34 firms, 16 of which provided the Commission with information on their product operations. These firms are believed to account for a substantial majority of U.S. production of CTL plate in 2016. Presented in table I-7 is a list of current domestic producers of CTL plate and each company's position on continuation of the orders, production locations, and share of reported production of CTL plate in 2016.

[53] *Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-891 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, p. I-26.

**Table I-7**
**CTL plate: U.S. producers, positions on orders, U.S. production locations, and shares of 2016 reported U.S. production**

| Firm | Position on orders | Production location(s) | Share of production (percent) |
|---|---|---|---|
| Allegheny | *** | Indianola, Pa | *** |
| AMC | *** | Canby, OR | *** |
| ArcelorMittal | *** | Burns Harbor, IN<br>Coatesville, PA<br>Conshohocken, PA<br>Newton, NC<br>Steelton, PA | *** |
| Cargill | *** | Fort Collins, CO<br>East Chicago, IN<br>Granite City, IL<br>Loudon,TN<br>Houston, TX<br>Nashville, TN | *** |
| Evraz | *** | Portland, OR<br>Claymont, DE (operations suspended in 2013) | *** |
| Feralloy Corporation | *** | Portage, IN<br>Portage, IN<br>Decatur, AL<br>Huger, SC | *** |
| Gerdau | *** | Cartersville, GA<br>Calvert City, KY<br>Jackson, TN | *** |
| JSW | *** | Baytown, TX | *** |
| Kloeckner | *** | Catoosa, OK<br>Huger, SC<br>Charlotte, NC<br>Chicago, IL<br>Houston, TX<br>Middletown, CT | *** |
| Metals USA | *** | Horicon, WI<br>Northbrook, IL<br>Jeffersonville, IN<br>Walker, MI<br>Randleman, NC<br>Wooster, OH | *** |
| Nucor | *** | Cofield, NC<br>Tuscaloosa, AL<br>Longview, TX<br>Plymouth, UT<br>Seattle, WA<br>Auburn, NY | *** |
| PDM | *** | Stockton, CA | *** |
| Phoenix Metals | *** | Charlotte, NC<br>Spring Hill, TN<br>Kansas City, KS<br>Middletown, OH<br>Birmingham, AL<br>Tampa, FL | *** |

Table continued on next page.

**Table I-7--Continued**
**CTL plate: U.S. producers, positions on orders, U.S. production locations, and shares of 2016 reported U.S. production**

| Firm | Position on orders | Production location(s) | Share of production (percent) |
|---|---|---|---|
| Reliance | *** | Salt Lake City, UT<br>Wichita, KS<br>Phoenix, AZ | *** |
| SSAB | *** | Axis, AL<br>Montpelier, IA<br>St. Paul, MN<br>Houston, TX | *** |
| Steel Warehouse | *** | South Bend, IN<br>Rock Island, IL<br>Cleveland, OH<br>Memphis, TN<br>Chattanooga, TN | *** |
| Total | --- | --- | *** |

[1] Company did not report position on petition in questionnaire response.

Note.--Share and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

SSAB operates two Greenfield mini mill plants in Montpelier, Iowa and Mobile, Alabama. The plants primarily produce CTL plate with some production of plate and coil. Two other facilities in Houston and Minneapolis process coil with the CTL plate. SSAB's product portfolio for the Americas is "unique" because it consists entirely of plate.[54] As indicated in table I-8, five U.S. producers are related to foreign producers of CTL plate (one, ***, in a subject country) and two are related to U.S. importers of CTL plate. In addition, as discussed in greater detail in Part III, three U.S. producers *** directly import the subject merchandise and nine purchase the subject merchandise from U.S. importers.

**Table I-8**
**CTL plate: U.S. producers' ownership, related and/or affiliated firms, since January 2014**

* * * * * * *

[54] Hearing transcript, p. 33 (Moskaluk).

### U.S. importers

In the original investigations, 53 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of CTL plate, accounting for 65 to 75 percent of U.S. imports from Korea and more than 50 percent of imports from India and Indonesia during 1998.

In the first full year reviews, the Commission issued U.S. importer questionnaires to 53 firms believed to be importers of CTL plate, as well as to all U.S. producers and processors of CTL plate. The Commission received usable questionnaires from 21 firms, accounting for a substantial share of imports of CTL plate from Korea. The Commission received limited responses from firms that imported from India and Indonesia.[55]

In the full second five-year reviews, the Commission issued U.S. importer questionnaires to 64 firms believed to be importers of CTL plate, as well as to all U.S. producers and processors of CTL plate. The Commission received usable questionnaires from 18 firms, accounting for approximately three-quarters of subject[56] U.S. imports during January 2005 through June 2011 and for approximately one-half of U.S. imports of CTL plate from other sources.[57]

In the current proceedings, the Commission issued U.S. importers' questionnaires to 190 firms believed to be importers of CTL plate, as well as to all U.S. producers of CTL plate. Usable questionnaire responses were received from 46 firms accounting for slightly less than half of imports of CTL plate from subject sources and for more than three-quarters of imports from nonsubject sources during 2016. Table I-9 lists all responding U.S. importers of CTL from the subject countries and other sources, their locations, and their shares of U.S. imports in 2016.

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[55] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Review)*, USITC Publication 3816, November 2005, pp. I-25, IV-1.

[56] During the full second five-year reviews, the subject countries were India, Indonesia, Italy, Japan, and Korea.

[57] *Cut-to-Length Carbon-Quality 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. I-28.

**Table I-9**
**CTL plate: U.S. importers, source(s) of imports, U.S. headquarters, and shares of imports in 2016**

| Firm | Headquarters | Share of imports by source (percent) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | India | Indo-nesia | Korea subject | Subject sources | Korea nonsub. | All other sources | Non-sub. sources | All imp. sources |
| AHMSA | San Antonio, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Berg | Panama City, FL | *** | *** | *** | *** | *** | *** | *** | *** |
| Commercial Metals Company | Irving, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Cotia | New York, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| CPW America | Houston, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Duferco | Matawan, NJ | *** | *** | *** | *** | *** | *** | *** | *** |
| Dura-Bond | Steelton, PA | *** | *** | *** | *** | *** | *** | *** | *** |
| Evraz | Chicago, IL | *** | *** | *** | *** | *** | *** | *** | *** |
| GHM | Duluth, GA | *** | *** | *** | *** | *** | *** | *** | *** |
| Hanwa | Houston, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Herrick | Stockton, CA | *** | *** | *** | *** | *** | *** | *** | *** |
| Hyundai | Englewood Cliffs, NJ | *** | *** | *** | *** | *** | *** | *** | *** |
| Industeel | Coatesville, PA | *** | *** | *** | *** | *** | *** | *** | *** |
| Interpipe | Houston, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Janco | Stoney Creek, ON | *** | *** | *** | *** | *** | *** | *** | *** |
| JFE Shoji | Long Beach, CA | *** | *** | *** | *** | *** | *** | *** | *** |
| Kenwal | Toronto, ON | *** | *** | *** | *** | *** | *** | *** | *** |
| Kloeckner | Roswell, GA | *** | *** | *** | *** | *** | *** | *** | *** |
| Lyman | Cleveland, OH | *** | *** | *** | *** | *** | *** | *** | *** |
| MacSteel | Yorktown Heights, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| Marubeni-Itochu | New York, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| Metal One | Rosemont, IL | *** | *** | *** | *** | *** | *** | *** | *** |
| Metallia U.S.A., LLC | Fort Lee, NJ | *** | *** | *** | *** | *** | *** | *** | *** |
| Mitsui | New York, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| MX Industrial | City Of Industry, CA | *** | *** | *** | *** | *** | *** | *** | *** |
| NLMK | Moon Township, PA | *** | *** | *** | *** | *** | *** | *** | *** |
| Olbert | Mississauga, ON | *** | *** | *** | *** | *** | *** | *** | *** |
| Optima | Concord, CA | *** | *** | *** | *** | *** | *** | *** | *** |
| PlatesAhead | Birmingham, AL | *** | *** | *** | *** | *** | *** | *** | *** |

Table continued on next page.

**Table I-9--Continued**
**CTL plate: U.S. importers, source(s) of imports, U.S. headquarters, and shares of imports in 2016**

| Firm | Headquarters | Share of imports by source (percent) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | India | Indo-nesia | Korea subject | Subject sources | Korea nonsub. | All other sources | Non-sub sources | All import sources |
| POSCO America | Johns Creek, GA | *** | *** | *** | *** | *** | *** | *** | *** |
| POSCO Daewoo | Teaneck, NJ | *** | *** | *** | *** | *** | *** | *** | *** |
| Ryerson | Chicago, IL | *** | *** | *** | *** | *** | *** | *** | *** |
| Samsung CT | Ridgefield Park, NJ | *** | *** | *** | *** | *** | *** | *** | *** |
| Samuel | Mississauga, Ontario, Canada, | *** | *** | *** | *** | *** | *** | *** | *** |
| SemaConnect | Bowie, MD | *** | *** | *** | *** | *** | *** | *** | *** |
| Severstal | Doral, FL | *** | *** | *** | *** | *** | *** | *** | *** |
| SKC | Covington, GA | *** | *** | *** | *** | *** | *** | *** | *** |
| SSAB | Lisle, IL | *** | *** | *** | *** | *** | *** | *** | *** |
| Stemcor | New York, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| Sumitomo Corporation of Americas | New York, NY | *** | *** | *** | *** | *** | *** | *** | *** |
| Sunbelt | Houston, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Tata | Schaumburg, IL | *** | *** | *** | *** | *** | *** | *** | *** |
| Thyssenkrupp | Southfield, MI | *** | *** | *** | *** | *** | *** | *** | *** |
| Thyssenkrupp | Southfield, MI | *** | *** | *** | *** | *** | *** | *** | *** |
| Transpacific | Austin, TX | *** | *** | *** | *** | *** | *** | *** | *** |
| Wirth Steel | Westmount, QC | *** | *** | *** | *** | *** | *** | *** | *** |
| Total | | *** | *** | *** | *** | *** | *** | *** | *** |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

## U.S. purchasers

The Commission issued 85 questionnaires and received 24 usable questionnaire responses from firms that bought CTL plate since January 2011.[58] More than half of responding purchasers (13) are distributors, 5 are construction end users, and 8 describe themselves as other types of end users, including service centers, manufacturers, and processors. The largest responding purchasers of CTL plate in 2016 were ***, representing more than half of total reported purchases in that year.

[58] Of the 24 responding purchasers, all purchased domestic CTL plate, 0 purchased imports of subject merchandise from India, 1 purchased imports of subject merchandise from Indonesia, 10 purchased imports of subject merchandise from Korea (excluding POSCO), 21 purchased CTL plate from all other countries, and 3 were unable to identify the source of their purchases.

## APPARENT U.S. CONSUMPTION

Data concerning apparent U.S. consumption of CTL plate are shown in table I-10.

**Table I-10**

**CTL plate: Apparent U.S. consumption, 2014-16, January to September 2016, and January to September 2017**

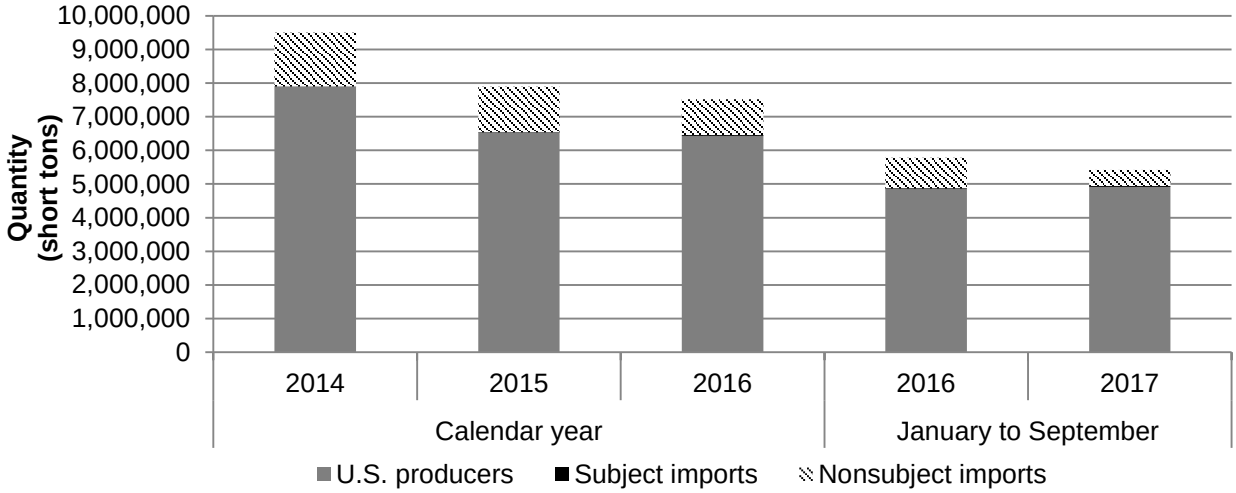
| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| U.S. producers' U.S. shipments | 7,908,495 | 6,531,732 | 6,427,735 | 4,856,112 | 4,923,107 |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject[1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 1,370,866 | 1,084,476 | 735,378 | 619,273 | 403,884 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 1,596,993 | 1,362,524 | 1,103,098 | 929,339 | 518,751 |
| Apparent U.S. consumption | 9,505,488 | 7,894,256 | 7,530,833 | 5,785,451 | 5,441,858 |
| | Value (1,000 dollars) | | | | |
| U.S. producers' U.S. shipments | 6,537,595 | 4,442,203 | 3,824,172 | 2,908,692 | 3,358,563 |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 1,130,334 | 852,501 | 546,067 | 451,905 | 336,186 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 1,292,110 | 1,043,534 | 768,723 | 644,035 | 400,642 |
| Apparent U.S. consumption | 7,829,705 | 5,485,737 | 4,592,895 | 3,552,727 | 3,759,205 |

[1]Korea subject products exclude POSCO.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

**Figure I-2**

**CTL plate: Apparent U.S. consumption, 2014-16, January to September 2016, and January to September 2017**




Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

## U.S. MARKET SHARES

U.S. market share data are presented in table I-11.

**Table I-11**
**CTL plate: U.S. consumption and market shares, 2014-16, January-September 2016, and January-September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| Apparent U.S. consumption | 9,505,488 | 7,894,256 | 7,530,833 | 5,785,451 | 5,441,858 |
| | Share of quantity (percent) | | | | |
| U.S. producers' U.S. shipments | 83.2 | 82.7 | 85.4 | 83.9 | 90.5 |
| U.S. importers' U.S. shipments from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 14.4 | 13.7 | 9.8 | 10.7 | 7.4 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 16.8 | 17.3 | 14.6 | 16.1 | 9.5 |
| | Value (1,000 dollars) | | | | |
| Apparent U.S. consumption | 7,829,705 | 5,485,737 | 4,592,895 | 3,552,727 | 3,759,205 |
| | Share of value (percent) | | | | |
| U.S. producers' U.S. shipments | 83.5 | 81.0 | 83.3 | 81.9 | 89.3 |
| U.S. importers' U.S. shipments from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 14.4 | 15.5 | 11.9 | 12.7 | 8.9 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 16.5 | 19.0 | 16.7 | 18.1 | 10.7 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

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

## U.S. MARKET CHARACTERISTICS

CTL plate 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.[1] 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, and sold throughout the United States.

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 compared to commodity grades of CTL plate, and typically are produced to exhibit 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, wind tower and transmission poles, pressure vessels, military armor, hand tools, die sets, and machinery components.

Overall, apparent U.S. consumption of CTL plate, by quantity, was 20.8 percent lower in 2016 than in 2014. Apparent U.S. consumption of CTL plate decreased from 9.5 million short tons in 2014 to 7.9 million short tons in 2015 and 7.5 million short tons in 2016. Apparent U.S. consumption of CTL plate was 6.2 percent lower in January-September 2017 than in January-September 2016.

## U.S. PURCHASERS

The Commission issued 85 questionnaires and received 24 usable questionnaire responses from firms that bought CTL plate since January 2011.[2] More than half of responding purchasers (13) are distributors, 5 are construction end users, and 8 describe themselves as other types of end users. The largest responding purchasers of CTL plate in 2016 were ***, representing more than half of total reported purchases in that year.

[1] Certain wide flat bar may be rolled from billets to plate dimensions.

[2] Of the 24 responding purchasers, all purchased domestic CTL plate, 0 purchased imports of subject merchandise from India, 1 purchased imports of subject merchandise from Indonesia, 10 purchased imports of subject merchandise from Korea (excluding POSCO), 21 purchased CTL plate from all other countries, and 3 were unable to identify the source of their purchases.

## CHANNELS OF DISTRIBUTION

U.S. producers sold primarily to end users during 2014-2016. The majority of imports from Korea (excluding POSCO) were sold mainly to distributors, while imports from India and nonsubject countries were divided between distributors and end users (table II-1).

**Table II-1**
**CTL plate: U.S. producers' share of reported U.S. commercial shipments[1] (percent) and U.S. importers' share of reported total U.S. shipments[2] (percent), by sources and channels of distribution, 2014-2016, January-September 2016, and January-September 2017**

| Item | Period | | | | |
|---|---|---|---|---|---|
| | Calendar year | | | January-September | |
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Share of reported shipments (*percent*) | | | | |
| **U.S. producers' U.S. commercial shipments of CTL plate:** | | | | | |
| Distributors | 45.5 | 42.0 | 47.7 | 47.5 | 51.0 |
| End users | | | | | |
| Construction | 31.5 | 34.2 | 30.2 | 30.5 | 28.9 |
| Others | 23.0 | 23.8 | 22.0 | 22.0 | 20.1 |
| **U.S. importers' total U.S. shipments of CTL plate from India:** | | | | | |
| Distributors | *** | *** | *** | *** | *** |
| End users | | | | | |
| Construction | *** | *** | *** | *** | *** |
| Others | *** | *** | *** | *** | *** |
| **U.S. importers' total U.S. shipments of CTL plate from Indonesia:** | | | | | |
| Distributors | *** | *** | *** | *** | *** |
| End users | | | | | |
| Construction | *** | *** | *** | *** | *** |
| Others | *** | *** | *** | *** | *** |
| **U.S. importers' total U.S. shipments of CTL plate from Korea (excluding POSCO):** | | | | | |
| Distributors | *** | *** | *** | *** | *** |
| End users | | | | | |
| Construction | *** | *** | *** | *** | *** |
| Others | *** | *** | *** | *** | *** |
| **U.S. importers' total U.S. shipments of CTL plate from Nonsubject countries[3]:** | | | | | |
| Distributors | *** | *** | *** | *** | *** |
| End users | | | | | |
| Construction | *** | *** | *** | *** | *** |
| Others | *** | *** | *** | *** | *** |

[1] These data do not account for the quantities that are internally consumed by responding firms. In 2016, internal consumption of CTL plate accounted for less than *** percent of domestic producers' U.S. commercial shipments.
[2] These data account for the quantities that are internally consumed by responding firms. In 2016, internal consumption of CTL plate accounted for less than *** percent of U.S. shipments of imports from India, Indonesia, and Korea (excluding POSCO).
[3] These data includes POSCO

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

## GEOGRAPHIC DISTRIBUTION

The majority of U.S. producers and importers reported selling CTL plate to all regions in the contiguous United States (table II-2). For U.S. producers, 25.5 percent of sales were within 100 miles of their production facility, 67.7 percent were between 101 and 1,000 miles, and 6.7 percent were over 1,000 miles. Importers sold 89.7 percent within 100 miles of their U.S. point of shipment, 9.7 percent between 101 and 1,000 miles, and 0.6 percent over 1,000 miles.

**Table II-2**
**CTL plate: Geographic market areas in the United States served by U.S. producers and importers, by number of responding firms**

| Country source | Region | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Northeast | Midwest | Southeast | Central Southwest | Mountain | Pacific Coast | Other[1] | All regions (except Other) | Reporting firms |
| United States | 11 | 13 | 10 | 11 | 8 | 10 | 3 | 7 | 14 |
| India | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea (excluding POSCO) | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| U.S. importers of subject product | 5 | 6 | 5 | 10 | 4 | 9 | 2 | 1 | 15 |

[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, shipments to alternate markets, moderate inventory levels, and the ability to produce alternate products in some mills.

### *Industry capacity*

U.S. production capacity fluctuated modestly from 2014 to 2016 at approximately 12 million short tons. Domestic capacity utilization decreased from 72.4 percent in 2014 to 59.3 percent in 2015 and remained steady at 59.3 percent in 2016.[3] 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 2014 to 11.3 percent in 2016,[4] 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. U.S. producers reported Canada and Mexico as their principal export markets. Some U.S. producers stated that it would be difficult to shift their shipments to other markets. Producers *** reported that they have a limited ability to shift shipments to other markets due to competition from low-priced CTL plate. Other producers identified shipping costs, import substitution policies in foreign markets, and global overcapacity as factors limiting their ability to shift their shipments to other markets.

### *Inventory levels*

Relative to total shipments, U.S. producers' inventory levels increased from 9.3 percent in 2014 to 10.9 percent in 2015 and decreased to 8.0 percent in 2016.[5] These inventory levels suggest that U.S. producers may have some ability to respond to changes in demand with changes in the quantity shipped from inventories.

### *Production alternatives*

Eleven of 16 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 hot-rolled steel coil, cold-rolled coil, plate in coil, slabs, merchant bar, rebar, sheet, heavy gauge galvanized sheet, non-ferrous metals, and nonsubject plate.

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[3] Capacity utilization was 59.5 percent in January-September 2016, compared to 59.6 percent in January-September 2017.

[4] U.S. producers' exports, as a percentage of total shipments, were 11.1 percent in January-September 2016 and 9.3 percent in January-September 2017.

[5] U.S. producers' inventory levels, relative to total shipments, were 10.0 percent in January-September 2016, compared to 10.9 percent in January-September 2017.

**Subject imports from subject countries**[6]

Subject imports accounted for less than *** percent of total imports throughout the period for which data were collected. The Commission received two questionnaire responses from producers/exporters of CTL plate from Indonesia.

No questionnaire data were available for producers/exporters from India or Korea in these reviews.[7]

**Subject imports from Indonesia**

Based on available information, producers of CTL plate from Indonesia have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of CTL plate to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, inventories, and a majority of export shipments being sold to other countries. A factor mitigating responsiveness of supply is a limited ability to shift production to or from alternate products.

***Industry capacity***

Indonesia's capacity increased from *** short tons in 2014 to *** short tons in 2016. Indonesian capacity utilization increased from *** percent to *** percent from 2014 to 2016. This relatively moderate level of capacity utilization suggests that Indonesian producers may have some ability to increase production of product in response to an increase in prices.

***Alternative markets***

Shipments to domestic markets, as a percentage of total shipments, declined from *** percent in 2014 to *** percent in 2016. Shipments to export markets other than the United States increased from *** percent in 2014 to *** percent in 2016. These exports indicate that producers may have some ability to shift shipments between domestic or other markets and the U.S. market in response to price changes.

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[6] 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."

[7] In the previous reviews in 2011, one responding subject Korean producer, Dongkuk Steel, reported export shipments, as a share of total shipments of CTL plate, fluctuated from *** percent in 2005 to *** percent in 2010. Dongkuk's export shipments to the United States decreased irregularly from *** percent in 2005 to *** percent in 2010. Dongkuk's inventories, relative to total shipments, decreased irregularly from *** percent in 2005 to *** percent in 2010. Capacity utilization fluctuated from *** percent in 2005 to *** percent in 2010.

### *Inventory levels*

Relative to total shipments, Indonesian inventory levels decreased from 8 percent to 7 percent between 2014 and 2016. These inventory levels suggest that responding foreign firms may have some ability to respond to changes in demand with changes in the quantity shipped from inventories.

### *Production alternatives*

Responding foreign producers stated that they could not switch production from CTL plate to other products. A factor limiting foreign producers' ability to shift production is that the existing facilities cannot accommodate the production of products other than CTL plate.

## Imports from all other sources

Based on official statistics, imports from nonsubject sources decreased from *** short tons in 2014 to *** short tons in 2016. Nonsubject imports accounted for *** percent of total U.S. imports in 2014 and decreased to *** percent in 2016.[8]

## Supply constraints

All responding U.S. producers (15 of 15) and most responding importers (27 of 36) reported they did not have any supply constraints since January 1, 2014. Importer *** stated that it has declined many orders due to limited allocation. It also stated that it has a certain quantity that is allocated for new orders, which pushes out the lead time to deliver to its customers and it cannot meet the requested due dates for all. Importer *** stated that it reached maximum order quantities, as *** has limited allocation for export to the United States. Importer *** commented that there was limited availability of CTL plate from its producer. Importer *** reported that it declined to sell CTL plate from Korea due to the antidumping orders. Importer *** noted a supply and delivery problem due to production difficulties in its European operations during a portion of 2016.

Most responding purchasers reported that they had not experienced any of the listed supply constraints since January 2011. Those responding firms that reported supply constraints identified inability to procure specific types of CTL plate or product specifications (4 of 24 purchasers) and lack of timely order completion (4 of 24 purchasers) for domestic producers,

[8] The Commission has conducted numerous antidumping and countervailing duty investigations regarding CTL plate. There are currently 18 antidumping duty orders / suspension agreements in place, covering imports of CTL plate from China (two orders), Russia, Ukraine; Austria, Belgium, Brazil, France, Germany, Italy, Japan, South Africa, Taiwan and Turkey; and India, Indonesia, and Korea (two orders). There are also five countervailing duty orders in place, covering imports from India, Indonesia, Korea (two orders), and China.

declined orders by importers (4 of 24 purchasers), and importers' inability to provide timely order completion (3 of 24 purchasers).

### New suppliers

Ten of 24 purchasers indicated that new suppliers entered the U.S. market since January 1, 2011, and five expect additional entrants in the next two years. Purchaser *** cited Big River Steel as a new supplier. However, purchaser *** stated that Big River Steel is a new producer of coil, but it does not see or expect new suppliers of CTL plate. Purchaser *** noted that Nucor is a new supplier of SA-517-E grade, and purchaser *** anticipates Nucor will begin to supply heavy CTL plate. Purchaser *** currently has a trial order with ***. Other purchasers also reported new suppliers, such as AHMSA, Hyundai, JSW, Liberty, and SSAB.

## 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. End users consume CTL plate for heavy industrial production, line pipe, shipbuilding, barges, tanks, railcars, tractors, wind towers, electricity transmission poles, and oil and gas structures. Fourteen responding U.S. producers, 32 importers, and 11 purchasers reported no changes in end uses. The vast majority of firms noted no significant change in product consumption for its various applications.

### Cost share

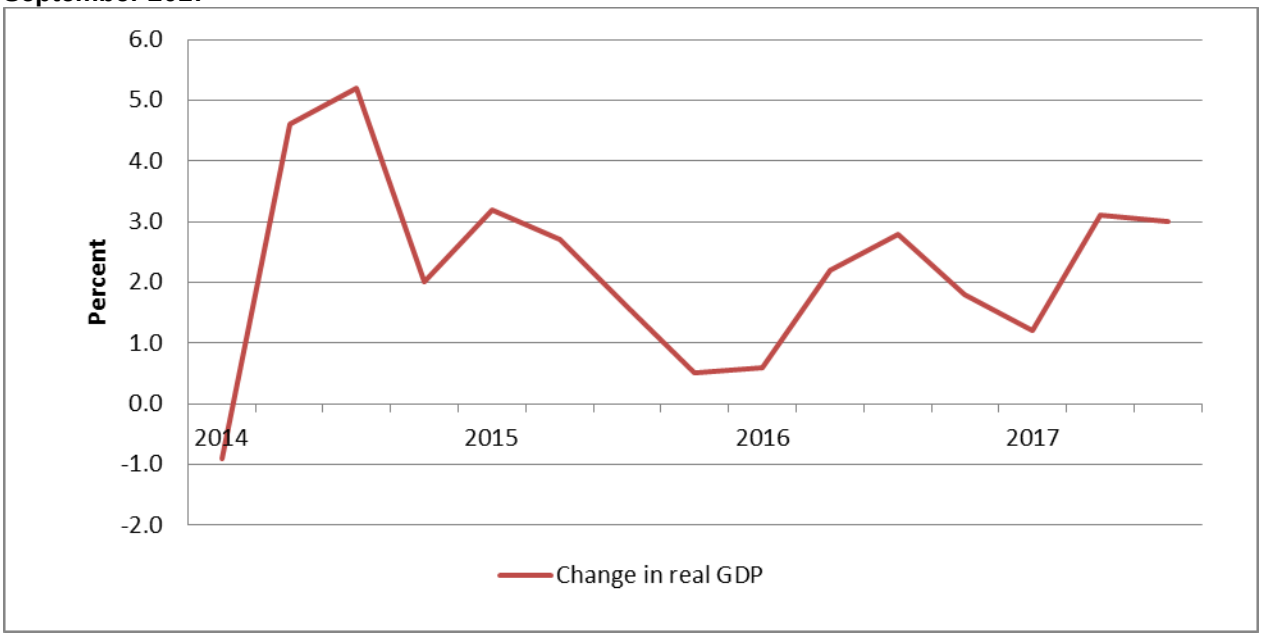
Since CTL plate is used in a number of applications and industries, the share of the cost of the end-use products in which it is used can vary considerably depending on its end use. Some products for which CTL plate reportedly accounts for a major portion of the cost of downstream products include: pressure vessels (70-100 percent), storage tanks (70-100 percent), processed plate (84 percent), large diameter line pipe (70-80 percent), and wind towers (41-48 percent). Firms also reported very different cost shares for the same end use: ship building (6 to 70 percent), mining equipment (5 to 50 percent), construction and construction equipment (8 to 100 percent), bridges/bridge girders (15 to 40 percent), and railroad applications (16 to 60 percent).

**Business cycles and distinctive conditions of competition**

Most responding firms (13 of 15 U.S. producers, 33 of 40 importers, and 16 of 23 purchasers) indicated that the market for CTL plate was not subject to business cycles. A majority of firms (12 of 15 responding producers, 36 of 40 responding importers, and 17 of 23 responding purchasers) also indicated that the CTL plate market was not subject to distinctive conditions of competition. Domestic producers described a global increase in supply and capacity of CTL plate as a distinctive condition of competition. Several importers and purchasers described times of the year in which demand increases or decreases, though not all identified the same seasonal changes. Importers ***, ***, and *** noted that demand tends to be highest in the first and second quarters of the year, and then decreases in the third and fourth quarters. Importer *** attributes the high demand in the first and second quarters to budget approvals and low demand in the third and fourth quarters to year-end closing. Producers, importers, and purchasers reported that demand is dependent on the downstream industries which use CTL plate. Importers ***, ***, ***, and *** reported that the oil and agricultural industries drive demand for CTL plate.

Whereas certain industries may have a greater or different effect on the demand for CTL plate, some producers 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 in nearly all quarters of January 2014-September 2017, it has varied from a decrease of less than 1 percent to an increase of greater than 5 percent (figure II-1).

**Figure II-1**
**Real GDP growth, percentage change from previous periods, by quarters, January 2014-September 2017**




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 November 27, 2017.

## Demand trends

Responses from U.S. producers, importers, and purchasers were mixed regarding how demand within the United States changed between January 2011 and September 2017. The majority of U.S. producers and a plurality of importers reported no change in U.S. demand. A plurality of U.S. producers and importers reported a decrease in U.S. demand for CTL plate since January 1, 2014 (table II-3). A plurality of responding purchasers reported fluctuating demand since January 2014, and a plurality anticipated fluctuating demand over the next two years.

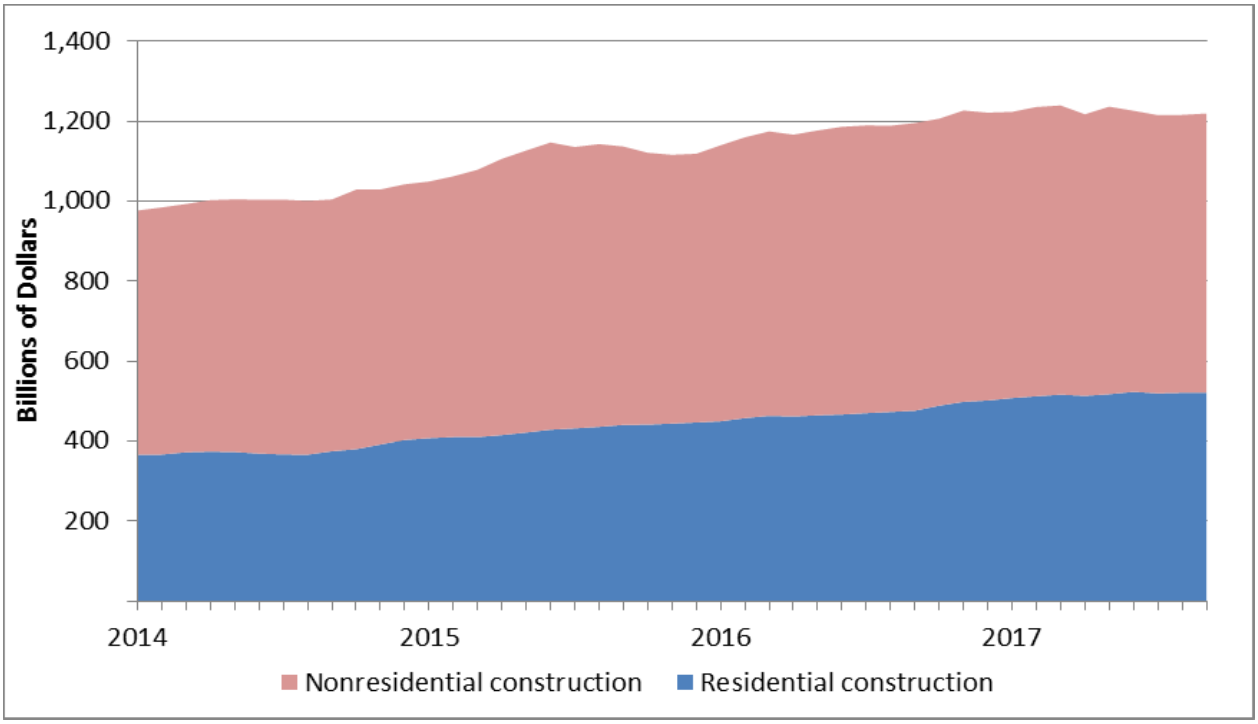
**Table II-3**
**CTL plate: Firms' responses regarding U.S. demand**

| Item | January 2011-December 2013 | | | | January 2014-September 2017 | | | |
|---|---|---|---|---|---|---|---|---|
| | Increase | No change | Decrease | Fluctuate | Increase | No change | Decrease | Fluctuate |
| **Demand in the United States** | | | | | | | | |
| U.S. producers | 4 | 8 | 1 | --- | 3 | 5 | 6 | --- |
| Importers | 5 | 14 | 10 | --- | 3 | 12 | 13 | --- |
| Purchasers | --- | --- | --- | --- | 2 | 5 | 5 | 10 |
| Foreign producers | --- | --- | --- | --- | --- | --- | --- | 1 |
| **Anticipated future demand** | | | | | | | | |
| U.S. producers | --- | --- | --- | --- | --- | --- | --- | --- |
| Importers | --- | --- | --- | --- | --- | --- | --- | --- |
| Purchasers | --- | --- | --- | --- | 4 | 5 | 2 | 9 |
| Foreign producers | --- | --- | --- | --- | 1 | --- | --- | --- |
| **Demand for purchasers' final products** | | | | | | | | |
| Purchasers | --- | --- | --- | --- | 2 | 1 | 2 | 8 |

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

As discussed above, two common applications for CTL plate are in the construction and energy sectors. The value of seasonally adjusted U.S. construction put in place, on a monthly basis, increased during 2014-16 (figure II-2). The value of U.S. construction put in place increased from $977.1 billion in January 2014 to $1,221.6 billion in December 2016 and dropped to $1,219.5 billion by September 2017.

**Figure II-2**
**U.S. construction put in place: Residential and nonresidential construction, seasonally adjusted at annual rates, by months, January 2014-September 2017**




Source: Manufacturing, Mining, and Construction Statistics, Construction Spending, U.S. Census Bureau, http://www.census.gov/construction/c30/historical_data.html; retrieved November 27, 2017.

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 2014. Twenty-six projects involving 422 miles of pipeline were approved in 2014, 35 projects involving 475 miles of pipeline were approved in 2015, 45 projects involving 1,149 miles of pipeline were approved in 2016, and 25 projects involving 1,644 miles of pipeline have been approved through October 31, 2017.[9] 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

[9] Approved projects may include pipeline expansions, repairs, refurbishment, abandonment, leasing of capacity, new equipment, or other changes. Source: Approved Major Pipeline Projects, Federal Energy Regulatory Commission, http://www.ferc.gov/industries/gas/indus-act/pipelines/approved-projects.asp, retrieved January 23, 2018.

planned to come online by 2018.[10] Increased production and high levels of demand for natural gas transportation has also contributed to a large increase in natural gas pipeline capacity. In 2016, 7.1 Bcfd of FERC jurisdictional pipeline capacity went into service.[11]

According to Nucor's Prehearing Brief, the mining sector, another significant consumer of CTL plate, has struggled during the period of review. Nucor reports that purchases of such heavy-duty equipment decreased after 2011 and that conditions worsened with the commodities crash of 2014 and 2015. Nucor also claims that sales of heavy equipment will continue to be below the levels seen in 2011 for the near future.[12]

**Substitute products**

Substitutes for CTL plate are limited. Most responding U.S. producers (12 of 15), importers (36 of 42), and purchasers (18 of 23) reported that there were no substitutes for CTL plate and did not anticipate any future changes in substitutes.

Three producers, six importers, and five purchasers reported that there were substitute products for CTL plate. Many noted that the potential for substitution is often limited by the end use, as well as such factors as width, thickness, strength, and price. 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, castings, discreet plate, strip mill plate, and wood, pipe, and other metal products in commercial construction. Producer *** noted that "substitution 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 play a minor role." Producer *** stated that substituting CTL plate with other steel products would "require a redesign of the finished product or the end-use application."

## SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported CTL plate depends upon such factors as relative prices, quality (e.g., grade standards, defect rates, etc.), and conditions of sale (e.g., price discounts/rebates, lead times between order and delivery dates, reliability of supply, product services, etc.). Based on available data, staff believes that there is at least a moderate-to-high degree of substitutability between domestically produced CTL plate and CTL plate imported from subject sources for the majority of CTL plate volumes.

### Lead times

CTL plate is primarily produced-to-order. U.S. producers and importers reported that 82.7 percent and 88.9 percent of their commercial shipments, respectively, were produced-to-order in 2016 with the remainders sold from inventories. Producers reported that produced-to-

[10] FERC State of the Markets Report 2015, Item No. A-3, March 17, 2016, p. 2.
[11] FERC State of the Markets Report 2016, April 13, 2017, p. 5.
[12] Nucor Corporation, Prehearing Brief, December 21, 2017.

order lead times averaged 26 days, and the lead time for sales out of inventory averaged 6 days. For importers, produced-to-order lead times averaged 68 days, and the lead time for sales out of inventory averaged 2 days.

### Knowledge of country sources

Twenty-four purchasers indicated they had marketing/pricing knowledge of domestic product, one of product from India, one of product from Indonesia, 10 of product from Korea (excluding POSCO), and 13 of product from nonsubject countries.

As shown in table II-4, a plurality or majority of purchasers and their customers sometimes make purchasing decisions based on the producer or country of origin. Of these purchasers, 14 indicated that these decisions are based on whether the project requires domestic product, and 16 indicated that their sourcing decisions were based on customer requirements or preferences.

**Table II-4**
**CTL plate: Purchasing decisions based on producer and country of origin**

| Purchaser/customer decision | Always | Usually | Sometimes | Never |
|---|---|---|---|---|
| Purchaser makes decision based on producer | 5 | 5 | 11 | 4 |
| Purchaser's customers make decision based on producer | --- | 1 | 13 | 5 |
| Purchaser makes decision based on country | 1 | 6 | 12 | 5 |
| Purchaser's customers make decision based on country | --- | --- | 14 | 4 |

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

Of the 11 purchasers that reported that they "sometimes" make decisions based the producer, four firms cited quality concerns as the determinative factor. Other reasons cited include customers' preferences and specifications. Purchaser *** reported that it sometimes purchases based on producer and country for quality reasons, specifically citing ***.

### Factors affecting purchasing decisions

Overall the most often cited top-three factors firms consider in their purchasing decisions for CTL plate were price (22 firms), quality (19 firms), and availability (5 firms) as shown in table II-5. Quality was the most frequently cited first-most important factor (cited by 10 firms); price was the most frequently reported second-most important factor (11 firms); and quality and price were the most frequently reported third-most important factor (3 firms, each). The majority of purchasers reported that they usually (13 of 23) or sometimes (9 of 23) purchase the lowest-priced product.

**Table II-5**
**CTL plate: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor**

| Item | 1st | 2nd | 3rd | Total |
|---|---|---|---|---|
| | Number of firms (number) | | | |
| Quality | 10 | 6 | 3 | 19 |
| Price/cost | 8 | 11 | 3 | 22 |
| Availability/delivery/lead times | 0 | 3 | 2 | 5 |

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

Two purchasers, *** and ***, also reported ability to meet specifications as an important factor used in purchasing decisions. Other factors that were reported as important in purchasing decisions included supplier reliability (3 purchasers), extension of credit and payment terms (2 purchasers), product range (2 purchasers), and existing relationship (1 purchaser).

## Importance of specified purchase factors

Purchasers were asked to rate the importance of 15 factors in their purchasing decisions (table II-6). The factors rated as very important by more than half of responding purchasers were price (24 purchasers), reliability of supply (21), availability (20), product consistency (20), quality meets industry standards (20), and delivery time (15).

**Table II-6**
**CTL plate: Importance of purchase factors, as reported by U.S. purchasers, by factor**

| Factor | Very important | Somewhat important | Not important |
|---|---|---|---|
| Availability | 20 | 4 | 0 |
| Delivery terms | 7 | 14 | 3 |
| Delivery time | 15 | 9 | 0 |
| Discounts offered | 8 | 14 | 2 |
| Extension of credit | 5 | 9 | 10 |
| Minimum quantity requirements | 6 | 13 | 5 |
| Packaging | 2 | 17 | 5 |
| Price | 24 | 0 | 0 |
| Product consistency | 20 | 4 | 0 |
| Product range | 9 | 13 | 2 |
| Quality meets industry standards | 20 | 3 | 1 |
| Quality exceeds industry standards | 9 | 13 | 2 |
| Reliability of supply | 21 | 3 | 0 |
| Technical support/service | 8 | 13 | 3 |
| U.S. transportation costs | 8 | 14 | 1 |

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

## Supplier certification

Twenty responding purchasers require their suppliers to become certified or qualified to sell CTL plate to their firm. Purchasers reported that the time to qualify a new supplier ranged from 1 to 240 days with most responses falling between 10 and 60 days. Three purchasers reported that at least one domestic supplier had failed in its attempt to qualify product, or had lost its approved status since January 1, 2011. Purchasers reported that U.S. producers Nucor (two purchasers) and ArcelorMittal (one purchaser) had failed certification. Purchaser *** reported that Nucor had failed in its first attempt to qualify *** plate but eventually qualified. Purchaser *** stated that Arcelor and Nucor failed certification, which prohibited them from being on *** qualified bidders list.

**Changes in purchasing patterns**

Purchasers were asked about changes in their purchasing patterns from different sources since 2014 (table II-7); reasons reported for changes in sourcing included pricing, availability, and customer specifications. Purchaser *** reported that purchases for U.S.-produced CTL plate remained constant since 2014 with primary factors being "price, availability, and AD and CVD orders in place." Purchaser *** reported that due to ArcelorMittal's "poor quality and unpredictable delivery performance," it changed suppliers in favor of foreign suppliers "***." Purchaser *** reported that "while there was not a concerted effort to shift purchasing toward or away from either domestic or foreign {sources}, there were additional opportunities for purchasing foreign material based on price in 2014 and 2015 compared to 2013 and YTD 2016. 2017 presented additional opportunities for purchasing foreign material based on price."

**Table II-7**
**CTL plate: Changes in purchase patterns from U.S., subject, and nonsubject countries**

| Source of purchases | Did not purchase | Decreased | Increased | Constant | Fluctuated |
|---|---|---|---|---|---|
| United States | --- | 3 | 4 | 6 | 10 |
| India | 18 | 1 | --- | 1 | 1 |
| Indonesia | 20 | --- | --- | 1 | --- |
| Korea (subject) | 8 | 3 | 4 | 2 | 4 |
| Korea (nonsubject) | 5 | 5 | 3 | 1 | 7 |
| All other countries | 2 | 5 | 2 | 4 | 9 |
| Sources unknown | 7 | 2 | --- | 2 | 3 |

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

Twelve of 24 responding purchasers reported that they had changed suppliers since January 1, 2011. Purchaser *** reported reducing purchases of CTL from *** due to "poor performance." Purchaser *** also reported removing *** from their suppliers list due to "import restrictions." Purchaser *** reported reducing purchases of CTL from ***. Purchasers *** and *** reported removing Evraz Claymont from their approved suppliers' list due to its mill closing in December 2013.

Purchaser *** reported adding "POSCO, Essar, and DanSteel to their supplier base as a result of customer directed buys." Purchaser *** added "Nucor for SA-517-E grade, when Nucor completed its degasification unit and quench and tempering upgrades." Purchaser *** reported "establishing contact and developing relationships with Hyundai Steel, Hunan Valin, and China Steel." Purchaser *** reported adding "JFE Steel, NSSMC, POSCO, and Salzgitter Ilsenberg to the approved suppliers' list." *** reported adding these suppliers as "high quality API grade CTL plates with increased dimensional and technical capability ranges are required in order to maintain competitiveness on their final product. It also enables us to cover the entire spectrum of specifications required by their customers. Also, some technical specifications and/or dimensions are not available domestically." Ten of 24 purchasers reported new suppliers entering the market, including Big River Steel, Hyundai Steel, BGH Edelstahl, Nucor for SA-517-E grade, JSW, SSAB, AHMSA, and Liberty Steel.

**Importance of purchasing domestic product**

All responding purchasers reported that purchasing U.S.-produced product was not an important factor in their purchasing decisions. However, 14 purchasers reported that domestic product was required by law in some of their projects (covering 13 percent of their purchases on average); 16 purchasers reported that U.S.-produced product was required by their customers (for an average of 11 percent of their purchases); and 7 purchasers reported other reasons for a domestic product preference (for an average of 22 percent of their purchases). Purchaser *** reported that CTL plate "must meet 100 percent Melted and Manufactured in the USA due to government projects." Other purchasers (***) stated that customers often require U.S.-produced CTL plate. In a January 24, 2017 Presidential Memorandum regarding the construction of American pipelines, the President of the United States directed the Secretary of Commerce to develop a plan under which all new pipelines, as well as retrofitted, repaired, or expanded pipelines, use materials and equipment produced in the United States.[13]

**Comparisons of domestic products, subject imports, and nonsubject imports**

Purchasers were asked a number of questions comparing CTL plate produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison with respect to the same 15 factors (table II-8) for which they were asked to rate the importance (table II-6).

[13] "Produced in the United States" means that (1) all manufacturing processes occur in the United States; (2) steel or iron material or products manufactured abroad from semi-finished steel or iron from the United States are not "produced in the United States"; (3) steel or iron material or products manufactured in the United States from semi-finished steel or iron of foreign origin are not "produced in the United States." Source: Presidential Memorandum Regarding Construction of American Pipelines, The White House, https://www.whitehouse.gov/presidential-actions/presidential-memorandum-regarding-construction-american-pipelines/, retrieved January 23, 2018.

**Table II-8**
**CTL plate: Purchasers' comparisons between U.S.-produced and imported product**

| Factor | U.S. vs. India | | | U.S. vs. Indonesia | | | U.S. vs. Korea (excluding POSCO) | | |
|---|---|---|---|---|---|---|---|---|---|
| | S | C | I | S | C | I | S | C | I |
| Availability | 1 | 1 | 1 | 0 | 1 | 1 | 4 | 9 | 2 |
| Delivery terms | 1 | 1 | 0 | 0 | 1 | 0 | 7 | 5 | 2 |
| Delivery time | 1 | 1 | 1 | 0 | 1 | 1 | 9 | 1 | 5 |
| Discounts offered | 1 | 1 | 0 | 0 | 1 | 0 | 5 | 5 | 4 |
| Extension of credit | 1 | 1 | 0 | 0 | 1 | 0 | 3 | 9 | 2 |
| Minimum quantity requirements | 1 | 1 | 0 | 0 | 1 | 0 | 5 | 8 | 1 |
| Packaging | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 12 | 0 |
| Price[1] | 0 | 2 | 1 | 0 | 1 | 1 | 3 | 3 | 9 |
| Product consistency | 0 | 2 | 0 | 0 | 1 | 0 | 1 | 12 | 1 |
| Product range | 0 | 2 | 0 | 0 | 1 | 0 | 4 | 8 | 2 |
| Quality meets industry standards | 0 | 2 | 0 | 0 | 1 | 0 | 1 | 13 | 0 |
| Quality exceeds industry standards | 1 | 1 | 0 | 0 | 1 | 0 | 2 | 11 | 1 |
| Reliability of supply | 1 | 1 | 0 | 0 | 1 | 0 | 5 | 7 | 2 |
| Technical support/service | 1 | 1 | 0 | 0 | 1 | 0 | 6 | 7 | 1 |
| U.S. transportation costs[1] | 1 | 1 | 0 | 0 | 1 | 0 | 4 | 10 | 0 |

| Factor | U.S. vs. nonsubject | | | India vs. Indonesia | | | India vs. Korea (excluding POSCO) | | |
|---|---|---|---|---|---|---|---|---|---|
| | S | C | I | S | C | I | S | C | I |
| Availability | 8 | 10 | 2 | 0 | 1 | 0 | 0 | 2 | 0 |
| Delivery terms | 7 | 9 | 4 | 0 | 1 | 0 | 0 | 2 | 0 |
| Delivery time | 13 | 4 | 3 | 0 | 1 | 0 | 0 | 2 | 0 |
| Discounts offered | 4 | 10 | 6 | 0 | 1 | 0 | 0 | 2 | 0 |
| Extension of credit | 2 | 13 | 4 | 0 | 1 | 0 | 0 | 2 | 0 |
| Minimum quantity requirements | 7 | 12 | 1 | 0 | 1 | 0 | 0 | 2 | 0 |
| Packaging | 1 | 19 | 0 | 0 | 1 | 0 | 0 | 2 | 0 |
| Price[1] | 0 | 6 | 14 | 0 | 1 | 0 | 0 | 2 | 0 |
| Product consistency | 1 | 13 | 6 | 0 | 1 | 0 | 0 | 2 | 0 |
| Product range | 5 | 12 | 3 | 0 | 1 | 0 | 0 | 2 | 0 |
| Quality meets industry standards | 1 | 19 | 0 | 0 | 1 | 0 | 0 | 2 | 0 |
| Quality exceeds industry standards | 1 | 15 | 4 | 0 | 1 | 0 | 0 | 2 | 0 |
| Reliability of supply | 7 | 9 | 4 | 0 | 1 | 0 | 0 | 2 | 0 |
| Technical support/service | 8 | 8 | 3 | 0 | 1 | 0 | 0 | 2 | 0 |
| U.S. transportation costs[1] | 4 | 14 | 2 | 0 | 1 | 0 | 0 | 2 | 0 |

Table continued on next page.

**Table II-8-- Continued**
**CTL plate: Purchasers' comparisons between U.S.-produced and imported product**

| Factor | India vs. nonsubject | | | Indonesia vs. Korea (excluding POSCO) | | | Indonesia vs. nonsubject | | |
|---|---|---|---|---|---|---|---|---|---|
| | S | C | I | S | C | I | S | C | I |
| Availability | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Delivery terms | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Delivery time | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Discounts offered | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Extension of credit | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Minimum quantity requirements | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Packaging | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Price[1] | 1 | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 0 |
| Product consistency | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Product range | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Quality exceeds industry standards | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Quality meets industry standards | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Reliability of supply | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| Technical support/service | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |
| U.S. transportation costs[1] | 0 | 2 | 0 | 0 | 1 | 0 | 0 | 1 | 0 |

| Factor | Korea (excluding POSCO) vs. nonsubject | | |
|---|---|---|---|
| | S | C | I |
| Availability | 0 | 10 | 0 |
| Delivery terms | 1 | 9 | 0 |
| Delivery time | 1 | 9 | 0 |
| Discounts offered | 0 | 9 | 1 |
| Extension of credit | 0 | 9 | 1 |
| Minimum quantity requirements | 0 | 10 | 0 |
| Packaging | 0 | 10 | 0 |
| Price[1] | 3 | 6 | 1 |
| Product consistency | 0 | 9 | 1 |
| Product range | 0 | 9 | 1 |
| Quality exceeds industry standards | 0 | 10 | 0 |
| Quality meets industry standards | 0 | 9 | 1 |
| Reliability of supply | 0 | 9 | 1 |
| Technical support/service | 0 | 10 | 0 |
| U.S. transportation costs[1] | 1 | 9 | 0 |

[1] A rating of superior means that price/U.S. transportation costs is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Note.--S=first listed country's product is superior; C=both countries' products are comparable; I=first list country's product is inferior.

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

Most purchasers reported that CTL plate from the United States and most subject sources were comparable on all factors except delivery terms, delivery time, and price. Most purchasers reported that the U.S. product has superior delivery time compared with Korea (excluding POSCO), but inferior prices compared with product from Korea (excluding POSCO).

## 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, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-9, all responding producers stated that domestically produced CTL plate is either "always" or "frequently" interchangeable with CTL plate from subject and nonsubject countries. Importers did not evaluate U.S. and subject product to be as frequently interchangeable as producers did. A plurality of reporting importers noted that subject CTL plate from India, Indonesia, and Korea (excluding POSCO) was "always" interchangeable with that from the United States, although an equal number indicated subject CTL plate from Korea is "frequently" interchangeable with U.S. product. Few importers and purchasers compared subject countries with other subject countries. A plurality of importers reported that CTL plate from nonsubject countries is "sometimes" interchangeable with U.S. product. When comparing the U.S. with nonsubject countries, a plurality of producers reported that CTL plate from nonsubject countries is "always" interchangeable with U.S. product. A majority of purchasers reported that CTL plate from nonsubject countries is "frequently" interchangeable with U.S. product. A plurality of purchasers also reported that CTL plate from nonsubject countries is "frequently" interchangeable with product from Korea (excluding POSCO).

**Table II-9**
**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 | | | | Number of purchasers reporting | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | A | F | S | N | A | F | S | N | A | F | S | N |
| **U.S. vs. subject countries:** | | | | | | | | | | | | |
| U.S. vs. India | 6 | 3 | --- | --- | 4 | 2 | 3 | --- | 1 | 1 | 1 | --- |
| U.S. vs. Indonesia | 6 | 2 | --- | --- | 4 | 1 | 3 | --- | 1 | --- | --- | --- |
| U.S. vs. Korea (excluding POSCO) | 7 | 3 | --- | --- | 5 | 5 | 3 | --- | 4 | 8 | 2 | --- |
| **Subject countries comparisons:** | | | | | | | | | | | | |
| India vs. Indonesia | 6 | 1 | --- | --- | 3 | 1 | 2 | --- | 1 | --- | --- | --- |
| India vs. Korea (excluding POSCO) | 6 | 2 | --- | --- | 3 | 2 | 3 | --- | 1 | 1 | --- | --- |
| Indonesia vs. Korea | 5 | 1 | --- | --- | 3 | 2 | 1 | --- | 1 | --- | --- | --- |
| **Nonsubject countries comparisons:** | | | | | | | | | | | | |
| U.S. vs. nonsubject | 6 | 3 | --- | --- | 8 | 9 | 11 | --- | 5 | 10 | 4 | --- |
| India vs. nonsubject | 6 | 2 | --- | --- | 6 | 2 | 3 | --- | 1 | 1 | --- | --- |
| Indonesia vs. nonsubject | 6 | 1 | --- | --- | 6 | 2 | 2 | --- | 1 | --- | --- | --- |
| Korea (excluding POSCO) vs. nonsubject | 6 | 2 | --- | --- | 8 | 5 | 2 | --- | 2 | 5 | 3 | --- |

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

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

As can be seen from table II-10, most responding purchasers reported that domestically produced product always or usually met minimum quality specifications. Most responding purchasers reported that the CTL plate from India, Indonesia, and Korea (excluding POSCO) always or usually met minimum quality specifications.

**Table II-10**
**CTL plate: Ability to meet minimum quality specifications, by source[1]**

| Source | Always | Usually | Sometimes | Rarely or never |
|---|---|---|---|---|
| United States | 15 | 7 | 2 | --- |
| India | 1 | 1 | --- | --- |
| Indonesia | 1 | --- | --- | --- |
| Korea (excluding POSCO) | 5 | 8 | --- | --- |
| Other | 7 | 9 | --- | --- |

[1] Purchasers were asked how often domestically produced or imported CTL plate meets minimum quality specifications for their own or their customers' uses.

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

In addition, producers, importers, and purchasers 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-11, nearly all U.S. producers indicated that there are either "sometimes" or "never" factors other than price that distinguish CTL plate from domestic, subject, and nonsubject sources. Most responding importers reported that there are either "frequently" or "sometimes" factors other than price when comparing domestic and subject CTL plate, between CTL plate from subject countries, and subject and nonsubject CTL plate. Most responding purchasers also reported that there are "frequently," "sometimes," or "never" factors other than price that are important when comparing domestic, subject, and nonsubject CTL plate. A plurality of reporting purchasers indicated that there are "sometimes" factors other than price when comparing U.S. and nonsubject CTL plate. Purchasers also reported that there are either "always" or "frequently" factors other than price when comparing domestic and subject CTL plate, between CTL plate from subject countries, and subject and nonsubject CTL plate.

**Table II-11**
**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 | | | | Number of purchasers reporting | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | A | F | S | N | A | F | S | N | A | F | S | N |
| **U.S. vs. subject countries:** | | | | | | | | | | | | |
| U.S. vs. India | --- | 1 | 3 | 5 | 2 | 2 | 3 | 2 | --- | 2 | 1 | 1 |
| U.S. vs. Indonesia | --- | 1 | 2 | 5 | 2 | 3 | 2 | 1 | --- | 2 | --- | 1 |
| U.S. vs. Korea (excluding POSCO) | --- | --- | 5 | 5 | 2 | 4 | 6 | 1 | 1 | 2 | 7 | 5 |
| **Subject countries comparisons:** | | | | | | | | | | | | |
| India vs. Indonesia | --- | 1 | 1 | 5 | 1 | 2 | 2 | 1 | --- | 1 | --- | 1 |
| India vs. Korea (excluding POSCO) | --- | 1 | 2 | 5 | 1 | 2 | 4 | 1 | --- | 1 | 1 | 1 |
| Indonesia vs. Korea (excluding POSCO) | --- | --- | 2 | 5 | 1 | 2 | 2 | 1 | --- | 1 | --- | 1 |
| **Nonsubject countries comparisons:** | | | | | | | | | | | | |
| U.S. vs. nonsubject | --- | --- | 3 | 6 | 7 | 5 | 14 | 1 | 2 | 2 | 10 | 5 |
| India vs. nonsubject | --- | --- | 2 | 6 | 1 | 2 | 6 | 1 | --- | 1 | 1 | 1 |
| Indonesia vs. nonsubject | --- | --- | 1 | 6 | 1 | 2 | 4 | 1 | --- | 1 | --- | 1 |
| Korea (excluding POSCO) vs. nonsubject | --- | --- | 2 | 6 | 1 | 5 | 8 | 1 | 1 | 2 | 3 | 4 |

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

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

Similar to the responses for interchangeability, importers and purchasers stated that significant factors other than price between domestically produced CTL plate and imported CTL plate by subject countries include quality, chemistry, ability to produce, lead times, pre-qualification, supply risk, and geographic and logistics factors.

## ELASTICITY ESTIMATES

### U.S. supply elasticity

The domestic supply elasticity[14] for CTL plate measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of CTL plate. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced CTL plate. Analysis of these factors above indicates that the U.S. industry likely has moderate-to-large ability to increase or decrease shipments to the U.S. market based on unused capacity and production flexibilities; an estimate in the range of 3 to 6 is suggested.

[14] A supply function is not defined in the case of a non-competitive market.

### U.S. demand elasticity

The U.S. demand elasticity for CTL plate measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of CTL plate. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the CTL plate in the production of any downstream products. Because of a lack of close, broadly accepted substitutes, it is likely that the aggregate demand for CTL plate is moderately inelastic, with values ranging between -0.25 and -0.75.

### Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[15] Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/ discounts/ promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced CTL plate and imported CTL plate is likely to be in the range of 3 to 5, however for certain products that are reportedly not available from domestic manufacturers the elasticity of substitution would be lower.

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

# PART III: CONDITION OF THE U.S. INDUSTRY

## OVERVIEW

The information in this section of the report was compiled from responses to the Commission's questionnaires. Sixteen firms, which accounted for the substantial majority of U.S. production of CTL plate during 2016, supplied information on their operations on CTL plate.[1]

Since 2011, the U.S. industry has experienced changes in ownership and consolidation, in addition to new investments in service centers and other facilities. During the period, certain U.S. mills idled operations for an extended period of time or indefinitely. Two domestic producers negotiated new labor agreements with workers represented by the United Steel Workers (USW) union. Table III-1 summarizes important industry events that have taken place in the U.S. industry since January 1, 2011.

**Table III-1**
**CTL plate: Important industry events since January 1, 2011**

| Date | | Company | Action |
|---|---|---|---|
| Month | Year | | |
| June | 2011 | Joy Global, Inc. | **Acquisition**: Acquired LeTourneau Technologies, Inc. from Rowan Companies, Inc. LeTourneau manufactured equipment for the mining and oil and gas industries.[1] |
| April | | ArcelorMittal | **Expansion**: ArcelorMittal commissioned a state-of-the-art heat treat line at its 160" wide plate facility at Burns Harbor, Indiana.[2] |
| December | 2012 | Kentucky Electric Steel | **Labor agreement**: Kentucky Electric Steel negotiated a new labor contract with the United Steel Workers.[3] |
| February | | Kentucky Electric Steel | **Acquisition**: Optima Specialty Steel purchased Kentucky Electric Steel.[4] |
| June | | Nucor | **Expansion**: Nucor began operating a normalizing line at its Hertford County mill in order to increase diversity of product offerings.[5] |
| October | 2013 | EVRAZ | **Closure**: EVRAZ North America announced the suspension of plate operations at its Claymont, Delaware facility, citing poor market conditions.[6] |

Table continued on next page.

[1] Questionnaires were sent to 34 mills and processors believed to produce CTL plate. Sixteen firms provided usable questionnaire responses.

**Table III-1--Continued**

**CTL plate: Important industry events since January 1, 2011**

| Date | | Company | Action |
|---|---|---|---|
| **Month** | **Year** | | |
| October | | Kloeckner Metals | **Closure**: Kloeckner announced that it would close its service centers in Portland, Oregon, Oakland, California, and Los Angeles, California, in addition to consolidating its service center in Bensalem, Pennsylvania and move inventory and equipment to its York, Pennsylvania and New Castle, Delaware operations.[7] |
| n/a | 2013 | PDM Steel | **Acquisition**: PDM Steel acquired the Stockton, California service center of Feralloy Western Division.[8] |
| June | | SSAB | **Planned expansion**: SSAB announced that it would undertake a feasibility study to expand melting and casting capabilities by up to 1.2 million tons above current melting capacity at its Montpelier, Iowa facility. The output will be transferred as slab to SSAB's Mobile, Alabama facility for rolling and finishing.[9] |
| October | 2014 | Cargill | **Opening**: Full operations began at Cargill's newly constructed service center in Windsor, Colorado.[10] |
| *** | | *** | ***. |
| March | | EVRAZ | **Sale/operations idled**: Evraz's Claymont, Delaware plate mill was sold at auction on March 4-5, 2015.The mill has been idled since October 2013.[11] |
| May | | ArcelorMittal | **Closure**: After being idled in 2008, ArcelorMittal permanently closed its plate rolling operations in Gary, Indiana.[12] |
| September | 2015 | Cargill | **Closure**: Cargill announced plans to close its service center in Nashville, Tennessee in early 2016.[13] |
| January | | Nucor | **Operations restart**: Nucor's direct reduced iron facility resumed operations during the end of January 2016.[14] |
| June | | ArcelorMittal | **Labor agreement**: ArcelorMittal reached a labor agreement with the United Steelworkers that runs to September 1, 2018.[15] |
| August | | Joy Global | **Sale/acquisition**: Joy Global sold its plate mill operation in Longview, Texas to Nucor.[16] |
| September | 2016 | Gerdau | **Layoff/operations idled**: Gerdau filed a Worker Adjustment and Retraining Notification (WARN) Act notice with Kentucky labor officials after announcing that its Calvert City, Kentucky mill will be indefinitely idled November 15, 2016. About 138 workers were affected.[17] |

Table continued on next page.

**Table III-1--Continued**

**CTL plate: Important industry events since January 1, 2011**

| Date | | Company | Action |
|---|---|---|---|
| **Month** | **Year** | | |
| *** | 2016 | *** | ***. |
| January | | Industry-wide | **Antidumping duty order on carbon and alloy steel CTL plate:** Brazil (A-1319), South Africa (A-126), and Turkey (A-1328). (See https://www.usitc.gov/trade_remedy.htm) |
| | | Industry-wide | **Presidential memorandum:** President issues memorandum to Commerce calling for development of plan under which all new pipelines in the U.S. use steel or iron material produced in the United States.[18] |
| March | | Industry-wide | **Antidumping duty and countervailing duty orders on carbon and alloy steel CTL plate:** China (A-1320) and (C-560). (See https://www.usitc.gov/trade_remedy.htm) |
| May | | Industry-wide | **Antidumping duty and countervailing duty orders on carbon and alloy-steel CTL plate:** Korea (C-561), Austria (A-1317), Belgium (A-1318), France (A-1321), Germany (A-1322), Italy (A-1323), Japan (A-1324), Korea (A-1325), and Taiwan (A-1327). (See https://www.usitc.gov/trade_remedy.htm) |
| September | | ArcelorMittal | **Operations idled**: ArcelorMittal announced that it would consolidate plate operations by idling its rolling mill in Conshohocken, Pennsylvania.[19] |
| November | 2017 | ArcelorMittal | **Investment:** ArcelorMittal announced plans to invest a portion of its $276 million planned investments in 2018 at its Burns Harbor, Indiana steel mill.[20] |
| January | 2018 | Industry-wide | **Commerce 232 steel investigations:** Commerce submits report to President on effect of steel mill product imports on U.S. national security. The President has 90 days to act on the findings.[21] |

Note.—Brackets indicate business proprietary information revealed in surveys for which no public source was found. Table includes flat bar producers, traditional plate producers, and service centers.

Source: Compiled from various company websites and news articles.

[1] Joy Global Inc., "Joy Global Inc. and Rowan Companies, Inc. Announce the Completion of LeTourneau Technologies Inc. Acquisition," press release, June 22, 2011.
[2] Shapeline, "ArcelorMittal Modernized the Plate Quenching/Tempering Facility at Burns Harbor works, USA," July 2012, http://www.shapeline.com/wp-content/uploads/Shapeline_MPT_06-2012_S48-49-Internet.pdf, (accessed November 8, 2017).
[3] Business Wire, "Kentucky Electric Steel Reaches Labor Accord," December 26, 2012, http://www.businesswire.com/news/home/20121226005184/en/Kentucky-Electric-Steel-Reaches-Labor-Accord, (accessed January 30, 2017).

[4] Optima Specialty Steel, Inc., "Optima Specialty Steel, Inc. to Acquire Kentucky Electric Steel," press release, February 5, 2013.
[5] Nucor Corporation, "Form 10-K," http://www.nucor.com/investor/sec/html/?id=10109132, p. 3, (accessed November 28, 2017).
[6] The Delaware County Daily Times, "Ex-Claymont Steel Mill to Shutter in December," October 15, 2013, http://www.delcotimes.com/article/DC/20131015/NEWS/131019704.
[7] PDM Steel Service Centers, Inc. "Our History," https://pdmsteel.com/about/our-company.html, (accessed November 8, 2017).
[8] Kloeckner Metals, "Kloeckner Metals Announces Consolidations," October 1, 2013, https://www.kloecknermetals.com/getattachment/f3e12b4d-1bf7-40df-a711-3c29dd251027/Kloeckner-Announces-Consolidations.aspx, (accessed November 8, 2017).
[9] SSAB, "SSAB is Looking to Expand its Facility in Montpelier, Iowa, U.S.," press release, June 19, 2014.
[10] WindsorNow! (newspaper), "Cargill's Windsor Facility Benefits Northern Colorado Community, Attracts New Companies," May 23, 2015.
[11] Delaware Online, "Claymont Steel Redevelopment Takes Step Forward," February 10, 2015, http://www.delawareonline.com/story/news/local/2015/02/10/claymont-steel-sold/23177927/, (accessed January 25, 2017); Myron Bowling Auctioneers, Inc., "Auctions: EVRAZ Claymont Steel, Inc." http://www.myronbowling.com/Auctions/Former-EVRAZ-Claymont-Steel-Inc-726C50.html?LayoutID=23, (accessed January 15, 2017).
[12] 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/.
[13] Metal Center News, "Cargill to Close Nashville Facility," September 30, 2015.
[14] 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, published in the March 2016 edition of American Recycler News.
[15] United Steelworkers News Release, "Steelworkers Ratify Agreement with ArcelorMittal USA," June 23, 2016, http://www.usw.org/news/media-center/articles/2016/steelworkers-ratify-agreement-with-arcelormittal-usa.
[16] Joy Global, Inc., press release, "Joy Global completes sale of Texas steel plate mill," August 5, 2016.
[17] WPSD Station Local 6, "Date Set for Idling of Calvert City Steel Mill," September 26, 2016, http://www.wpsdlocal6.com/story/33233653/date-set-for-idling-of-calvert-city-steel-mill, (accessed January 25, 2017).
[18] Presidential Memorandum Regarding Construction of American Pipelines, January 24, 2017, https://www.whitehouse.gov/presidential-actions/presidential-memorandum-regarding-construction-american-pipelines/ (accessed January 23, 2018).
[19] ArcelorMittal, "Statement re: Idling of Rolling Mill at ArcelorMittal Conshohocken," September 27, 2017, http://usa.arcelormittal.com/news-and-media/announcements/2017/sep/09-27-2017, (accessed November 28, 2017).
[20] NWI Times, "ArcelorMittal to Invest $100 Million at Indiana Harbor Next Year," November 4, 2017, http://www.nwitimes.com/business/local/arcelormittal-to-invest-million-at-indiana-harbor-next-year/article_f6a40b50-bfc8-59ea-ad15-aaf2d975433a.html, (accessed November 28, 2017).
[21] Statement from Department of Commerce on Submission of Steel Section 232 Report to the President, January 11, 2018, https://www.commerce.gov/news/press-releases/2018/01/statement-department-commerce-submission-steel-section-232-report (accessed January 23, 2018).

### Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of CTL plate since 2011. Twelve of the sixteen domestic producers which provided responses in these reviews indicated that they had experienced such changes; their responses are presented in table III-2.

**Table III-2**
**CTL plate: Changes in the character of U.S. operations since January 1, 2011**

| Item / firm | Reported changes in operations |
|---|---|
| **Plant openings:** | |
| *** | [1] |
| **Plant closings:** | |
| *** | *** |
| *** | *** |
| *** | *** |
| *** | *** |
| *** | *** |
| **Expansions:** | |
| *** | *** |
| **Acquisitions:** | |
| *** | *** |
| *** | *** |
| **Prolonged shutdowns or curtailments:** | |
| *** | *** |
| *** | *** |
| *** | *** |
| *** | *** |
| **Revised labor agreements:** | |
| *** | *** |
| *** | *** |
| **Other:** | |
| *** | *** |
| *** | *** |
| *** | *** |

[1] Company reported plant opening since January 1, 2011 but did not provide details.

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

### Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of CTL plate. There were two companies, ***, that anticipated changes in the character of their operations or organization, including their production capacity, production, U.S. shipments, inventories, purchase, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditure, or asset values relating to the production of CTL plate in the future. Their responses appear in table III-3.

**Table III-3**
**CTL plate: U.S. producers' anticipated changes in operations (absent a revocation of the orders), since January 1, 2011**

| Item / firm | Reported changes in operations |
|---|---|
| **Anticipated changes in operations if orders are not revoked:** | |
| *** | *** |
| *** | *** |
| *** | *** |

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

## U.S. PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

Total capacity fluctuated modestly throughout the period for which data were collected. Annual capacity for CTL plate has remained slightly more than 12 million short tons since 2014. Total production of CTL plate declined by 18.5 percent from 2014 to 2016. Capacity utilization rates also fell by 13.1 percentage points in 2015 compared to the previous year, but held relatively steady levels through the interim period January to September 2017. Table III-4 presents data on U.S. producers' production, capacity, and capacity utilization. Table III-5 presents data on U.S. producers' production by type of facility.

**Table III-4**

**CTL plate: U.S. producers' capacity and production, 2014-16, January to September 2016, and January to September 2017**

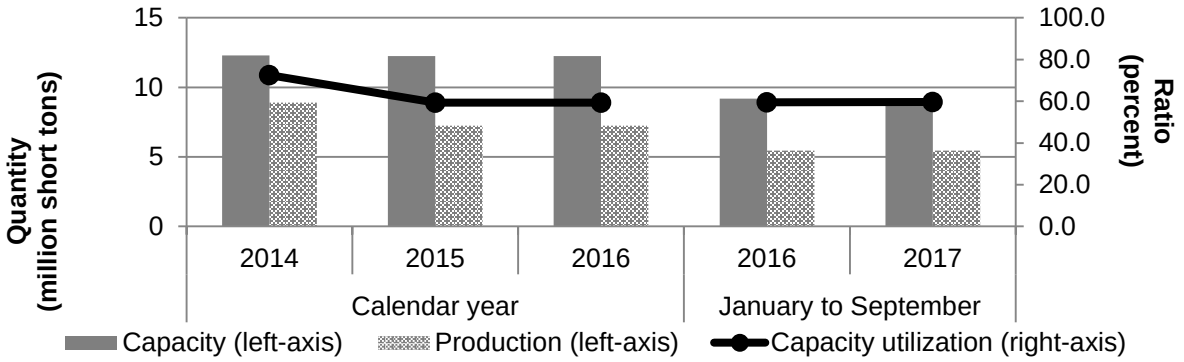
| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Capacity (short tons) | | | | |
| ArcelorMittal | *** | *** | *** | *** | *** |
| Nucor | *** | *** | *** | *** | *** |
| SSAB | *** | *** | *** | *** | *** |
| All other mills | *** | *** | *** | *** | *** |
| Mills | 9,117,509 | 9,106,971 | 9,110,613 | 6,838,264 | 6,820,776 |
| Processors | 3,183,923 | 3,130,494 | 3,128,691 | 2,347,513 | 2,349,333 |
| Total capacity | 12,301,432 | 12,237,465 | 12,239,304 | 9,185,777 | 9,170,109 |
| | Production (short tons) | | | | |
| ArcelorMittal | *** | *** | *** | *** | *** |
| Nucor | *** | *** | *** | *** | *** |
| SSAB | *** | *** | *** | *** | *** |
| All other mills | *** | *** | *** | *** | *** |
| Mills | 7,120,034 | 5,719,224 | 5,654,644 | 4,278,794 | 4,378,405 |
| Processors | 1,791,257 | 1,536,607 | 1,607,816 | 1,187,952 | 1,090,759 |
| Total production | 8,911,291 | 7,255,831 | 7,262,460 | 5,466,746 | 5,469,164 |
| | Capacity utilization (percent) | | | | |
| ArcelorMittal | *** | *** | *** | *** | *** |
| Nucor | *** | *** | *** | *** | *** |
| SSAB | *** | *** | *** | *** | *** |
| All other mills | *** | *** | *** | *** | *** |
| Mills | 78.1 | 62.8 | 62.1 | 62.6 | 64.2 |
| Processors | 56.3 | 49.1 | 51.4 | 50.6 | 46.4 |
| Average capacity utilization | 72.4 | 59.3 | 59.3 | 59.5 | 59.6 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

**Figure III-1**

**CTL plate: U.S. producers' capacity, production, and capacity utilization 2014-16, January to September 2016, and January to September 2017**




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

**Table III-5**

**CTL plate: U.S. producers' production by type of facility, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| **Reversing mill:** | **Capacity (short tons)** | | | | |
| Capacity | *** | *** | *** | *** | *** |
| Production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| | **Ratios and shares (percent)** | | | | |
| Capacity utilization | *** | *** | *** | *** | *** |
| Share of production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| **Steckel mill:** | **Capacity (short tons)** | | | | |
| Capacity | *** | *** | *** | *** | *** |
| Production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| | **Ratios and shares (percent)** | | | | |
| Capacity utilization | *** | *** | *** | *** | *** |
| Share of production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |

Table continued on next page.

**Table III-5—Continued**

**CTL plate: U.S. producers' production by type of facility, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| **Bar mill:** | **Capacity (short tons)** | | | | |
| Capacity | *** | *** | *** | *** | *** |
| Production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| | **Ratios and shares (percent)** | | | | |
| Capacity utilization | *** | *** | *** | *** | *** |
| Share of production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| **Processing line:** | **Capacity (short tons)** | | | | |
| Capacity | *** | *** | *** | *** | *** |
| Production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| | **Ratios and shares (percent)** | | | | |
| Capacity utilization | *** | *** | *** | *** | *** |
| Share of production: CTL plate | *** | *** | *** | *** | *** |
| Out-of-scope | *** | *** | *** | *** | *** |
| Total production | *** | *** | *** | *** | *** |
| **All types of facilities combined:** | **Capacity (short tons)** | | | | |
| Capacity [1, 2] | 21,581,520 | 21,481,340 | 21,657,919 | 16,515,739 | 16,257,239 |
| Production: CTL plate | 8,911,291 | 7,255,831 | 7,262,460 | 5,466,746 | 5,469,164 |
| Out-of-scope | 7,911,245 | 7,033,127 | 7,049,010 | 5,468,195 | 5,833,098 |
| Total production | 16,822,536 | 14,288,958 | 14,311,470 | 10,934,941 | 11,302,262 |
| | **Ratios and shares (percent)** | | | | |
| Capacity utilization | 77.9 | 66.5 | 66.1 | 66.2 | 69.5 |
| Share of production: CTL plate | 53.0 | 50.8 | 50.7 | 50.0 | 48.4 |
| Out-of-scope | 47.0 | 49.2 | 49.3 | 50.0 | 51.6 |
| Total production | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

[1] Staff adjusted capacity for *** to reflect production levels.
[2] Staff adjusted capacity for *** to reflect production levels achieved in highest year.

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

### Constraints on capacity

The Commission asked domestic producers to report constraints on their capacity to produce CTL plate. Table III-6 presents information on the fourteen responding U.S. producers that reported constraints in the manufacturing process.[2]

**Table III-6**
**CTL plate: U.S. producers' constraints on capacity**

* * * * * * *

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

Table III-7 presents U.S. producers' U.S. shipments, export shipments, and total shipments. The quantity of total shipments declined by 16.3 percent between 2014 and 2015, but remained at relatively consistent levels through 2016 into 2017. The value of total shipments decreased by 40.1 percent between 2014 and 2016, but was higher January to September 2017, compared to the same period in the previous year. Average unit values for both U.S. and export shipments steadily declined between 2014 and 2016, but were higher in January to September 2017 than in January to September 2016.

[2] Two domestic producers did not report constraints on capacity (Metals U.S.A and AMC).

**Table III-7**

**CTL plate: U.S. producers' U.S. shipments, export shipments and total shipments, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| U.S. shipments | 7,908,495 | 6,531,732 | 6,427,735 | 4,856,112 | 4,923,107 |
| Export shipments | 780,779 | 740,460 | 820,689 | 605,622 | 505,485 |
| Total shipments | 8,689,274 | 7,272,192 | 7,248,424 | 5,461,734 | 5,428,592 |
| | Value (1,000 dollars) | | | | |
| U.S. shipments | 6,537,595 | 4,442,203 | 3,824,172 | 2,908,692 | 3,358,563 |
| Export shipments | 655,670 | 512,415 | 486,438 | 357,372 | 338,847 |
| Total shipments | 7,193,265 | 4,954,618 | 4,310,610 | 3,266,064 | 3,697,410 |
| | Unit value (dollars per short ton) | | | | |
| U.S. shipments | 827 | 680 | 595 | 599 | 682 |
| Export shipments | 840 | 692 | 593 | 590 | 670 |
| Total shipments | 828 | 681 | 595 | 598 | 681 |
| | Share of quantity (percent) | | | | |
| U.S. shipments | 91.0 | 89.8 | 88.7 | 88.9 | 90.7 |
| Export shipments | 9.0 | 10.2 | 11.3 | 11.1 | 9.3 |
| Total shipments | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | Share of value (percent) | | | | |
| U.S. shipments | 90.9 | 89.7 | 88.7 | 89.1 | 90.8 |
| Export shipments | 9.1 | 10.3 | 11.3 | 10.9 | 9.2 |
| Total shipments | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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**.** The domestic industry's inventories of CTL plate were lowest in 2016. The ratios of inventories to U.S. production and shipments fluctuated between 2014 and 2016, peaking in 2015, and were somewhat higher in January to September 2017 than in January to September 2016.

**Table III-8**
**CTL plate: U.S. producers' inventories, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| U.S. producers' end-of-period inventories | 811,409 | 794,778 | 578,193 | 727,468 | 787,545 |
| | Ratio (percent) | | | | |
| Ratio of inventories to.-- | | | | | |
| U.S. production | 9.1 | 11.0 | 8.0 | 10.0 | 10.8 |
| U.S. shipments | 10.3 | 12.2 | 9.0 | 11.2 | 12.0 |
| Total shipments | 9.3 | 10.9 | 8.0 | 10.0 | 10.9 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

## U.S. PRODUCERS' IMPORTS AND PURCHASES

Table III-9 presents data on individual U.S. producers' U.S. production and U.S imports of CTL plate from subject sources. Table III-10 presents data on individual U.S. producers' reported purchases of CTL plate imported from subject sources as well as the ratio of such purchases to U.S. production. Nine producers reported purchasing CTL plate since January 1, 2014: ***. Three of these producers purchased CTL plate from subject countries.

**Table III-9**
**CTL plate: U.S. producers' U.S. imports, and import ratios to U.S. production 2014-16, January to September 2016, and January to September 2017**

* * * * * * *

**Table III-10**
**CTL plate: U.S. producers' U.S. purchases of subject imports, 2014-16, January to September 2016, and January to September 2017**

* * * * * * *

## U.S. EMPLOYMENT, WAGES, AND PRODUCTIVITY

Table III-11 presents U.S. producers' employment-related data. The number of production and related workers employed by domestic CTL plate producers fluctuated during the period for which the data were collected, with 139 fewer workers in 2016 than in 2014. Productivity decreased, and unit labor costs increased, during 2014-16.

**Table III-11**
**CTL plate: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| Production and related workers (PRWs) (number) | 4,320 | 4,003 | 4,181 | 3,983 | 4,084 |
| Total hours worked (1,000 hours) | 9,661 | 8,530 | 8,519 | 6,251 | 6,583 |
| Hours worked per PRW (hours) | 2,236 | 2,131 | 2,038 | 1,569 | 1,612 |
| Wages paid ($1,000) | 352,131 | 303,705 | 309,305 | 228,129 | 239,541 |
| Hourly wages (dollars per hour) | $36.45 | $35.60 | $36.31 | $36.49 | $36.39 |
| Productivity (short tons per 1,000 hours) | 922.4 | 850.6 | 852.5 | 874.5 | 830.8 |
| Unit labor costs (dollars per short tons) | $39.52 | $41.86 | $42.59 | $41.73 | $43.80 |

Note.—*** estimated employment is based on rest of the firm's dataset.

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

## FINANCIAL EXPERIENCE OF U.S. PRODUCERS

### Background

The financial results of six U.S. mills and three processors of CTL plate are presented in this section of the report.[3] With the exception of ***, U.S. producers reported their financial results on the basis of generally accepted accounting principles ("GAAP").[4] *** U.S. producers reported their full-year financial data on a calendar year basis.[5] Commercial sales account for the large majority of reported CTL plate revenue with internal consumption and transfers to related firms representing relatively small shares. Accordingly, the tables below present a combined revenue total.

## OPERATIONS ON CTL PLATE

Table III-12 presents aggregated data on U.S. producers' operations in relation to CTL plate. Table III-13 shows the changes in the average unit values ("AUVs") of select financial indicators. Table III-14 presents selected company-specific financial data.[6]

### Net sales

***, ***, and *** (in order of size, by sales volume) were the largest producers of CTL plate during the period examined, and collectively accounted for *** percent of the responding producers' net sales volume. The other steel mills accounted for *** percent and responding processors accounted for *** percent. As shown in table III-12, the total net sales volume of CTL plate decreased from 2014 to 2016 by 18.3 percent, and was slightly lower in January-September 2017 than in January-September 2016. The directional trend of the *** sales quantities were mixed. These companies all reported decreasing net sales quantities from 2014 to 2016 (albeit, not continuously for all); *** also reported lower net sales quantities in January-September 2017 than in the same period in 2016.

For the industry as a whole, the average net sales unit value decreased from $847 per short ton in 2014 to $589 per short ton in 2016, but was higher in January-September 2017 ($698) compared to the same period in 2016 ($588). The net sales unit values of the largest three U.S. producers, the other mills collectively, and the processors collectively followed the

---

[3] While *** submitted U.S. producer questionnaire responses to the Commission, they did not provide usable financial results. These companies represented *** percent of total shipments by quantity in 2016. The CTL plate operations of these companies are not reflected in this section of the report.

[4] ***.

[5] *** reported their financial results on a fiscal-year basis ending ***, respectively.

[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. *** of the responding companies, ***, are processors of CTL plate, which means the components of their cost of goods sold as well as certain other financial measures may vary when compared with the steel mills.

same trend, decreasing from 2014 to 2016, but higher in January-September 2017 than January-September 2016.

**Table III-12**
**CTL plate: Results of operations of U.S. producers, 2014-16, January-September 2016, and January-September 2017**

| Item | Fiscal year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| Total net sales | 7,553,933 | 6,337,345 | 6,171,378 | 4,608,417 | 4,580,206 |
| | Value (1,000 dollars) | | | | |
| Total net sales | 6,395,710 | 4,469,542 | 3,635,284 | 2,708,088 | 3,195,702 |
| Cost of goods sold.-- Raw materials | 3,623,879 | 2,499,743 | 1,943,057 | 1,406,541 | 1,805,534 |
| Direct labor | 368,896 | 323,728 | 327,661 | 243,472 | 246,452 |
| Other factory costs | 1,658,997 | 1,401,873 | 1,158,155 | 874,054 | 931,015 |
| Total COGS | 5,651,772 | 4,225,344 | 3,428,873 | 2,524,067 | 2,983,001 |
| Gross profit | 743,938 | 244,198 | 206,411 | 184,021 | 212,701 |
| SG&A expense | 202,199 | 198,213 | 186,029 | 138,849 | 151,584 |
| Operating income or (loss) | 541,739 | 45,985 | 20,382 | 45,172 | 61,117 |
| Interest expense | 177,244 | 162,320 | 161,821 | 120,171 | 111,790 |
| All other expenses | 7,286 | 274,327 | 6,406 | 6,363 | 5,068 |
| All other income | 17,000 | 12,661 | 7,989 | 7,385 | 19,800 |
| Net income or (loss) | *** | *** | *** | *** | *** |
| Depreciation/amortization | 196,634 | 191,595 | 191,144 | 140,044 | 140,247 |
| Cash flow | *** | *** | *** | *** | *** |
| | Unit value (dollars per short ton) | | | | |
| Total net sales | 847 | 705 | 589 | 588 | 698 |
| Cost of goods sold.-- Raw materials | 480 | 394 | 315 | 305 | 394 |
| Direct labor | 49 | 51 | 53 | 53 | 54 |
| Other factory costs | 220 | 221 | 188 | 190 | 203 |
| Average COGS | 748 | 667 | 556 | 548 | 651 |
| Gross profit | 98 | 39 | 33 | 40 | 46 |
| SG&A expense | 27 | 31 | 30 | 30 | 33 |
| Operating income or (loss) | 72 | 7 | 3 | 10 | 13 |
| Net income or (loss) | *** | *** | *** | *** | *** |

Table continued on the next page.

**Table III-12—Continued**
**CTL plate: Results of operations of U.S. producers, 2014-16, January-September 2016, and January-September 2017**

| Item | Fiscal year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Ratio to COGS (percent) | | | | |
| Cost of goods sold.-- Raw materials | 64.1 | 59.2 | 56.7 | 55.7 | 60.5 |
| Direct labor | 6.5 | 7.7 | 9.6 | 9.6 | 8.3 |
| Other factory costs | 29.4 | 33.2 | 33.8 | 34.6 | 31.2 |
| Total COGS | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | Ratio to net sales (percent) | | | | |
| Cost of goods sold.-- Raw materials | 56.7 | 55.9 | 53.4 | 51.9 | 56.5 |
| Direct labor | 5.8 | 7.2 | 9.0 | 9.0 | 7.7 |
| Other factory costs | 25.9 | 31.4 | 31.9 | 32.3 | 29.1 |
| Total COGS | 88.4 | 94.5 | 94.3 | 93.2 | 93.3 |
| Gross profit | 11.6 | 5.5 | 5.7 | 6.8 | 6.7 |
| SG&A expense | 3.2 | 4.4 | 5.1 | 5.1 | 4.7 |
| Operating income or (loss) | 8.5 | 1.0 | 0.6 | 1.7 | 1.9 |
| Net income or (loss) | *** | *** | *** | *** | *** |
| | Number of firms reporting | | | | |
| Operating losses | 1 | 5 | 4 | 2 | 3 |
| Net losses | 1 | 5 | 5 | 3 | 5 |
| Data | 9 | 9 | 9 | 9 | 9 |

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

**Table III-13**
**CTL plate: Changes in AUVs, between fiscal years and between partial year periods**

| Item | Between fiscal years | | | January to September |
|---|---|---|---|---|
| | 2014-16 | 2014-15 | 2015-16 | 2016-17 |
| | Changes in unit values (dollars per short ton) | | | |
| Total net sales | (258) | (141) | (116) | 110 |
| Cost of goods sold.-- Raw materials | (165) | (85) | (80) | 89 |
| Direct labor | 4 | 2 | 2 | 1 |
| Other factory costs | (32) | 2 | (34) | 14 |
| Average COGS | (193) | (81) | (111) | 104 |
| Gross profit | (65) | (60) | (5) | 7 |
| SG&A expense | 3 | 5 | (1) | 3 |
| Operating income or (loss) | (68) | (64) | (4) | 4 |
| Net income or (loss) | *** | *** | *** | *** |

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

**Table III-14**
**CTL plate: Results of operations of U.S. producers, by firm, 2014-16, January-September 2016, and January-September 2017**

* * * * * * *

**Cost of goods sold and gross profit or (loss)**

Raw materials were the largest component of COGS, accounting for between 55.7 percent (January-September 2016) and 64.1 percent (2014) of total COGS.[7] Table III-12 shows that the industry's per-short ton raw material cost decreased by 34.4 percent from 2014 to 2016, but was 29.2 percent higher in the first three quarters of 2017, compared to the first three quarters of 2016. As seen in table III-14, *** U.S. producers as well as *** reported decreasing per short ton raw material costs from 2014 to 2016, as well as a higher per short ton raw material cost in January-September 2017 than in January-September 2016.

The second largest component of COGS is other factory costs, which accounted for between 29.4 percent and 34.6 percent of total COGS. Company-specific average other factory costs appear to be mostly consistent with differences in their underlying operations; e.g., the steel mills reported higher average other factory costs than the processors.[8] [9]

Lastly, direct labor was the smallest component of COGS, representing between 6.5 percent and 9.6 percent of total COGS. As with other factory costs, company-specific average direct labor is generally lower for processors than steel mills.[10]

With respect to their U.S. operations, several producers reported that they purchase inputs from related firms: ***.[11]

Gross profit decreased from $743.9 million in 2014 to $206.4 million in 2016, but was higher in January-September 2017 ($212.7 million) than in January-September 2016 ($184.0 million). ***.[12]

Tables III-12 and III-13 show that for the industry as a whole, despite a decrease in the cost of goods sold ("COGS") AUV from 2014 to 2016 (of $193 per short ton), the net sales AUVs decreased by a greater amount ($258 per short ton), which led to a lower gross profit margin. These lower margins, combined with a decrease in net sales volume led to a 72.3 percent decrease in gross profit from 2014 to 2016. While both the net sales AUVs and per-short ton COGS were higher in interim 2017 than in the same period of 2016, gross profit in interim 2017

[7] ***.

[8] The only companies to report any substantial nonrecurring items in other factory costs were ***. ***'s U.S. producer questionnaires, responses at III-10, ***.

[9] ***.

[10] Due to differences in cost structures between mills and processors, a variance analysis is not presented in this report.

[11] ***. *** U.S. producer questionnaires, responses at III-7.

[12] ***.

was higher than in interim 2016 due to a sharper difference in the net sales AUV, leading to a slightly higher gross profit margin. This, combined with the increase in the sales volume between the interim periods, led to a slightly higher gross profit in January-September 2017.

### SG&A expenses and operating income or (loss)

The industry's SG&A expense ratio ranged from 3.2 percent (2014) to 5.1 percent (2016 and January-September 2016). Although the total SG&A expense was at its lowest level of the full-year periods in 2016, the industry's SG&A expense ratio was at its highest level in the same year due to the lower value of sales. Conversely, the absolute level of SG&A expenses was higher in January-September 2017 than in January-September 2016 while the SG&A expense ratio was lower due to the higher value of sales.[13]

On an overall basis, operating income decreased from $541.7 million in 2014 to 20.4 million in 2016, but was higher in interim 2017 than interim 2016. One firm reported operating losses in 2014, five firms reported operating losses in 2015, four firms reported operating losses in 2016, and three firms reported operating losses in January-September 2017.

### All other expenses and net income or (loss)

Classified below the operating income level are interest expense, other expense, and other income, which are usually allocated to the product line from high levels in the corporation. Interest expense decreased from 2014 to 2016 and was lower in the interim 2017 than interim 2016. The large increase in all other expenses in 2015 was largely attributable to ***. The major nonrecurring items reported by ***.[14] [15]

Net income worsened from a profit in 2014 to a net loss in 2015 and improved some in 2016, but remained a net loss. It improved slightly to a lower net loss January-September 2017 than in January-September 2016. Compared to gross profit and operating income, net income had a much larger decline in profitability in 2015 due to the ***.

[13] The only company to report any substantial nonrecurring items in SG&A expenses was ***. ***.
[14] The nonrecurring items reported by ***. *** U.S. producer questionnaire response at III-10.
[15] ***. *** U.S. producer questionnaires at III-10 and ***.

## Capital expenditures and research and development expenses

Table III-15 presents capital expenditures and research and development ("R&D") expenses by firm. Capital expenditures declined continuously from 2014 to 2016, and were lower in interim 2017 than in interim 2016. ***.[16] R&D expenses increased in 2015 and decreased in 2016. They were *** higher in interim 2017 than the same period of 2016. ***.

**Table III-15**
**CTL plate: Capital expenditures and research and development expenses of U.S. producers, 2014-16, January-September 2016, and January-September 2017**

| Item | Fiscal year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Capital expenditures (1,000 dollars) | | | | |
| ArcelorMittal | *** | *** | *** | *** | *** |
| Nucor | *** | *** | *** | *** | *** |
| SSAB | *** | *** | *** | *** | *** |
| All other mills | *** | *** | *** | *** | *** |
| Mills | *** | *** | *** | *** | *** |
| Processors | *** | *** | *** | *** | *** |
| Total capital expenditures | 163,084 | 111,843 | 86,518 | 64,602 | 59,520 |
| | Research and development expenses (1,000 dollars) | | | | |
| ArcelorMittal | *** | *** | *** | *** | *** |
| Nucor | *** | *** | *** | *** | *** |
| SSAB | *** | *** | *** | *** | *** |
| All other mills | *** | *** | *** | *** | *** |
| Mills | *** | *** | *** | *** | *** |
| Processors | *** | *** | *** | *** | *** |
| Total R&D expenses | *** | *** | *** | *** | *** |

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

[16] ***.

## Assets and return on assets

Table III-16 presents data on the U.S. producers' total assets and their return on assets ("ROA"). Total net assets decreased from $6.0 billion in 2014 to $5.0 billion in 2016. ***.[17] [18] The industry's average ROA decreased from a 9.0 percent in 2014 to 0.4 percent in 2016.

**Table III-16**
**CTL plate: U.S. producers' total assets and return on assets, 2014-16**

| Firm | Fiscal year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Total net assets (1,000 dollars) | | |
| ArcelorMittal | *** | *** | *** |
| Nucor | *** | *** | *** |
| SSAB | *** | *** | *** |
| All other mills | *** | *** | *** |
| Mills | *** | *** | *** |
| Processors | *** | *** | *** |
| Total net assets | 6,020,710 | 5,307,588 | 5,049,958 |
| | Operating return on assets (percent) | | |
| ArcelorMittal | *** | *** | *** |
| Nucor | *** | *** | *** |
| SSAB | *** | *** | *** |
| All other mills | *** | *** | *** |
| Mills | *** | *** | *** |
| Processors | *** | *** | *** |
| Average operating return on assets | 9.0 | 0.9 | 0.4 |

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

[17] ***.

[18] In its posthearing brief SSAB provided more background information regarding the valuation of its net assets related to CTL plate. SSAB acquired its U.S. assets from IPSCO in 2007 as part of a deal valued at $7.7 billion. After selling the tubular portion of assets for $4 billion in 2008, the remaining plate producing assets had an implied value of $3.7 billion in 2008. While these assets would have depreciated some, SSAB further describes how they have invested in these assets (thereby increasing the value), including a $220 million expansion completed in 2012. In addition, SSAB's 2016 annual report shows fixed assets (tangible and intangible) in the United States of nearly $4 billion, of which, the majority are used to produce CTL plate. SSAB's posthearing brief, answers to Commissioners questions, pp. 9-10.

# PART IV: U.S. IMPORTS AND THE FOREIGN INDUSTRIES

## U.S. IMPORTS

### Overview

The Commission issued questionnaires to 190 firms believed to have imported CTL plate between 2014 and 2016. Forty-six firms provided data and information in response to the questionnaires, while 67 firms indicated that they had not imported CTL plate during the period for which data were collected.[1] Based on official Commerce statistics for imports of CTL plate, importers' questionnaire data accounted for more than three quarters of nonsubject imports in 2016 and slightly less than half of imports of CTL plate from subject sources during 2016. Firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's subject imports (as a share of official import statistics, by quantity) during 2016.

- *** percent of the subject imports from India
- *** subject imports from Indonesia[2]
- *** percent of the subject imports from Korea (subject)

In light of the data coverage by the Commission's questionnaires, import data in this report are based on official Commerce statistics, as adjusted for imports of micro-alloy steel on CTL plate.[3] [4]

---

[1] Other firms believed to import CTL plate include ***. *** reported in Commission questionnaires that it ceased commercial operations as of September 2016.

[2] There were no reported imports from the subject product from Indonesia during 2016.

[3] Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics with adjustments are based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000. U.S. imports of CTL plate made from micro-alloy steel were gathered in the U.S. importers' questionnaires and added to the adjusted official U.S. import statistics.

[4] Imports from Korea produced by POSCO are treated as nonsubject imports because POSCO was excluded from the order on the basis of a *de minimis* net subsidy rate of 0.82 percent. *Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587, February 10, 2000. *Notice of Amendment of Final Determinations of Sales at Less than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products from France, India, Indonesia, Italy, Japan and the Republic of Korea,* 65 FR 6585, February 10, 2000.

**Imports from subject and nonsubject countries**

Table IV-1 presents information on U.S. imports of CTL plate from India, Indonesia and Korea and all other sources over the period examined. Total subject imports accounted for *** percent of total U.S. imports in 2016. Although there were *** subject imports from India in 2015, imports rose by *** short tons between 2014 and 2016. There were *** reported imports for the subject product from Indonesia. Total subject imports *** by *** short tons between 2014-16, with Korea accounting for *** percent of the total in 2016. Total U.S. imports from all sources declined by 30.9 percent between 2014 and 2016. Such imports were equivalent to 15.2 percent of U.S. production levels in 2016. Total imports were 44.2 percent lower in January to September 2017 than in January to September 2016, and were equivalent to 9.5 percent of U.S. production.[5]

[5] As noted previously, ArcelorMittal USA LLC, Nucor Corporation, and SSAB Enterprises, LLC filed petitions with Commerce and the Commission on April 8, 2016, alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of certain carbon and alloy steel CTL plate from Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, Korea, South Africa, Taiwan, and Turkey, and subsidized imports from Brazil (found to be negligible), China, and Korea. Subject imports from these 12 countries became subject to bonding requirements during the second half of 2016. Following affirmative determinations by the two agencies, Commerce issued antidumping duty orders and, with respect to subject imports from China and Korea, countervailing duty orders during the first half 2017. According to unadjusted public data, imports from these 12 countries (including imports from Korea subject to the orders currently under review) accounted for more than three-quarters of all carbon and alloy steel CTL plate in 2015, prior to the filing of the petitions. *Carbon and Alloy Steel Cut-to-Length Plate from Brazil, South Africa, and Turkey, Investigation Nos. 731-TA-1319, 1326, and 1328 (Final)*, USITC Publication 4664, January 2017, pp. I-1 and I-2; table IV-3.

**Table IV-1**
**CTL plate: U.S. imports by source, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Quantity (short tons) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 1,370,866 | 1,084,476 | 735,378 | 619,273 | 403,884 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 1,596,993 | 1,362,524 | 1,103,098 | 929,339 | 518,751 |
| | Value (1,000 dollars) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 1,130,334 | 852,501 | 546,067 | 451,905 | 336,186 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 1,292,110 | 1,043,534 | 768,723 | 644,035 | 400,642 |
| | Unit value (dollars per short ton) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 825 | 786 | 743 | 730 | 832 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 809 | 766 | 697 | 693 | 772 |

Table continued on next page.

**Table IV-1--Continued**
**CTL plate: U.S. imports by source, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Share of quantity (percent) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 85.8 | 79.6 | 66.7 | 66.6 | 77.9 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | Share of value (percent) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 87.5 | 81.7 | 71.0 | 70.2 | 83.9 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| | Ratio to U.S. production (percent) | | | | |
| U.S. imports from.-- | | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea subject [1] | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** |
| All other sources | 15.4 | 14.9 | 10.1 | 11.3 | 7.4 |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total U.S. imports | 17.9 | 18.8 | 15.2 | 17.0 | 9.5 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

[1] Korea subject sources exclude POSCO.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

**Figure IV-1**
**CTL plate: U.S. import volumes and prices, 2014-16, January to September 2016, and January to September 2017**

* * * * * * *

## U.S. IMPORTERS' IMPORTS SUBSEQUENT TO SEPTEMBER 30, 2017

The Commission requested importers to indicate whether they had imported or arranged for the importation of CTL plate from subject sources for delivery after September 30, 2017. The Commission also requested information on imports or arranged imports of CTL plate from Korea (POSCO) and other sources for the same period. Table IV-2 indicates there were *** arranged imports from subject countries India and Indonesia for the four quarters following September 30, 2017. Arranged imports were reported for other sources, but primarily ***.

**Table IV-2**
**CTL plate: U.S. importers' arranged imports**

| Item | Period | | | | |
|---|---|---|---|---|---|
| | Oct-Dec 2017 | Jan-Mar 2018 | Apr-Jun 2018 | Jul-Sep 2018 | 12 months |
| | Quantity (short tons) | | | | |
| India | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** |
| Korea | *** | *** | *** | *** | *** |
| Subject sources [1] | *** | *** | *** | *** | *** |
| Korea nonsubject (POSCO) | *** | *** | *** | *** | *** |
| Imports arranged from all other sources | *** | *** | *** | *** | *** |
| Nonsubject sources | *** | *** | *** | *** | *** |
| Total arranged imports | 67,833 | 4,554 | 500 | --- | 72,887 |

[1] Korea subject sources exclude POSCO.

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

## U.S. IMPORTERS' INVENTORIES

Table IV-3 presents data for inventories of U.S. imports of CTL plate from subject countries and all other sources held in the United States. While three companies *** experienced higher ending inventories interim 2016 and interim 2017, *** interim ending inventories, increasing from *** short tons in interim 2016, to *** short tons in interim 2017.

**Table IV-3**
**CTL plate: U.S. importers' end-of-period inventories of imports by source, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Inventories (short tons); Ratios (percent) | | | | |
| Imports from India: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from Indonesia: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from Korea: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from subject sources: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from Korea nonsubject: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from all other sources: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from nonsubject sources: Inventories | *** | *** | *** | *** | *** |
| Ratio to U.S. imports | *** | *** | *** | *** | *** |
| Ratio to U.S. shipments of imports | *** | *** | *** | *** | *** |
| Ratio to total shipments of imports | *** | *** | *** | *** | *** |
| Imports from all import sources: Inventories | 85,685 | 71,242 | 42,817 | 61,980 | 41,440 |
| Ratio to U.S. imports | 6.9 | 6.6 | 4.3 | 6.0 | 8.3 |
| Ratio to U.S. shipments of imports | 7.3 | 6.6 | 4.2 | 6.0 | 8.4 |
| Ratio to total shipments of imports | 7.1 | 6.5 | 4.2 | 5.9 | 8.2 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

## CUMULATION CONSIDERATIONS

In assessing whether U.S. imports from the subject countries are likely to compete with each other and with the domestic like product, the Commission 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. Channels of distribution are discussed in Part II. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

In its original determinations, the Commission cumulated imports from France, India, Indonesia, Italy, Japan, and Korea.[6] During its first five-year review determinations, the Commission cumulated imports from India, Indonesia, Italy, Japan and Korea.[7]

### Fungibility

As shown in table IV-4, multiple U.S. producers produce a range of CTL plate beyond standard carbon steel plate. Subject imports included pressure vessel and platform plate.

[6] *Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Invs. Nos. 701-TA-387-391 (Final) and 731-TA-816-821 (Final)*, USITC Publication 3273, January 2000, pp.14-15.

[7] *Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Invs. Nos. 701-TA-388-391 and 731-TA-816-821 (Reviews)*, USITC Publication 3816, November 2005, pp. 9-10.

**Table IV-4**
**CTL plate: U.S producers' and importers' production by type, 2016**

| Item | Calendar year 2016 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | U.S. production | India | Indonesia | Korea | Subject | POSCO | Other | Non-subject | All sources |
| U.S. producers' commercial U.S. shipments.-- | | | | | | | | | |
| Carbon/micro-alloy pressure vessel plate | 8 | *** | *** | *** | *** | *** | *** | *** | 18 |
| Oil-drilling platform plate | 6 | *** | *** | *** | *** | *** | *** | *** | 3 |
| Shipbuilding plate | 6 | *** | *** | *** | *** | *** | *** | *** | 6 |
| X-70 plate having a width not exceeding 120 inches | 5 | *** | *** | *** | *** | *** | *** | *** | 4 |
| X-70 plate having a width greater than 120 inches1 | 4 | *** | *** | *** | *** | *** | *** | *** | 4 |
| Carbon/ micro-alloy plate for line pipe other than X-70 | 6 | *** | *** | *** | *** | *** | *** | *** | 2 |
| Carbon/ micro-alloy plate for sour service | 6 | *** | *** | *** | *** | *** | *** | *** | 1 |
| Ultra high strength or advanced high strength steel | 6 | *** | *** | *** | *** | *** | *** | *** | 3 |

Note.--Shares and ratios shown as "0.0" percent represent values greater than zero but less than 0.05 percent.

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

## Geographical markets

CTL plate produced in the United States is shipped nationwide. Information summarizing the geographic areas to which imported CTL plate enter the United States is presented in table IV-5.

**Table IV-5**

**CTL plate: U.S. imports from subject countries, by border of entry, 2016**

| Item | Border of Entry | | | | |
|---|---|---|---|---|---|
| | East | North | South | West | Total |
| | Quantity (short tons) | | | | |
| Indonesia | *** | *** | *** | *** | *** |
| India | *** | *** | *** | *** | *** |
| Korea | *** | *** | *** | *** | *** |
| Subject sources[1] | *** | *** | *** | *** | *** |
| Nonsubject sources | *** | *** | *** | *** | *** |
| All import sources | 322,542 | 158,772 | 549,449 | 122,390 | 1,153,153 |
| | Share across (percent) | | | | |
| Indonesia | *** | *** | *** | *** | *** |
| India | *** | *** | *** | *** | *** |
| Korea | *** | *** | *** | *** | *** |
| Subject sources[1] | *** | *** | *** | *** | *** |
| Nonsubject sources | *** | *** | *** | *** | *** |
| All import sources | 28.0 | 13.8 | 47.6 | 10.6 | 100.0 |
| | Share down (percent) | | | | |
| Indonesia | *** | *** | *** | *** | *** |
| India | *** | *** | *** | *** | *** |
| Korea | *** | *** | *** | *** | *** |
| Subject sources[1] | *** | *** | *** | *** | *** |
| Nonsubject sources | *** | *** | *** | *** | *** |
| All import sources | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.
Note.--Does not include micro-alloy steel.

[1] Korea subject sources exclude POSCO.

Source: Compiled from proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

## Presence in the market

Table IV-6 presents data on the number of monthly entries of U.S. imports of CTL plate, by source, during 2014-16 and January to September 2016 and January to September 2017. As the table shows, CTL plate was not imported from Indonesia during the 45-month period. CTL plate was imported from India during *** months in 2014-16 and during *** and *** months of the respective interim periods. CTL plate was imported from Korea (subject) in *** out of *** months in the 2014 to 2016 period, as well as all *** months in each of the interim periods.

**Table IV-6**
**CTL plate: U.S. imports, monthly entries into the U.S., by source, 2014-16, January to September 2016, and January to September 2017**

| Item | Calendar year | | | January to September | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2016 | 2016 | 2017 |
| | Number of months (count) | | | | |
| Indonesia | *** | *** | *** | *** | *** |
| India | *** | *** | *** | *** | *** |
| Korea (subject) | *** | *** | *** | *** | *** |
| Subject sources | 6 | 12 | 12 | 9 | 9 |
| Nonsubject sources | 12 | 12 | 12 | 9 | 9 |
| All import sources | 12 | 12 | 12 | 9 | 9 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Compiled from proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017. Data do not include imports of micro-alloy steel.

## SUBJECT COUNTRY PRODUCERS

According to Global Trade Atlas ("GTA") data, total subject exports of CTL plate were 6,613,019 short tons in 2016. Korea was the largest exporter of the subject countries and Indonesia the smallest (see table IV-17 for more information).

Total exports of CTL plate from India declined in 2014-16, from 1,009,809 to 806,432 short tons. India's exports of CTL plate to the United States in 2016 were 11,267 short tons. Although there were no exports of CTL plate from Indonesia to the United States in 2016, total exports of CTL plate from Indonesia increased 2014-16 from 370,901 short tons to 424,759 short tons. Korea's total exports fluctuated 2014-16 ending with 5,381,828 short tons in 2016. India maintains antidumping duties, general import duties, and safeguard duties on CTL plate originating from Indonesia and Korea (see table IV-16 for more information).

## THE INDUSTRY IN INDIA

### Overview

In the original investigations, one major producer, Steel Authority of India, Ltd. ("SAIL"), provided questionnaire data, accounting for approximately *** percent of Indian CTL plate production and *** percent of exports to the United States.[8] In the full first five-year reviews, SAIL submitted a letter stating its decision "to waive our right to participate in the Sunset Review by US Authorities including the USITC."[9] The Commission did not receive a questionnaire response from any firm in India during the full second five-year reviews.[10]

No Indian manufacturers or exporters responded to the Commission's questionnaires in the current reviews. Instead, staff has compiled published data on CTL plate from India. Table IV-7 presents data on India's CTL plate capacity, production, and exports for 2014-16.

**Table IV-7**
**CTL plate: India's capacity, production, and exports, 2014-16**

| Item | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (thousand short tons) | | |
| Capacity | *** | *** | *** |
| Production (reversing mill plate) | *** | *** | *** |
| Exports | 1,010 | 1,039 | 806 |

Source: *** and Global Trade Atlas.

Hearing testimony from SSAB suggests that India has added new plate capacities since the last five-year review. Indian producer Essar reportedly doubled the capacity at its Hazira plate mill in 2011. Monnet Ispat commissioned a new steel plate capacity in India in 2013. Jindal plans to increase capacity at two Indian mills by a combined 3.7 million tons. And in 2016, SAIL announced it would add 3 million tons of capacity to its Indian plate plant by 2018.[11] [12]

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[8] *Investigation Nos. 701-TA-387-391 and 731-TA-816-821 (Final): Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea—Staff Report*, INV-X-004, January 4, 2000, p. VII-5. The petition also noted that SAIL was believed to be the dominant producer, but also identified Essar Steel Ltd., Jindal Iron and Steel Co., Ltd., Lloyds Steel Industries, and Tata Iron and Steel Co., Ltd., as producers of CTL plate. Ibid., p. VII-5, n.5.

[9] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Reviews)*, USITC Publication 3816, November 2005, p. IV-18.

[10] *Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-891 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, p. IV-9.

[11] Hearing transcript, pp. 33-34 (Moskaluk).

[12] SSAB posthearing brief, p. 3.

## Exports

According to GTA, the United States was a minor destination for India's exports of subject CTL plate during 2014-16, and accounted for 1.4 percent of India's exports by quantity in 2016. Spain was the largest export destination for CTL plate from India, accounting for 15.2 percent of India's CTL plate exports. Other notable destinations included Italy and Belgium, which accounted for 11.7 percent and 10.0 percent of India's CTL plate exports, respectively. During 2014-16, India's exports of CTL plate to the United States declined 57.9 percent, while the country's total exports declined 20.1 percent. Table IV-8 presents information on the CTL plate exports of India by destination market.

**Table IV-8**
**CTL plate: Exports from India by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (short tons) | | |
| Exports from India to the United States | 26,738 | 22,170 | 11,267 |
| Exports from India to other major destination markets.--Spain | 84,824 | 61,147 | 122,295 |
| Italy | 58,412 | 94,018 | 94,075 |
| Belgium | 12,312 | 1,304 | 80,318 |
| United Arab Emirates | 87,752 | 71,733 | 57,528 |
| Sri Lanka | 40,353 | 40,140 | 48,085 |
| Portugal | 56,413 | 55,951 | 44,049 |
| Greece | 29,234 | 33,391 | 41,865 |
| Nepal | 19,310 | 21,872 | 41,230 |
| All other destination markets | 594,462 | 637,501 | 265,719 |
| Total exports from India | 1,009,809 | 1,039,227 | 806,432 |
| | Value (1,000 dollars) | | |
| Exports from India to the United States | 24,040 | 17,690 | 8,981 |
| Exports from India to other major destination markets.--Spain | 70,736 | 41,404 | 68,001 |
| Italy | 49,770 | 50,003 | 53,301 |
| Belgium | 10,163 | 708 | 35,884 |
| United Arab Emirates | 62,566 | 45,032 | 30,853 |
| Sri Lanka | 26,345 | 22,244 | 24,217 |
| Portugal | 47,278 | 37,768 | 28,871 |
| Greece | 24,305 | 22,219 | 26,187 |
| Nepal | 10,247 | 9,577 | 15,967 |
| All other destination markets | 474,634 | 477,205 | 173,486 |
| Total exports from India | 800,084 | 723,849 | 465,748 |

Table continued on next page.

**Table IV-8--Continued**

**CTL plate: Exports from India by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Unit value (dollars per short ton) | | |
| Exports from India to the United States | 899 | 798 | 797 |
| Exports from India to other major destination markets.-- Spain | 834 | 677 | 556 |
| Italy | 852 | 532 | 567 |
| Belgium | 825 | 543 | 447 |
| United Arab Emirates | 713 | 628 | 536 |
| Sri Lanka | 653 | 554 | 504 |
| Portugal | 838 | 675 | 655 |
| Greece | 831 | 665 | 626 |
| Nepal | 531 | 438 | 387 |
| All other destination markets | 798 | 749 | 653 |
| Total exports from India | 792 | 697 | 578 |
| | Share of quantity (percent) | | |
| Exports from India to the United States | 2.6 | 2.1 | 1.4 |
| Exports from India to other major destination markets.-- Spain | 8.4 | 5.9 | 15.2 |
| Italy | 5.8 | 9.0 | 11.7 |
| Belgium | 1.2 | 0.1 | 10.0 |
| United Arab Emirates | 8.7 | 6.9 | 7.1 |
| Sri Lanka | 4.0 | 3.9 | 6.0 |
| Portugal | 5.6 | 5.4 | 5.5 |
| Greece | 2.9 | 3.2 | 5.2 |
| Nepal | 1.9 | 2.1 | 5.1 |
| All other destination markets | 58.9 | 61.3 | 32.9 |
| Total exports from India | 100.0 | 100.0 | 100.0 |

Source: Official Indian exports statistics under HTS subheadings 77208.40, 7208.51, 7208.52, 7208.53, 7208.90, 7210.70, 7210.90, 7211.13, 7211.14, 7211.90, 7212.40, 7212.50, 7225.40, 7225.50, 7225.99, 7226.91, and 7226.99 as reported by India's Ministry of Commerce in the IHS/GTA database, accessed November 8, 2017.

## THE INDUSTRY IN INDONESIA

### Overview

Three producers, Gunawan, Jaya Pari, and PT. Krakatau Steel, provided questionnaire responses during the original investigations, accounting for virtually all CTL plate production in Indonesia and exports to the United States.[13] In the full first five-year reviews, no CTL plate

[13] *Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final)*, USITC Publication 3273, January 2000, p. VII-3.

producer in Indonesia responded.[14] In the full second five-year reviews, the Commission received one incomplete questionnaire response from ***.[15] In these current third five-year reviews, the domestic interested parties note that Korean firm POSCO has a joint venture with PT. Krakatau Steel to operate a new CTL plate mill in Indonesia.[16] They contend that producers in Indonesia remain export-oriented and will continue to add CTL plate capacity.[17] The domestic interested parties provided a list of four producers/exporters of CTL plate in Indonesia.[18] In response to foreign producer questionnaires, PT Krakatau POSCO stated that there are ***.[19] Table IV-9 presents information on Indonesian foreign producers in response to Commission questionnaires.

**Table IV-9**
**CTL plate: Summary data on producers in Indonesia, 2016**

| Firm | Production (short tons) | Share of reported production (percent) | Exports to the United States (short tons) | Share of reported exports to the United States (percent) | Total shipments (short tons) | Share of firm's total shipments exported to the United States (percent) |
|---|---|---|---|---|---|---|
| Krakatau POSCO | *** | *** | *** | *** | *** | *** |
| Krakatau (Persero) | *** | *** | *** | *** | *** | *** |
| Total | *** | *** | *** | *** | *** | *** |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

[14] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Review)*, USITC Publication 3816, November 2005, p. IV-20. After the imposition of the antidumping and countervailing duty orders on CTL plate from Indonesia, U.S. imports from Indonesia dropped to zero in 2000, 2002, and 2003. Ibid, table IV-1.

[15] *Investigation Nos. 701-TA-388-391 and 731-TA-817-821 (Second Review): Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea—Staff Report*, INV-JJ-119, November 16, 2011, p. IV-14.

[16] *Domestic Interested Parties' Response to the Notice of Institution*, January 3, 2017, p. 15.

[17] Ibid., pp. 25-26.

[18] Ibid., exh. 26.

[19] Foreign producers' questionnaire responses.

## Changes in operations

**Table IV-10**
**CTL plate: Reported changes in operations by firms in Indonesia, since January 1, 2014**

| Item / Firm | Reported changes in operations |
|---|---|
| **Plant openings:** | |
| *** | *** |

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

## Operations on CTL plate

Table IV-11 presents data on production, capacity, and capacity utilization ratios. PT Krakatau POSCO reported in the questionnaire that *** PT Krakatau Steel (Persero) responded in the questionnaire that their *** Both PT Krakatau POSCO and PT Krakatau Steel (Persero) reported that they are ***.[20] Capacity increased in 2014-16 and capacity utilization ratios increased by *** percentage points 2014-16 to ***. Total home market shipments fluctuated 2014-16, but continued to increase for the interim periods in 2016 and 2017. Capacity increased *** percent to *** short tons 2014-16. Commercial home market shipments were *** short tons in 2016. Total export shipments increased between 2014-16, with the largest share of exports bound to Asian countries. Internal consumption decreased by *** short tons between 2014-16. Inventory ratios to production fluctuated between *** percent and *** percent during 2014 and 2016.

**Table IV-11**
**CTL plate: Indonesia capacity, production, shipments, and inventories, 2014-16, January to September 2016, and January to September 2017**

* * * * * * *

[20] Foreign producers' questionnaire responses.

## Alternative products

As shown in table IV-12, responding Indonesian firms reported no production of other products on the same equipment and machinery used to produce CTL plate.

**Table IV-12**
**CTL plate: Indonesia's overall capacity and production on the same equipment as in-scope production for firms, 2014-16, January to September 2016, and January to September 2017**

* * * * * * *

## Exports

According to GTA, the United States was not a major destination for Indonesia's exports of subject CTL plate during 2014-16, and no exports to the United States were reported in 2016. Thailand was the largest destination for CTL plate from Indonesia during 2016, accounting for 14.6 percent of Indonesia's CTL plate exports by quantity. Other notable destinations included Malaysia and Singapore, which accounted for 12.8 percent and 10.6 percent of CTL plate exports, respectively. During 2014-16, Indonesia's exports of CTL plate to the United States declined from 4 short tons to 0 short tons, while the country's total exports increased 14.5 percent.

**Table IV-13**

**CTL plate: Exports from Indonesia by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (short tons) | | |
| Exports from Indonesia to the United States | 4 | 1 | --- |
| Exports from Indonesia to other major destination markets.-- Thailand | 8,310 | 31,823 | 62,116 |
| Malaysia | 90,790 | 8,123 | 54,321 |
| Singapore | 34,462 | 32,593 | 45,119 |
| India | 9,327 | 133,504 | 43,826 |
| Saudi Arabia | 31,210 | 41,644 | 39,091 |
| United Arab Emirates | 45,654 | 52,593 | 33,388 |
| Spain | --- | --- | 31,085 |
| Italy | --- | --- | 24,495 |
| All other destination markets | 151,144 | 120,877 | 91,318 |
| Total exports from Indonesia | 370,901 | 421,158 | 424,759 |
| | Value (1,000 dollars) | | |
| Exports from Indonesia to the United States | 10 | 2 | --- |
| Exports from Indonesia to other major destination markets.-- Thailand | 4,697 | 18,417 | 24,619 |
| Malaysia | 49,349 | 3,034 | 19,008 |
| Singapore | 21,614 | 13,104 | 18,095 |
| India | 4,569 | 45,543 | 12,624 |
| Saudi Arabia | 15,536 | 15,928 | 13,442 |
| United Arab Emirates | 21,880 | 19,808 | 11,888 |
| Spain | --- | --- | 11,511 |
| Italy | --- | --- | 8,731 |
| All other destination markets | 86,384 | 48,813 | 36,264 |
| Total exports from Indonesia | 204,039 | 164,649 | 156,182 |

Table continued on next page.

**Table IV-13--Continued**
**CTL plate: Exports from Indonesia by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Unit value (dollars per short ton) | | |
| Exports from Indonesia to the United States | 2,233 | 2,894 | --- |
| Exports from Indonesia to other major destination markets.--Thailand | 565 | 579 | 396 |
| Malaysia | 544 | 374 | 350 |
| Singapore | 627 | 402 | 401 |
| India | 490 | 341 | 288 |
| Saudi Arabia | 498 | 382 | 344 |
| United Arab Emirates | 479 | 377 | 356 |
| Spain | --- | --- | 370 |
| Italy | --- | --- | 356 |
| All other destination markets | 572 | 404 | 397 |
| Total exports from Indonesia | 550 | 391 | 368 |
| | Share of quantity (percent) | | |
| Exports from Indonesia to the United States | 0.0 | 0.0 | --- |
| Exports from Indonesia to other major destination markets.--Thailand | 2.2 | 7.6 | 14.6 |
| Malaysia | 24.5 | 1.9 | 12.8 |
| Singapore | 9.3 | 7.7 | 10.6 |
| India | 2.5 | 31.7 | 10.3 |
| Saudi Arabia | 8.4 | 9.9 | 9.2 |
| United Arab Emirates | 12.3 | 12.5 | 7.9 |
| Spain | --- | --- | 7.3 |
| Italy | --- | --- | 5.8 |
| All other destination markets | 40.8 | 28.7 | 21.5 |
| Total exports from Indonesia | 100.0 | 100.0 | 100.0 |

Source: Official Indonesian exports statistics under HTS subheading 7208.40, 7208.51, 7208.52, 7208.53, 7208.90, 7210.70, 7210.90, 7211.13, 7211.14, 7211.90, 7212.40, 7212.50, 7225.40, 7225.50, 7225.99, 7226.91, 7226.99 as reported by Statistics Indonesia in the IHS/GTA database, accessed November 8, 2017.

## THE INDUSTRY IN KOREA

### Overview

During the original investigations, there were reportedly two producers of CTL plate in Korea, Dongkuk Steel Mill Co., Ltd. ("Dongkuk") and POSCO.[21] These firms accounted for

[21] POSCO received *de minimis* margins in the original investigations and has never been subject to these orders. *Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate From India, and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length*

(*continued*...)

virtually all CTL plate production in Korea and all exports to the United States.[22] In the full first five-year reviews, the Commission requested data from three producers in Korea, none of which provided the Commission with a response.[23] In the full second five-year reviews, only Dongkuk provided data in response to Commission questionnaires, which accounted for a substantial portion of subject Korean production of CTL plate.[24] In these current third five-year reviews, no Korean manufacturer or exporter responded to the Commission's questionnaires. Domestic interested parties contend that Korea has the largest excess capacity of the three subject countries and has expanded its capacity, despite weak demand for CTL plate in the Korean market, particularly due to the decline in the Korean shipbuilding industry.[25] They also provide a list of 13 producers/exporters of CTL plate in Korea.[26]

Hearing testimony stated that Korean CTL plate producer Hyundai Steel added 2 million metric tons of plate capacity as part of its expansion project in 2013.[27] These expansions have occurred in spite of a decline in the Asian shipbuilding industry.[28]

No Korean manufacturers or exporters responded to the Commission's questionnaires in the current reviews. Instead, staff has compiled published data on CTL plate from Korea (including POSCO). Table IV-14 presents data on Korea's CTL plate capacity, production, and exports for 2014-16.

**Table IV-14**

**CTL plate: Korea's capacity, production, and exports, 2014-16**

| Item | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (1,000 short tons) | | |
| Capacity | *** | *** | *** |
| Production (reversing mill plate) | *** | *** | *** |
| Exports | 5,411 | 5,345 | 5,382 |

Source: *** and Global Trade Atlas.

(…*continued*)

*Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587, February 10, 2000.

[22] *Certain Cut-to-Length Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final)*, USITC Publication 3273, January 2000, p. VII-6.

[23] *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Reviews)*, USITC Publication 3816, November 2005, p. IV-25.

[24] *Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, Italy, Japan, and Korea, Inv. Nos. 701-TA-388-891 and 731-TA-817-821 (Second Review)*, USITC Publication 4296, December 2011, pp. IV-20 – IV-21.

[25] *Domestic Interested Parties' Response to the Notice of Institution*, January 3, 2017, pp. 27-28.

[26] Ibid., exh. 26.

[27] Hearing transcript, p. 34 (Moskaluk).

[28] Hearing transcript, p. 29 (Topalian).

## Exports

According to GTA, the United States was the second-largest destination for Korea's exports of subject CTL plate during 2014-16, accounting for 11.2 percent of Korea's CTL plate exports by quantity, in 2016 (table IV-15). China was the largest destination for CTL plate from Korea, accounting for 18.0 percent of Korea's CTL plate exports. Other notable destinations include Japan and Thailand, which accounted for 10.2 percent and 5.7 percent of Korea's exports, respectively. During 2014-16, Korea's exports of CTL plate to the United States increased 6.6 percent, while Korea's total exports declined 0.5 percent.

**Table IV-15**
**CTL plate: Exports from Korea by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (short tons) | | |
| Exports from Korea to the United States | 565,217 | 542,195 | 602,643 |
| Exports from Korea to other major destination markets.-- | | | |
| China | 915,102 | 817,658 | 968,763 |
| Japan | 554,211 | 556,891 | 546,706 |
| Thailand | 199,287 | 233,152 | 307,602 |
| India | 373,809 | 415,486 | 277,195 |
| Vietnam | 255,082 | 295,574 | 237,614 |
| Mexico | 208,103 | 270,502 | 231,984 |
| Philippines | 251,457 | 210,563 | 176,072 |
| Spain | 8,817 | 20,568 | 135,791 |
| All other destination markets | 2,080,339 | 1,982,170 | 1,897,459 |
| Total exports from Korea | 5,411,425 | 5,344,759 | 5,381,828 |
| | Value (1,000 dollars) | | |
| Exports from Korea to the United States | 417,106 | 387,146 | 376,119 |
| Exports from Korea to other major destination markets.-- | | | |
| China | 708,494 | 545,462 | 543,612 |
| Japan | 313,268 | 244,562 | 228,382 |
| Thailand | 198,797 | 197,234 | 225,144 |
| India | 295,227 | 268,380 | 223,419 |
| Vietnam | 188,001 | 165,106 | 117,693 |
| Mexico | 181,636 | 196,705 | 181,977 |
| Philippines | 151,689 | 99,020 | 70,269 |
| Spain | 5,434 | 11,479 | 66,191 |
| All other destination markets | 1,761,820 | 1,338,467 | 1,195,587 |
| Total exports from Korea | 4,221,473 | 3,453,559 | 3,228,394 |

Table continued on next page.

**Table IV-15--Continued**

**CTL plate: Exports from Korea by destination market, 2014-16**

| Destination market | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Unit value (dollars per short ton) | | |
| Exports from Korea to the United States | 738 | 714 | 624 |
| Exports from Korea to other major destination markets.-- | | | |
| China | 774 | 667 | 561 |
| Japan | 565 | 439 | 418 |
| Thailand | 998 | 846 | 732 |
| India | 790 | 646 | 806 |
| Vietnam | 737 | 559 | 495 |
| Mexico | 873 | 727 | 784 |
| Philippines | 603 | 470 | 399 |
| Spain | 616 | 558 | 487 |
| All other destination markets | 847 | 675 | 630 |
| Total exports from Korea | 780 | 646 | 600 |
| | Share of quantity (percent) | | |
| Exports from Korea to the United States | 10.4 | 10.1 | 11.2 |
| Exports from Korea to other major destination markets.-- | | | |
| China | 16.9 | 15.3 | 18.0 |
| Japan | 10.2 | 10.4 | 10.2 |
| Thailand | 3.7 | 4.4 | 5.7 |
| India | 6.9 | 7.8 | 5.2 |
| Vietnam | 4.7 | 5.5 | 4.4 |
| Mexico | 3.8 | 5.1 | 4.3 |
| Philippines | 4.6 | 3.9 | 3.3 |
| Spain | 0.2 | 0.4 | 2.5 |
| All other destination markets | 38.4 | 37.1 | 35.3 |
| Total exports from Korea | 100.0 | 100.0 | 100.0 |

Source: Official Korean exports statistics under HTS subheading 7208.40, 7208.51, 7208.52, 7208.53, 7208.90, 7210.70, 7210.90, 7211.13, 7211.14, 7211.90, 7212.40, 7212.50, 7225.40, 7225.50, 7225.99, 7226.91, 7226.99 as reported by Korea Customs and Trade Development Institution in the IHS/GTA database, accessed November 8, 2017.

## ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

There have been several antidumping duty and safeguard duty investigations in third-country markets on CTL plate exported from India, Indonesia, and Korea. These proceedings are summarized in table IV-16.

**Table IV-16**
**CTL plate: Import relief proceedings on exports from India, Indonesia, and Korea in third-country markets**

| Subject country | Export market | Import barrier | Year of imposition |
|---|---|---|---|
| Indonesia and Korea | Australia | Antidumping duties on hot-rolled plate steel (8.6 percent - 19.3 percent for Indonesia; and 18.4 percent - 20.6 percent for certain Korean producers) | December 2013 |
| India, Indonesia, and Korea | Brazil | General import duty of 12% - 14% on steel (including CTL plate) | -- |
| Indonesia and Korea | Canada | Antidumping duties on certain steel plate from Indonesia (59.7 percent) and Korea (1.9 percent – 59.7 percent) | May 2014 |
| Indonesia and Korea | India | Provisional antidumping duties on hot-rolled flat products of alloy/non-alloy from Indonesia ($557/ton) and Korea ($474/ton) | August 2016 |
| Indonesia and Korea | India | Safeguard duties on hot-rolled plates and sheets (10 percent from 11/23/16 – 11/22/17; 8 percent from 11/23/17 – 11/22/18; and 6 percent from 11/23/18 – 5/22/19) | November 2016 |
| Indonesia and Korea | India | General import duty of 12.5 percent on all flat products | -- |
| Indonesia and Korea | India | Quality control measures under Bureau of Indian Standards on steel products regardless of origin | December 2015 |
| Indonesia and Korea | Malaysia | Safeguard duty on hot-rolled steel plate products (17.40 percent from 7/2/15 – 7/1/16; 13.90 percent from 7/2/16 – 7/1/17; and 10.40 percent from 7/2/17 – 7/1/18) | July 2015 |
| India, Indonesia, and Korea | Taiwan | Antidumping duties on hot-rolled plate from India (32.82 percent), Indonesia (42.91 percent), and Korea (4.02 percent – 80.50 percent) | November 2015 |
| India, Indonesia, and Korea | Thailand | Antidumping duties on flat hot-rolled in coils and not in coils | May 2003; extended May 2009 and May 2015 |
| India, Indonesia, and Korea | Thailand | Safeguard duty on non-alloy hot-rolled plate; 21.13 percent from 6/7/16 – 6/6/17 | December 2014 |
| India, Indonesia, and Korea | Thailand | Safeguard duty on alloy hot-rolled plate (additional duty of 41.67 percent from 2/27/16 – 2/26/17; 40.42 percent from 2/27/17 – 2/26/18; and 39.21 percent from 2/27/18 – 2/26/19 | January 2016 |
| India, Indonesia, and Korea | Thailand | New safeguard investigation on non-alloy hot-rolled steel flat products in coils and not in coils | October 2016 |

Source: Domestic Interested Parties' Response to the Notice of Institution, January 3, 2017, exh. 21.

## GLOBAL MARKET

Table IV-17 presents the largest global export sources of CTL plate during 2014-16. According to GTA, China, Japan, and Belgium were the leading sources of exports of CTL plate, accounting for 27.3 percent, 9.9 percent, and 5.5 percent of global exports by quantity, respectively. During 2014-16, global exports of CTL plate increased 0.9 percent.

**Table IV-17**
**CTL plate: Global exports by exporter, 2014-16**

| Exporter | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Quantity (short tons) | | |
| United States | 1,965,296 | 1,735,827 | 1,647,365 |
| India | 1,009,809 | 1,039,227 | 806,432 |
| Indonesia | 370,901 | 421,158 | 424,759 |
| Korea | 5,411,425 | 5,344,759 | 5,381,828 |
| Subject sources | 6,792,135 | 6,805,145 | 6,613,019 |
| All other major reporting exporters.--China | 15,105,139 | 16,537,493 | 16,229,653 |
| Japan | 5,461,899 | 5,482,578 | 5,859,623 |
| Belgium | 2,788,337 | 3,079,285 | 3,249,796 |
| Germany | 3,021,705 | 3,264,173 | 3,069,788 |
| Ukraine | 3,033,765 | 1,807,484 | 2,531,279 |
| France | 2,275,806 | 2,187,290 | 2,451,586 |
| Italy | 2,287,000 | 2,117,107 | 2,422,404 |
| Austria | 1,610,528 | 1,656,849 | 1,825,293 |
| Netherlands | 1,685,588 | 1,803,758 | 1,689,153 |
| Russia | 1,429,706 | 1,204,818 | 1,411,719 |
| All other exporters | 13,368,655 | 12,590,816 | 12,189,331 |
| Total global exports | 58,860,262 | 58,536,794 | 59,542,642 |
| | Value (1,000 dollars) | | |
| United States | 2,045,520 | 1,734,500 | 1,538,293 |
| India | 800,084 | 723,849 | 465,748 |
| Indonesia | 204,039 | 164,649 | 156,182 |
| Korea | 4,221,473 | 3,453,559 | 3,228,394 |
| Subject sources | 5,225,596 | 4,342,057 | 3,850,324 |
| All other major reporting exporters.--China | 9,050,652 | 7,816,313 | 6,809,276 |
| Japan | 4,451,940 | 3,682,275 | 3,321,651 |
| Belgium | 2,478,779 | 2,206,111 | 2,184,977 |
| Germany | 3,382,712 | 2,842,541 | 2,509,688 |
| Ukraine | 1,503,826 | 702,224 | 885,807 |
| France | 2,135,744 | 1,772,795 | 1,772,083 |
| Italy | 1,733,424 | 1,295,954 | 1,378,398 |
| Austria | 1,455,763 | 1,472,681 | 1,259,175 |
| Netherlands | 1,349,479 | 1,120,296 | 969,610 |
| Russia | 813,817 | 557,563 | 563,895 |
| All other exporters | 11,876,189 | 9,421,235 | 8,427,021 |
| Total global exports | 45,457,919 | 37,232,044 | 33,931,905 |

Table continued on next page.

**Table IV-17--Continued**
**CTL plate: Global exports by exporter, 2014-16**

| Exporter | Calendar year | | |
|---|---|---|---|
| | 2014 | 2015 | 2016 |
| | Unit value (dollars per short ton) | | |
| United States | 1,041 | 999 | 934 |
| India | 792 | 697 | 578 |
| Indonesia | 550 | 391 | 368 |
| Korea | 780 | 646 | 600 |
| Subject sources | 769 | 638 | 582 |
| All other major reporting exporters.--China | 599 | 473 | 420 |
| Japan | 815 | 672 | 567 |
| Belgium | 889 | 716 | 672 |
| Germany | 1,119 | 871 | 818 |
| Ukraine | 496 | 389 | 350 |
| France | 938 | 810 | 723 |
| Italy | 758 | 612 | 569 |
| Austria | 904 | 889 | 690 |
| Netherlands | 801 | 621 | 574 |
| Russia | 569 | 463 | 399 |
| All other exporters | 888 | 748 | 691 |
| Total global exports | 772 | 636 | 570 |
| | Share of quantity (percent) | | |
| United States | 3.3 | 3.0 | 2.8 |
| India | 1.7 | 1.8 | 1.4 |
| Indonesia | 0.6 | 0.7 | 0.7 |
| Korea | 9.2 | 9.1 | 9.0 |
| Subject sources | 11.5 | 11.6 | 11.1 |
| All other major reporting exporters.--China | 25.7 | 28.3 | 27.3 |
| Japan | 9.3 | 9.4 | 9.8 |
| Belgium | 4.7 | 5.3 | 5.5 |
| Germany | 5.1 | 5.6 | 5.2 |
| Ukraine | 5.2 | 3.1 | 4.3 |
| France | 3.9 | 3.7 | 4.1 |
| Italy | 3.9 | 3.6 | 4.1 |
| Austria | 2.7 | 2.8 | 3.1 |
| Netherlands | 2.9 | 3.1 | 2.8 |
| Russia | 2.4 | 2.1 | 2.4 |
| All other exporters | 22.7 | 21.5 | 20.5 |
| Total global exports | 100.0 | 100.0 | 100.0 |

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Official exports statistics under HS subheading 7208.40, 7208.51, 7208.52, 7208.53, 7208.90, 7210.70, 7210.90, 7211.13, 7211.14, 7211.90, 7212.40, 7212.50, 7225.40, 7225.50, 7225.99, 7226.91, 7226.99 as reported by various national statistical authorities in the IHS/GTA database, accessed October 16, 2017.

## Global production

Data on global production of reversing mill plate are presented in table IV-18.

**Table IV-18**
**CTL plate: Global production of reversing mill plate, by country and region, 2014-16, projected 2017-18**

* * * * * * *

## Global production capacity

Data on production capacity at reversing plate mills are presented in table IV-19.

**Table IV-19**
**CTL plate: World production capacity, by reversing plate mill, 2014-16, projected 2017-18**

* * * * * * *

## CTL plate consumption outside the United States

Responding foreign producers from Indonesia reported an increase in demand in their home market and one foreign producer reported an increase in demand in other markets outside of the United States. One responding foreign producer cited that demand in the U.S. market fluctuated during 2011-16.

Most purchasers indicated that demand fluctuated since 2011 in countries outside the United States. Reporting purchasers anticipate this trend to continue.

Data on global apparent consumption of reversing mill plate are presented in table I-20.

**Table IV-20**
**CTL plate: Global apparent consumption of reversing mill plate, by country and region, 2014-16, projected 2017-18**

* * * * * * *

## Prices

Most producers and importers had no knowledge of prices in non-U.S. markets. Producer *** stated that it relies on third-party publications such as CRU and Platts to monitor CTL plate prices in markets outside of the United States. Producer *** stated that CTL plate markets crashed world-wide in 2014 and have not yet recovered, and continued contraction of the Chinese market and a slow recovery in Europe continue to pressure international markets. Two foreign producers in Indonesia, *** and *** provided price differences for the Indonesia market and other markets outside of the United States and Indonesia.

According to ***, U.S. domestic transaction prices for hot-rolled plate ***. Domestic transaction prices in China, Japan, Korea, and the European Union *** (see figure IV-2).

**Figure IV-2**: **Comparison of domestic transaction prices for hot-rolled plate, by country, monthly, January 2014 – October 2017**

* * * * * * *

## Global supply and demand factors

According to ***, major factors that could impact future global economic growth, in addition to supply and demand in the global steel industry, include ***.[29] World Steel Association data indicate that global steel demand is expected to increase 1.6 percent between 2017 and 2018 (see table IV-21).

**Table IV-21**
**Steel: Global finished steel demand 2016-18, by region (million short tons)**

| Regions | 2016 | 2017 | 2018 | 2018 Growth yoy (%) |
|---|---|---|---|---|
| World | 1,671.0 | 1,788.1 | 1,816.7 | 1.6 |
| World (excl. China) | 920.2 | 944.0 | 972.7 | 3.0 |
| Emerging markets (excl. China) | 480.6 | 494.1 | 518.5 | 4.9 |
| European Union (28 countries) | 174.4 | 178.7 | 181.1 | 1.4 |
| Other Europe | 44.6 | 44.2 | 46.5 | 5.2 |
| CIS | 54.5 | 56.3 | 58.4 | 3.8 |
| NAFTA | 145.7 | 152.9 | 154.8 | 1.2 |
| Central & South America | 43.4 | 44.5 | 46.6 | 4.7 |
| Africa | 41.4 | 40.8 | 42.1 | 3.3 |
| Middle East | 58.5 | 59.4 | 62.3 | 4.8 |
| Asia & Oceania | 1,108.3 | 1,211.2 | 1,224.8 | 1.1 |
| China | 750.7 | 844.0 | 844.0 | 0.0 |
| ASEAN (5 countries) | 81.7 | 85.6 | 91.5 | 6.8 |

Source: World Steel Association, "Worldsteel Short Range Outlook 2017/2018," October 16, 2017, https://www.worldsteel.org/en/dam/jcr:6b4a7827-5120-4c70-93ed-314d858c369c/SRO+table+October+2017_2018.pdf, (accessed November 16, 2017).

[29] ***.

# PART V: PRICING DATA

## FACTORS AFFECTING PRICES

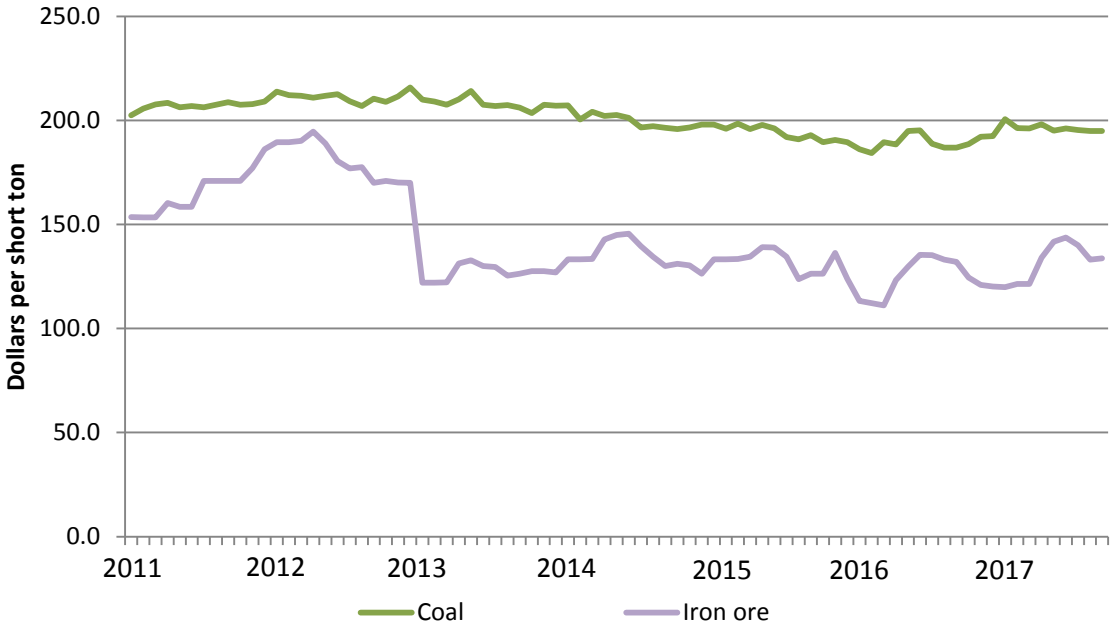
### Raw material costs

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, iron and steel scrap, and hot-rolled coil. Prices for these raw materials fluctuated but generally decreased overall during January 2014-September 2017. Prices for coal increased by 2.3 percent, while prices for iron and steel scrap, hot-rolled coil, and iron ore generally decreased by *** percent, *** percent, and 17.3 percent, respectively, between January 2011 and December 2013 (figures V-1 and V-2). Prices for coal, iron and steel scrap, hot-rolled coil, and iron ore decreased by 7.1 percent, *** percent, *** percent, and 9.8 percent, respectively, between January 2014 and December 2016. Prices for iron and steel scrap, hot-rolled coil, and iron ore increased by *** percent, *** percent, and 11.6 percent, respectively, between January 2017 and September 2017 while prices for coal decreased by 2.9 percent. U.S. producers' raw material costs as a share of the cost of goods sold ("COGS") decreased from 64.1 percent in 2014 to 56.7 percent in 2016. U.S. producers' raw material costs as a share of COGS was 60.5 percent in the first nine months of 2017 compared with 55.7 percent in the first nine months of 2016.

**Figure V-1**
**Raw material costs: Producer prices of iron and steel scrap and hot-rolled coil in the United States, monthly, January 2011-September 2017**

* * * * * * *

**Figure V-2**
**Raw material costs: Producer price indexes of iron ore and coal in the United States, monthly, January 2011-September 2017**



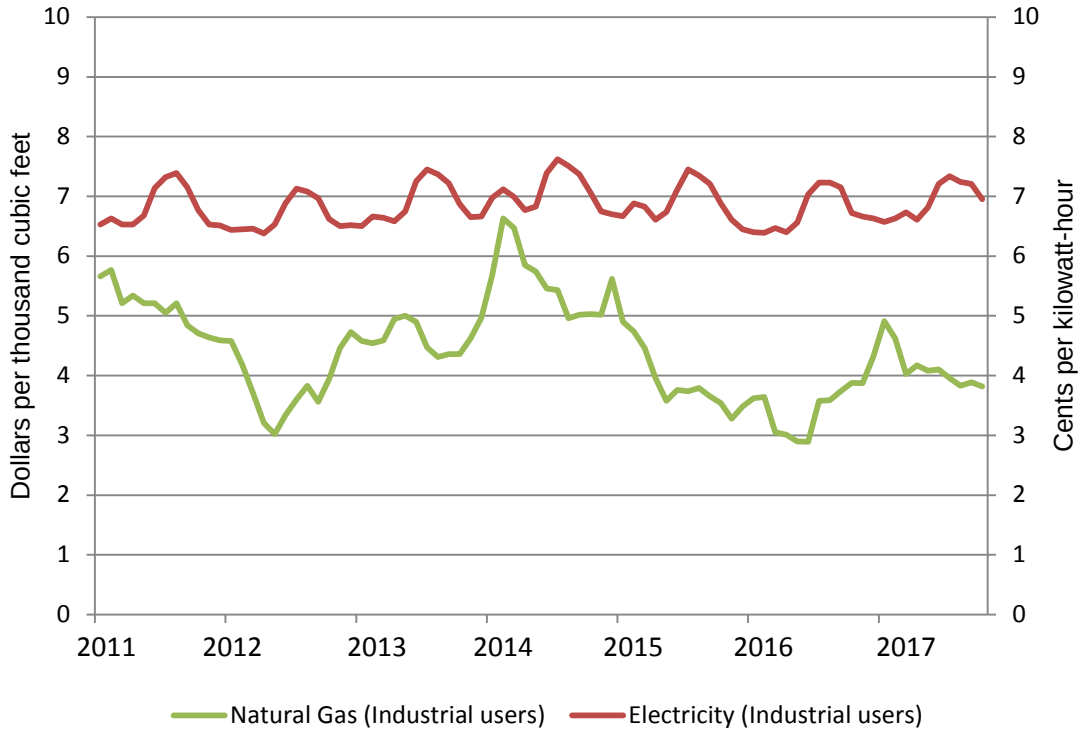

Source: U.S. Bureau of Labor Statistics, www.bls.gov/data/, retrieved November 9, 2017.

Two responding U.S. producers reported that raw material prices had increased since January 2011, while ten producers reported that prices had fluctuated and one producer reported no change in raw material prices. Twenty-two of 34 importers reported that raw material prices had fluctuated; six reported a decrease in prices; five reported no change; and one reported an increase.

Approximately half (7 of 15) of responding producers and one-third (12 of 36) of responding importers reported that raw material pricing affected price negotiations or prices paid for the CTL plate that they sold, imported, or purchased since January 1, 2011. Three of 15 responding producers indicated that their sales are indexed to raw material prices, and two of 37 responding importers reported that their imports are indexed to raw material costs such as those published by American Metal Market, CRU, the London Metals Exchange, or Metal Bulletin.

Energy costs are another important factor in CTL plate production. Electricity prices fluctuated slightly from January 2011 to December 2013, mainly due to monthly fluctuations in demand for electricity. Prices for natural gas decreased by 12.2 percent between January 2011 and December 2013, while prices for electricity increased by 2 percent (figure V-3). Prices for natural gas and electricity decreased by 24.1 percent and 5 percent, respectively, between January 2014 and December 2016. Prices for natural decreased by 22 percent between January 2017 and August 2017, while prices for electricity increased by 3.1 percent.

**Figure V-3**
**Natural gas and electricity: Monthly prices for industrial users, January 2011-October 2017**




Source: Energy Information Administration, www.eia.gov/electricity/data/browser/, retrieved January 29, 2018

## U.S. inland transportation costs

All fourteen responding U.S. producers reported that they typically arrange transportation to their customers, whereas the plurality of responding importers (9 of 21) reported that the customer arranges the transportation. Most U.S. producers reported that their U.S. inland transportation costs ranged from 1 to 10 percent of the total delivered cost. Similarly, most responding importers reported inland transportation costs of 2 percent to 3 percent, with the majority of reporting importers (7 of 12) shipping from the point of importation.

## PRICING PRACTICES

### Pricing methods

As presented in table V-1, all responding U.S. producers and a large majority of importers sell CTL plate on a transaction-by-transaction basis. Half of the 14 responding U.S. producers also sell via contract, whereas slightly more 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, 2016[1]**

| Method | U.S. producers | Importers |
|---|---|---|
| Transaction-by-transaction | 14 | 36 |
| Contract | 7 | 11 |
| Set price list | 4 | 1 |
| Other | 3 | 3 |
| Responding firms | 14 | 41 |

[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 approximately one-half of their product in the spot market whereas importers reported selling the majority of their product (more than *** percent) under short-term contracts (table V-2). A majority of U.S. producers' and importers' short-term contracts do not allow for price renegotiation, *** annual contracts and *** long-term contracts do allow for price negotiations. A majority of their short-term, annual, and long-term contracts do not contain meet-or-release provisions, and fix both price and quantity.

**Table V-2**
**CTL plate: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2016**

| Type of sale | U.S. producers | Importers |
|---|---|---|
| Long-term contracts | *** | *** |
| Annual contracts | *** | *** |
| Short-term contracts | *** | *** |
| Spot sales | *** | *** |
| 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.

Eleven purchasers reported that they purchase product daily, eight purchase weekly, and two purchase monthly. Twenty-one of 24 responding purchasers reported that they did not expect their purchasing patterns to change in the next two years. A plurality (6 of 24) of purchasers contact one to three suppliers before making a purchase.

### Sales terms and discounts

U.S. producers and importers are nearly evenly split between quoting prices on an f.o.b. or delivered basis. The majority of U.S. producers (11 of 14) and importers (35 of 41) 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 rebates based on annual volume, and one offers a ½ percent discount for early payment. No importers offer quantity or total volume discounts, but three offer early payment discounts. The majority of producers and importers reported sales terms of net 30 days.

### Price leadership

Eighteen purchasers identified CTL plate suppliers that they consider to be price leaders in the market. Domestic producers were named by 17 of the 18 responding purchasers, with Nucor named by more purchasers (13) than ArcelorMittal (5), SSAB (5), Cargill (1), and JSW (1) combined. In their explanations of how domestic firms led prices, four purchasers reported that the domestic mills initiated price increases, three stated that these producers led price increases or decreases, and 14 purchasers reported domestic firms led in price changes generally but did not specify in which direction. Four purchasers (***) noted that domestic mills, specifically Nucor, lead in price increases, but are reluctant to make any downward announcements.

Three purchasers did not identify price leaders, but two described price leadership in the market. *** stated that there are no price leaders in the market. *** stated "Dumped and subsidized imports generally lead prices downwards while domestic suppliers generally lead price increases."

## 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 January 2014-September 2017.

**Product 1.**-- Hot-rolled 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.

Thirteen U.S. producers and six importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[1] Pricing data reported by these firms accounted for approximately 37.8 percent of U.S. producers' shipments of CTL plate and imports of 14.1 percent from Korea (excluding POSCO) in 2016. No data were reported for imports of CTL plate from India or Indonesia.

Price data for products 1-4 are presented in tables V-3 to V-6 and figures V-4 to V-7.

[1] 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.

**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, January 2014-September 2017**

| Period | United States | | Korea (excluding POSCO) | | |
|---|---|---|---|---|---|
| | Price *(dollars per short ton)* | Quantity *(short tons)* | Price *(dollars per short ton)* | Quantity *(short ton)* | Margin *(percent)* |
| **2014:** | | | | | |
| Jan.-Mar. | 768 | 151,979 | *** | *** | *** |
| Apr.-June | 789 | 155,257 | *** | *** | *** |
| July-Sept. | 809 | 146,536 | *** | *** | *** |
| Oct.-Dec. | 808 | 143,551 | *** | *** | *** |
| **2015:** | | | | | |
| Jan.-Mar. | 747 | 139,507 | *** | *** | *** |
| Apr.-June | 670 | 135,723 | *** | *** | *** |
| July-Sept. | 612 | 121,601 | *** | *** | *** |
| Oct.-Dec. | 529 | 114,272 | *** | *** | *** |
| **2016:** | | | | | |
| Jan.-Mar. | 469 | 146,983 | *** | *** | *** |
| Apr.-June | 524 | 141,592 | *** | *** | *** |
| July-Sept. | 575 | 116,055 | *** | *** | *** |
| Oct.-Dec. | 520 | 137,169 | *** | *** | *** |
| **2017:** | | | | | |
| Jan.-Mar. | 606 | 151,808 | *** | *** | *** |
| Apr.-June | 663 | 147,862 | *** | *** | *** |
| July-Sept. | 664 | 137,556 | *** | *** | *** |

[1] Product 1: Hot-rolled 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, January 2014-September 2017**

| Period | United States | | Korea (excluding POSCO) | | |
|---|---|---|---|---|---|
| | Price *(dollars per short ton)* | Quantity *(short tons)* | Price *(dollars per short ton)* | Quantity *(short tons)* | Margin *(percent)* |
| **2014:** | | | | | |
| Jan.-Mar. | 769 | 29,213 | *** | *** | *** |
| Apr.-June | 793 | 36,237 | *** | *** | *** |
| July-Sept. | 805 | 37,589 | *** | *** | *** |
| Oct.-Dec. | 817 | 32,385 | *** | *** | *** |
| **2015:** | | | | | |
| Jan.-Mar. | 761 | 34,429 | *** | *** | *** |
| Apr.-June | 639 | 35,719 | *** | *** | *** |
| July-Sept. | 613 | 23,420 | *** | *** | *** |
| Oct.-Dec. | 542 | 22,020 | *** | *** | *** |
| **2016:** | | | | | |
| Jan.-Mar. | 487 | 29,045 | *** | *** | *** |
| Apr.-June | 580 | 29,457 | *** | *** | *** |
| July-Sept. | 657 | 30,213 | *** | *** | *** |
| Oct.-Dec. | 526 | 32,499 | *** | *** | *** |
| **2017:** | | | | | |
| Jan.-Mar. | 623 | 46,346 | *** | *** | *** |
| Apr.-June | 654 | 49,734 | *** | *** | *** |
| July-Sept. | 673 | 33,888 | *** | *** | *** |

[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, January 2014-September 2017**

| Period | United States | | Korea (excluding POSCO) | | |
|---|---|---|---|---|---|
| | Price *(dollars per short ton)* | Quantity *(short tons)* | Price *(dollars per short ton)* | Quantity *(short tons)* | Margin *(percent)* |
| **2014:** | | | | | |
| Jan.-Mar. | 679 | 320,413 | *** | *** | *** |
| Apr.-June | 717 | 318,563 | *** | *** | *** |
| July-Sept. | 764 | 337,382 | *** | *** | *** |
| Oct.-Dec. | 766 | 288,689 | *** | *** | *** |
| **2015:** | | | | | |
| Jan.-Mar. | 684 | 258,235 | *** | *** | *** |
| Apr.-June | 588 | 273,632 | *** | *** | *** |
| July-Sept. | 533 | 260,894 | *** | *** | *** |
| Oct.-Dec. | 452 | 251,692 | *** | *** | *** |
| **2016:** | | | | | |
| Jan.-Mar. | 438 | 315,539 | *** | *** | *** |
| Apr.-June | 512 | 340,473 | *** | *** | *** |
| July-Sept. | 540 | 222,858 | *** | *** | *** |
| Oct.-Dec. | 458 | 311,441 | *** | *** | *** |
| **2017:** | | | | | |
| Jan.-Mar. | 571 | 291,555 | *** | *** | *** |
| Apr.-June | 644 | 293,077 | *** | *** | *** |
| July-Sept. | 626 | 269,924 | *** | *** | *** |

[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, January 2014-September 2017**

| Period | United States | | Korea (excluding POSCO) | | |
|---|---|---|---|---|---|
| | Price *(dollars per short ton)* | Quantity *(short tons)* | Price *(dollars per short ton)* | Quantity *(short tons)* | Margin *(percent)* |
| **2014:** Jan.-Mar. | 706 | 154,668 | *** | *** | *** |
| Apr.-June | 737 | 166,941 | *** | *** | *** |
| July-Sept. | 792 | 159,824 | *** | *** | *** |
| Oct.-Dec. | 799 | 135,546 | *** | *** | *** |
| **2015:** Jan.-Mar. | 753 | 111,113 | *** | *** | *** |
| Apr.-June | 651 | 112,518 | *** | *** | *** |
| July-Sept. | 643 | 127,495 | *** | *** | *** |
| Oct.-Dec. | 587 | 100,795 | *** | *** | *** |
| **2016:** Jan.-Mar. | 552 | 132,480 | *** | *** | *** |
| Apr.-June | 604 | 135,986 | *** | *** | *** |
| July-Sept. | 656 | 122,710 | *** | *** | *** |
| Oct.-Dec. | 551 | 136,755 | *** | *** | *** |
| **2017:** Jan.-Mar. | 636 | 158,718 | *** | *** | *** |
| Apr.-June | 693 | 177,352 | *** | *** | *** |
| July-Sept. | 678 | 127,725 | *** | *** | *** |

[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 V-4**
**CTL plate: Weighted-average prices and quantities of domestic and imported product 1, by quarters, January 2014-September 2017**

* * * * * * *

**Figure V-5**
**CTL plate: Weighted-average prices and quantities of domestic and imported product 2, by quarters, January 2014-September 2017**

* * * * * * *

**Figure V-6**
**CTL plate: Weighted-average prices and quantities of domestic and imported product 3, by quarters, January 2014-September 2017**

* * * * * * *

**Figure V-7**
**CTL plate: Weighted-average prices and quantities of domestic and imported product 4, by quarters, January 2014-September 2017**

* * * * * * *

## Price trends

Although prices fluctuated during January 2014-September 2017, overall domestic price decreases ranged from 4.0 to 13.5 percent across January 2014-September 2017 for products 1-4. Although there was little import price data for all four products, available price data for products 1-4 followed similar trends as U.S. prices during overlapping quarters. Table V-7 summarizes the price trends, by country and by product.

**Table V-7**
**CTL plate: Summary of weighted-average f.o.b. prices for products 1-4 from the United States and subject countries, January 2014 through September 2017**

| Item | Number of quarters | Low price (dollars per short ton) | High price (dollars per short ton) | Change in price[1] (percent) |
|---|---|---|---|---|
| **Product 1** | | | | |
| United States | 15 | 469 | 809 | (13.5) |
| India | *** | --- | --- | *** |
| Indonesia | *** | --- | --- | *** |
| Korea (excluding POSCO) | *** | *** | *** | *** |
| **Product 2** | | | | |
| United States | 15 | 487 | 817 | (12.5) |
| India | *** | --- | --- | *** |
| Indonesia | *** | --- | --- | *** |
| Korea (excluding POSCO) | *** | *** | *** | *** |
| **Product 3** | | | | |
| United States | 15 | 438 | 766 | (7.9) |
| India | *** | --- | --- | *** |
| Indonesia | *** | --- | --- | *** |
| Korea (excluding POSCO) | *** | *** | *** | *** |
| **Product 4** | | | | |
| United States | 15 | 551 | 799 | (4.0) |
| India | *** | --- | --- | *** |
| Indonesia | *** | --- | --- | *** |
| Korea (excluding POSCO) | *** | *** | *** | *** |

[1] Percentage change from the first quarter in which data were available to the last quarter in which price data were available.

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

## Price comparisons

As shown in table V-8, prices for CTL plate imported from Korea were below those for U.S.-produced product in 2 of 12 instances (793 short tons); margins of underselling ranged from 1.3 to 7.9 percent, averaging 4.6 percent. In the remaining 10 instances (10,365 short tons), prices for CTL plate from subject countries were between 2.5 and 8.9 percent above prices for the domestic product, averaging 5.4 percent higher than U.S. prices. There were no price observations for CTL plate from India or Indonesia. U.S. producer SSAB noted that pricing data collected in these reviews cover such a small share of imports that the resulting comparisons are not likely to be representative of the market as a whole. SSAB argues that the Commission should place less weight on these data and refer instead to the last time that orders were not in place to understand the likely incidence of underselling if the orders are revoked. SSAB argues that the underselling even with the orders in place supports the conclusion that underselling will become even more prevalent if the orders are revoked.[2]

**Table V-8**
**CTL plate: Instances of underselling/overselling and the range and average of margins, by country, January 2014-September 2017[1]**

| Source | Number of quarters of underselling | Quantity of underselling (short tons) | Number of quarters of (overselling) | Quantity of (overselling) (short tons) | Margins of underselling | | | Margins of (overselling) | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | *Average (percent)* | *Range (percent)* | | *Average (percent)* | *Range (percent)* | |
| | | | | | | *Min* | *Max* | | *Min* | *Max* |
| Product 1 | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Product 2 | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Product 3 | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Product 4 | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Total | 2 | 793 | 10 | 10,365 | 4.6 | 1.3 | 7.9 | (5.4) | (2.5) | (8.9) |
| India | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea | *** | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Total | 2 | 793 | 10 | 10,365 | 4.6 | 1.3 | 7.9 | (5.4) | (2.5) | (8.9) |

[1] In the original investigations, subject imports from India were priced lower than domestic product in 24 of 26 comparisons, with average underselling margin per period of underselling of 9.5 percent; subject imports from Indonesia were priced lower than domestic product in 39 of 39 comparisons, with average underselling margin per period of underselling of 13.1 percent; and subject imports from Korea were priced lower than domestic product in 23 of 41 comparisons, with average underselling margin per period of underselling of 10.5 percent. *Certain cut-to-length steel plate from France, India, Indonesia, Italy, Japan, and Korea Inv. Nos. 701-TA-387-391 and 731-TA-816-821 (Final)*, USITC Publication 4, January 2000, p. V-33.

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

[2] SSAB Enterprises Posthearing Brief, January 12, 2018, p. 7-8.

# 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 86697<br>December 1, 2016 | *Initiation of Five-Year ("Sunset") Reviews* | https://www.gpo.gov/fdsys/pkg/FR-2016-12-01/pdf/2016-28994.pdf |
| 81 FR 86725<br>December 1, 2016 | *Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, and Korea; Institution of Five-Year Reviews* | https://www.gpo.gov/fdsys/pkg/FR-2016-12-01/pdf/2016-28494.pdf |
| 82 FR 14030<br>March 16, 2017 | *Cut-to-Length Carbon Quality Steel Plate From India, Indonesia, and Korea, Notice of Commission Determination to Conduct Full Five-Year Reviews* | https://www.gpo.gov/fdsys/pkg/FR-2017-03-16/pdf/2017-05286.pdf |
| 82 FR 16790<br>April 6, 2017 | *Certain Cut-to-Length Carbon-Quality Steel Plate From India, Indonesia, and the Republic of Korea: Final Results of Expedited Third Sunset Reviews of Countervailing Duty Orders* | https://www.gpo.gov/fdsys/pkg/FR-2017-04-06/pdf/2017-06832.pdf |
| 82 FR 18895<br>April 24, 2017 | *Certain Cut-To-Length Carbon-Quality Steel Plate From India, Indonesia, and the Republic of Korea: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders* | https://www.gpo.gov/fdsys/pkg/FR-2017-04-24/pdf/2017-08174.pdf |
| 82 FR 37465<br>August 10, 2017 | *Cut-to-Length Carbon Steel Plate From India, Indonesia, and Korea; Scheduling of Full Five-Year Reviews* | https://www.gpo.gov/fdsys/pkg/FR-2017-08-10/pdf/2017-16893.pdf |
| 82 FR 49849<br>October 27, 2017 | *Cut-to-Length Carbon Steel Plate From India, Indonesia, and Korea; Revised Schedule for the Subject Reviews* | https://www.gpo.gov/fdsys/pkg/FR-2017-10-27/pdf/2017-23431.pdf |

# APPENDIX B

# HEARING WITNESSES

## CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

| | |
|---|---|
| **Subject:** | Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and Korea |
| **Inv. Nos.:** | 701-TA-388, 389, and 391 and 731-TA-817, 818 and 821 (Third Review) |
| **Date and Time:** | January 4, 2018 - 11:40 am |

A session was held in connection with these investigations in the Main Hearing Room (Room 101), 500 E Street, SW, Washington, DC.

## CONGRESSIONAL WITNESS:

**The Honorable Peter J. Visclosky, U.S. Representative, 1st District, Indiana**

## EMBASSY WITNESS:

**The Embassy of Republic of Indonesia**
**Washington, DC**

**The Honorable Reza Pahlevi Chairul, Commercial Attaché**

**OPENING REMARKS:**

In Support of Continuation (**Elizabeth J. Drake**, Schagrin Associates)

**In Support of the Continuation of**
**Antidumping and Countervailing Duty Orders:**

Wiley Rein LLP
Washington, DC
on behalf of

Nucor Corporation

**Leon J. Topalian**, Executive Vice President of Beam and Plate Products, Nucor Corporation

**Jeff Whiteman**, Sales Manager for Nucor Steel Hertford County, Nucor Corporation

**In Support of the Continuation of**
**Antidumping and Countervailing Duty Orders (continued):**

**Alan H. Price** )
**Christopher B. Weld** ) – OF COUNSEL
**Derick G. Holt** )

Kelley Drye & Warren LLP
Washington, DC
on behalf of

ArcelorMittal USA LLC ("AMUSA")

**Daniel Mull**, Executive Vice President for Sales and Marketing, ArcelorMittal USA

**Jeffrey Webb**, Director - Plate Products, Sales and Marketing Department, ArcelorMittal USA

**Michael T. Kerwin**, Economic Consultant, Georgetown Economic Services

**Paul C. Rosenthal** )
**Kathleen W. Cannon** ) – OF COUNSEL
**Brooke M. Ringel** )

Schagrin Associates
Washington, DC
on behalf of

SSAB Enterprises, LLC ("SSAB")

**Jeff Moskaluk**, Senior Vice President and Chief Commercial Officer, SSAB Americas

**Glenn Gilmore**, Manager of International Trade, SSAB Americas

**Elizabeth J. Drake** )
) – OF COUNSEL
**Christopher T. Cloutier** )

**CLOSING REMARKS:**

In Support of Continuation (**Paul C. Rosenthal**, Kelley Drye &Warren LLP)

**-END-**

# APPENDIX C

# SUMMARY DATA

**Table C-1**
**CTL plate: Summary data concerning the U.S. market, 2014-16, January to September 2016, and January to September 2017**
(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 | | | January to September | | Calendar year | | | Jan-Sep |
| | 2014 | 2015 | 2016 | 2016 | 2017 | 2014-16 | 2014-15 | 2015-16 | 2016-17 |
| U.S. consumption quantity: | | | | | | | | | |
| Amount | 9,505,488 | 7,894,256 | 7,530,833 | 5,785,451 | 5,441,858 | (20.8) | (17.0) | (4.6) | (5.9) |
| Producers' share (fn1) | 83.2 | 82.7 | 85.4 | 83.9 | 90.5 | 2.2 | (0.5) | 2.6 | 6.5 |
| Importers' share (fn1): | | | | | | | | | |
| India | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea subject | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All other sources | 14.4 | 13.7 | 9.8 | 10.7 | 7.4 | (4.7) | (0.7) | (4.0) | (3.3) |
| Nonsubject sources | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All import sources | 16.8 | 17.3 | 14.6 | 16.1 | 9.5 | (2.2) | 0.5 | (2.6) | (6.5) |
| U.S. consumption value: | | | | | | | | | |
| Amount | 7,829,705 | 5,485,737 | 4,592,895 | 3,552,727 | 3,759,205 | (41.3) | (29.9) | (16.3) | 5.8 |
| Producers' share (fn1) | 83.5 | 81.0 | 83.3 | 81.9 | 89.3 | (0.2) | (2.5) | 2.3 | 7.5 |
| Importers' share (fn1): | | | | | | | | | |
| India | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Indonesia | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea subject | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Subject sources | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea nonsubject | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All other sources | 14.4 | 15.5 | 11.9 | 12.7 | 8.9 | (2.5) | 1.1 | (3.7) | (3.8) |
| Nonsubject sources | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All import sources | 16.5 | 19.0 | 16.7 | 18.1 | 10.7 | 0.2 | 2.5 | (2.3) | (7.5) |
| U.S. imports from: | | | | | | | | | |
| India: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Indonesia: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea subject: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Subject sources: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Korea nonsubject: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All other sources: | | | | | | | | | |
| Quantity | 1,370,866 | 1,084,476 | 735,378 | 619,273 | 403,884 | (46.4) | (20.9) | (32.2) | (34.8) |
| Value | 1,130,334 | 852,501 | 546,067 | 451,905 | 336,186 | (51.7) | (24.6) | (35.9) | (25.6) |
| Unit value | $825 | $786 | $743 | $730 | $832 | (9.9) | (4.7) | (5.5) | 14.1 |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Nonsubject sources: | | | | | | | | | |
| Quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Unit value | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Ending inventory quantity | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| All import sources: | | | | | | | | | |
| Quantity | 1,596,993 | 1,362,524 | 1,103,098 | 929,339 | 518,751 | (30.9) | (14.7) | (19.0) | (44.2) |
| Value | 1,292,110 | 1,043,534 | 768,723 | 644,035 | 400,642 | (40.5) | (19.2) | (26.3) | (37.8) |
| Unit value | $809 | $766 | $697 | $693 | $772 | (13.9) | (5.3) | (9.0) | 11.4 |
| Ending inventory quantity | 85,685 | 71,242 | 42,817 | 61,980 | 41,440 | (50.0) | (16.9) | (39.9) | (33.1) |

Table continued on next page.

**Table C-1--Continued**
**CTL plate: Summary data concerning the U.S. market, 2014-16, January to September 2016, and January to September 2017**
(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 | | | January to September | | Calendar year | | | Jan-Sep |
| | 2014 | 2015 | 2016 | 2016 | 2017 | 2014-16 | 2014-15 | 2015-16 | 2016-17 |
| U.S. producers': | | | | | | | | | |
| Average capacity quantity | 12,301,432 | 12,237,465 | 12,239,304 | 9,185,777 | 9,170,109 | (0.5) | (0.5) | 0.0 | (0.2) |
| Production quantity | 8,911,291 | 7,255,831 | 7,262,460 | 5,466,746 | 5,469,164 | (18.5) | (18.6) | 0.1 | 0.0 |
| Capacity utilization (fn1) | 72.4 | 59.3 | 59.3 | 59.5 | 59.6 | (13.1) | (13.1) | 0.0 | 0.1 |
| U.S. shipments: | | | | | | | | | |
| Quantity | 7,908,495 | 6,531,732 | 6,427,735 | 4,856,112 | 4,923,107 | (18.7) | (17.4) | (1.6) | 1.4 |
| Value | 6,537,595 | 4,442,203 | 3,824,172 | 2,908,692 | 3,358,563 | (41.5) | (32.1) | (13.9) | 15.5 |
| Unit value | $827 | $680 | $595 | $599 | $682 | (28.0) | (17.7) | (12.5) | 13.9 |
| Export shipments: | | | | | | | | | |
| Quantity | 780,779 | 740,460 | 820,689 | 605,622 | 505,485 | 5.1 | (5.2) | 10.8 | (16.5) |
| Value | 655,670 | 512,415 | 486,438 | 357,372 | 338,847 | (25.8) | (21.8) | (5.1) | (5.2) |
| Unit value | $840 | $692 | $593 | $590 | $670 | (29.4) | (17.6) | (14.3) | 13.6 |
| Ending inventory quantity | 811,409 | 794,778 | 578,193 | 727,468 | 787,545 | (28.7) | (2.0) | (27.3) | 8.3 |
| Inventories/total shipments (fn1) | 9.3 | 10.9 | 8.0 | 10.0 | 10.9 | (1.4) | 1.6 | (3.0) | 0.9 |
| Production workers | 4,320 | 4,003 | 4,181 | 3,983 | 4,084 | (3.2) | (7.3) | 4.4 | 2.5 |
| Hours worked (1,000s) | 9,661 | 8,530 | 8,519 | 6,251 | 6,583 | (11.8) | (11.7) | (0.1) | 5.3 |
| Wages paid ($1,000) | 352,131 | 303,705 | 309,305 | 228,129 | 239,541 | (12.2) | (13.8) | 1.8 | 5.0 |
| Hourly wages (dollars) | $36.45 | $35.60 | $36.31 | $36.49 | $36.39 | (0.4) | (2.3) | 2.0 | (0.3) |
| Productivity (short tons per 1,000 hours) | 922.4 | 850.6 | 852.5 | 874.5 | 830.8 | (7.6) | (7.8) | 0.2 | (5.0) |
| Unit labor costs | $39.52 | $41.86 | $42.59 | $41.73 | $43.80 | 7.8 | 5.9 | 1.8 | 5.0 |
| Net sales: | | | | | | | | | |
| Quantity | 7,553,933 | 6,337,345 | 6,171,378 | 4,608,417 | 4,580,206 | (18.3) | (16.1) | (2.6) | (0.6) |
| Value | 6,395,710 | 4,469,542 | 3,635,284 | 2,708,088 | 3,195,702 | (43.2) | (30.1) | (18.7) | 18.0 |
| Unit value | $847 | $705 | $589 | $588 | $698 | (30.4) | (16.7) | (16.5) | 18.7 |
| Cost of goods sold (COGS) | 5,651,772 | 4,225,344 | 3,428,873 | 2,524,067 | 2,983,001 | (39.3) | (25.2) | (18.8) | 18.2 |
| Gross profit or (loss) | 743,938 | 244,198 | 206,411 | 184,021 | 212,701 | (72.3) | (67.2) | (15.5) | 15.6 |
| SG&A expenses | 202,199 | 198,213 | 186,029 | 138,849 | 151,584 | (8.0) | (2.0) | (6.1) | 9.2 |
| Operating income or (loss) | 541,739 | 45,985 | 20,382 | 45,172 | 61,117 | (96.2) | (91.5) | (55.7) | 35.3 |
| Net income or (loss) | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| Capital expenditures | 163,084 | 111,843 | 86,518 | 64,602 | 59,520 | (46.9) | (31.4) | (22.6) | (7.9) |
| Unit COGS | $748 | $667 | $556 | $548 | $651 | (25.7) | (10.9) | (16.7) | 18.9 |
| Unit SG&A expenses | $27 | $31 | $30 | $30 | $33 | 12.6 | 16.8 | (3.6) | 9.8 |
| Unit operating income or (loss) | $72 | $7 | $3 | $10 | $13 | (95.4) | (89.9) | (54.5) | 36.1 |
| Unit net income or (loss) | *** | *** | *** | *** | *** | *** | *** | *** | *** |
| COGS/sales (fn1) | 88.4 | 94.5 | 94.3 | 93.2 | 93.3 | 6.0 | 6.2 | (0.2) | 0.1 |
| Operating income or (loss)/sales (fn1) | 8.5 | 1.0 | 0.6 | 1.7 | 1.9 | (7.9) | (7.4) | (0.5) | 0.2 |
| Net income or (loss)/sales (fn1) | *** | *** | *** | *** | *** | *** | *** | *** | *** |

Notes:

Note.--Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionniares and official U.S. import statistics with adjustments based on proprietary Customs records using HTS statistical report numbers 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, and 7212.50.0000, accessed November 16, 2017.

# APPENDIX C

# SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

**Table I-1**
**CTL plate: Comparative data from the original investigations and the first and second reviews, 1996-2010**
**(*Quantity in short tons, value in 1,000 dollars, shares/ratios in percent*)**

| Item | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|
| **U.S. consumption quantity:** | | | | | | |
| Amount | 8,385,326 | 7,956,975 | 9,814,196 | 7,683,631 | 7,351,192 | 7,396,843 |
| U.S. producers' share[1] | 76.9 | 82.2 | 77.9 | 86.3 | 88.1 | 84.6 |
| U.S. importers' share:[1] | | | | | | |
| India | 0.5 | 1.6 | 1.4 | 0.1 | (2) | (2) |
| Indonesia | 0.2 | 0.8 | 1.7 | 0.5 | 0.0 | (2) |
| Italy | 0.2 | 1.1 | 0.8 | 0.1 | (2) | (2) |
| Japan | 0.3 | 0.2 | 2.9 | *** | *** | *** |
| Korea (S) | 0.3 | 0.3 | *** | *** | *** | *** |
| Subtotal, subj. imports | 1.5 | 4.0 | *** | *** | *** | *** |
| France | 1.8 | 2.1 | 1.3 | *** | *** | *** |
| Korea (NS) | - | - | *** | *** | *** | *** |
| All other sources | 19.8 | 11.7 | 10.4 | 7.8 | 9.5 | 13.2 |
| Subtotal, nonsubj. imports | 21.6 | 13.8 | *** | *** | *** | *** |
| Total imports | 23.1 | 17.8 | 22.1 | 13.6 | 11.9 | 15.3 |
| **U.S. imports from:** | | | | | | |
| India: | | | | | | |
| Quantity | 38,081 | 130,846 | 137,735 | 6,462 | 1,485 | 1,262 |
| Value | 12,833 | 45,098 | 50,298 | 2,057 | 498 | 377 |
| Unit value | $337 | $345 | $365 | $318 | $336 | $298 |
| Indonesia: | | | | | | |
| Quantity | 13,667 | 59,837 | 168,098 | 39,553 | 0 | 123 |
| Value | 4,354 | 21,716 | 57,763 | 10,761 | 0 | 34 |
| Unit value | $319 | $363 | $344 | $272 | (4) | $273 |
| Italy: | | | | | | |
| Quantity | 17,003 | 85,576 | 80,766 | 11,396 | 2,369 | 1,130 |
| Value | 7,661 | 35,743 | 32,792 | 4,319 | 1,509 | 1,427 |
| Unit value | $451 | $418 | $406 | $379 | $637 | $1,263 |
| Japan: | | | | | | |
| Quantity | 24,238 | 18,327 | 288,398 | *** | *** | *** |
| Value | 17,028 | 13,462 | 131,070 | *** | *** | *** |
| Unit value | $703 | $735 | $455 | $*** | $*** | $*** |

**Table I-1--*Continued***

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| 7,392,172 | 6,987,726 | 7,759,339 | 6,845,135 | 8,378,675 | 7,963,203 | 7,988,590 | 4,367,759 | 5,929,950 |
| 89.3 | 93.1 | 90.6 | 88.4 | 84.0 | 87.1 | 89.7 | 91.8 | 90.7 |
| | | | | | | | | |
| (2) | 0.0 | (2) | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| (2) | (2) | 0.4 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | (5) | (5) | (5) | (5) | (5) | (5) |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| 9.2 | 6.6 | 8.4 | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| 10.7 | 6.9 | 9.5 | 11.6 | 16.0 | 12.9 | 10.3 | 8.2 | 9.3 |
| | | | | | | | | |
| | | | | | | | | |
| 20 | 0 | 1,585 | 3,856 | 6,542 | 1,167 | 310 | 165 | 32 |
| 12 | 0 | 1,731 | 3,913 | 4,358 | 1,146 | 466 | 298 | 55 |
| $584 | (4) | $1,092 | $1,015 | $666 | $982 | $1,504 | $1,808 | $1,754 |
| | | | | | | | | |
| 0 | 0 | 627 | 2,682 | 41 | 1,661 | 97 | 0 | 0 |
| 0 | 0 | 457 | 1,817 | 37 | 985 | 128 | 0 | 0 |
| (4) | (4) | $728 | $678 | $910 | $593 | $1,320 | (4) | (4) |
| | | | | | | | | |
| 278 | 666 | 29,130 | 9,215 | 1,212 | 3,814 | 337 | 4,904 | 718 |
| 850 | 1,164 | 19,279 | 8,939 | 2,206 | 4,395 | 1,277 | 6,402 | 2,369 |
| $3,054 | $1,746 | $662 | $970 | $1,821 | $1,152 | $3,789 | $1,306 | $3,299 |
| | | | | | | | | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| $*** | $*** | $*** | *** | *** | *** | *** | *** | *** |

**Table I-1--*Continued***
**CTL plate: Comparative data from the original investigations and the first and second reviews, 1996-2010**
**(*Quantity in short tons, value in 1,000 dollars, shares/ratios in percent*)**

| Item | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|
| Korea (S): | | | | | | |
| Quantity | 28,495 | 25,432 | *** | *** | *** | *** |
| Value | 12,391 | 10,287 | *** | *** | *** | *** |
| Unit value | $435 | $404 | $*** | $*** | $*** | $*** |
| Subtotal, subj.: | | | | | | |
| Quantity | 121,484 | 320,018 | *** | *** | *** | *** |
| Value | 54,267 | 126,306 | *** | *** | *** | *** |
| Unit value | $447 | $395 | $*** | $*** | $*** | $*** |
| France: | | | | | | |
| Quantity | 153,375 | 165,713 | 123,083 | *** | *** | *** |
| Value | 76,334 | 81,559 | 63,678 | *** | *** | *** |
| Unit value | $498 | $492 | $517 | $*** | $*** | $*** |
| Korea (NS): | | | | | | |
| Quantity | ([3]) | ([3]) | *** | *** | *** | *** |
| Value | ([3]) | ([3]) | ***[6] | *** | *** | *** |
| Unit value | ([3]) | ([3]) | $***[6] | $*** | $*** | $*** |
| All other sources: | | | | | | |
| Quantity | 1,661,428 | 929,205 | 1,016,753 | 598,355 | 696,939 | 977,191 |
| Value | 641,034 | 380,670 | 449,154 | 255,824 | 280,019 | 383,530 |
| Unit value | $386 | $410 | $442 | $428 | $402 | $392 |
| Subtotal, nonsubj.: | | | | | | |
| Quantity | 1,814,803 | 1,094,918 | *** | *** | *** | *** |
| Value | 717,368 | 462,229 | *** | *** | *** | *** |
| Unit value | $395 | $422 | $*** | $*** | $*** | $*** |
| Total: | | | | | | |
| Quantity | 1,936,287 | 1,414,936 | 2,166,889 | 1,049,345 | 871,136 | 1,135,502 |
| Value | 771,635 | 588,535 | 915,669 | 428,183 | 338,111 | 435,950 |
| Unit value | $399 | $416 | $423 | $408 | $388 | $384 |

**Table I-1--*Continued***

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** |
| | | | | | | | | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** |
| | | | | | | | | |
| *** | *** | *** | (5) | (5) | (5) | (5) | (5) | (5) |
| *** | *** | *** | (5) | (5) | (5) | (5) | (5) | (5) |
| $*** | $*** | $*** | (5) | (5) | (5) | (5) | (5) | (5) |
| | | | | | | | | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | $*** | $*** | $*** | *** | $*** | $*** |
| | | | | | | | | |
| 679,724 | 458,834 | 648,818 | *** | *** | *** | *** | *** | *** |
| 281,233 | 199,499 | 389,203 | *** | *** | *** | *** | *** | *** |
| $414 | $435 | $600 | $*** | $*** | $*** | $*** | $*** | $*** |
| | | | | | | | | |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| *** | *** | *** | *** | *** | *** | *** | *** | *** |
| $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** | $*** |
| | | | | | | | | |
| 792,166 | 479,850 | 730,829 | 795,303 | 1,341,814 | 1,026,836 | 824,357 | 357,850 | 551,029 |
| 322,838 | 218,134 | 451,012 | 578,824 | 894,023 | 762,476 | 903,018 | 337,604 | 482,282 |
| $408 | $455 | $617 | $728 | $666 | $743 | $1,095 | $943 | $875 |

**Table I-1--*Continued***
**CTL plate: Comparative data from the original investigations and the first and second reviews, 1996-2010**

| **U.S. producers':** | **(*Quantity in short tons, value in 1,000 dollars*, *shares/ratios in percent*)** | | | | | |
|---|---|---|---|---|---|---|
| **Item** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
| Capacity quantity | 8,721,762 | 9,252,017 | 11,191,586 | 10,923,834 | 10,622,180 | 11,026,162 |
| Production quantity | 6,560,861 | 6,782,408 | 7,948,996 | 6,706,626 | 6,668,398 | 6,357,791 |
| Capacity utilization[1] | 75.2 | 73.3 | 71.0 | 61.4 | 62.8 | 57.7 |
| U.S. shipments: | | | | | | |
| *Quantity* | 6,449,040 | 6,542,038 | 7,647,308 | 6,634,287 | 6,480,056 | 6,261,341 |
| *Value* | 2,901,398 | 2,908,985 | 3,377,079 | 2,474,901 | 2,440,460 | 2,215,708 |
| *Unit value* | $450 | $445 | $442 | $374 | $378 | $354 |
| Export shipments: | | | | | | |
| *Quantity* | 75,389 | 182,888 | 232,848 | 161,153 | 236,598 | 144,677 |
| *Value* | 39,795 | 82,666 | 106,132 | 62,059 | 88,523 | 51,238 |
| *Unit value* | $528 | $452 | $456 | $385 | $374 | $354 |
| Production workers[4] | 7,680 | 8,186 | 8,547 | 6,457 | 6,026 | 5,670 |
| Hours worked (*1,000*) | 17,314 | 18,028 | 18,896 | 14,189 | 13,477 | 12,586 |
| Hourly wage | $21 | $22 | $22 | $22 | $22 | $23 |
| Net sales value | 2,851,617 | 2,852,624 | 3,382,607 | 1,922,593 | 1,910,118 | 1,749,895 |
| Operating income or (loss)/sales | 139,690 | 84,978 | 135,678 | (122,005) | (114,870) | (207,370) |
| Ratio operating income or (loss)/sales[1] | 4.9 | 3.0 | 4.0 | (6.3) | (6.0) | (11.9) |

[1] Reported data are in percent.
[2] Less than 0.05 percent.
[3] No data reported.
[4] Undefined.
[5] Not applicable. Because U.S. imports of CTL plate from France are no longer subject to an order, they are included in "all other sources" for the period 2005-10.
[6] Value data were not collected during the original investigations. Thus, while the quantity of 1998 imports of POSCO-produced CTL plate is based directly on POSCO's foreign producer questionnaire, the value is calculated based on the share of 1998 imports from Korea for which POSCO accounted.

**Table I-1--*Continued***

| 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| 11,445,322 | 11,636,348 | 11,041,815 | 8,352,058 | 9,078,900 | 9,102,852 | 9,539,225 | 9,597,673 | 9,624,269 |
| 6,764,974 | 6,812,140 | 7,520,671 | 6,526,649 | 7,708,588 | 7,684,039 | 7,748,767 | 4,566,875 | 6,075,718 |
| 59.1 | 58.5 | 68.1 | 78.1 | 84.9 | 84.4 | 81.2 | 47.6 | 63.1 |
| | | | | | | | | |
| 6,600,006 | 6,507,875 | 7,028,510 | 6,049,832 | 7,036,861 | 6,936,367 | 7,164,233 | 4,009,909 | 5,378,921 |
| 2,345,160 | 2,377,420 | 4,456,089 | 4,366,799 | 5,342,358 | 5,392,168 | 7,061,715 | 2,704,581 | 3,961,873 |
| $355 | $365 | $634 | $722 | $759 | $777 | $986 | $674 | $737 |
| | | | | | | | | |
| 195,180 | 305,067 | 438,759 | 475,310 | 592,291 | 730,366 | 707,143 | 555,217 | 641,408 |
| 66,271 | 107,616 | 282,506 | 352,874 | 444,497 | 573,188 | 623,933 | 357,896 | 441,022 |
| $340 | $353 | $666 | $742 | $750 | $785 | $882 | $645 | $688 |
| 5,060 | 4,470 | 4,125 | 3,647 | 3,763 | 3,870 | 3,958 | 3,110 | 3,339 |
| 11,228 | 9,261 | 8,728 | 7,451 | 7,711 | 7,916 | 8,020 | 5,654 | 6,466 |
| $24 | $24 | $25 | $29 | $33 | $34 | $36 | $34 | $34 |
| 1,867,048 | 1,989,141 | 3,628,077 | 4,471,661 | 5,505,206 | 5,721,813 | 7,295,978 | 2,927,804 | 4,255,177 |
| (113,336) | (139,941) | 782,756 | 1,038,004 | 1,410,309 | 1,192,180 | 1,490,925 | (174,597) | 65,533 |
| (6.1) | (7.0) | 21.6 | 23.2 | 25.6 | 20.8 | 20.4 | (6.0) | 1.5 |

Note.– "S" denotes subject imports from Korea and consists of CTL plate produced by Dongkuk and other mills, excluding POSCO. "NS" denotes nonsubject imports from Korea and consists of CTL plate produced by POSCO.
Note.– The Commission did not receive processor questionnaire responses from ***. During the first reviews, these firms accounted for *** percent of processor production in 2004.
Note.– Because of rounding, figures may not add to the totals shown.

Source: Data for 1996-2004 are compiled from *Cut-to-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, Japan, and Korea,* Inv. Nos. 701-TA-388-391 and 731-TA-816-821 (Reviews), USITC Publication 3816 (November 2005), table I-1. Pohang Iron & Steel Co., Ltd. ("POSCO")'s data for 1996-1998 are compiled from POSCO's foreign producer questionnaire response, August 30, 1999. Data for 2005-10 are compiled from data submitted in response to Commission questionnaires and adjusted official Commerce statistics.

## PREVIOUS AND RELATED INVESTIGATIONS

### Antidumping and Countervailing Duty Investigations

The Commission has conducted numerous antidumping and countervailing duty investigations regarding CTL plate. Table I-2 presents a summary of these investigations. No original investigations have been instituted since 1999. As shown in the table, there are currently six antidumping duty orders, four countervailing duty orders, and two suspension agreements covering eight countries.

# APPENDIX D

# COMMENTS REGARDING THE EFFECTS OF THE ORDERS AND THE LIKELY EFFECTS OF REVOCATION

**The Commission requested U.S. producers to report the significance of the existing countervailing duty and antidumping duty orders covering imports of CTL plate from India, Indonesia, and Korea in terms of their effect on their firm's production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, and asset values. Specifically, U.S. producers were asked to indicate the particular effect of imposition and/or revocation of specific orders. The Commission suggested that U.S. importers may wish to compare operations before and after the imposition of the orders. (Section II-14)**

**The Commission also requested that U.S. producers report on anticipated changes in operations if the orders were to remain place and if the orders were to be revoked. (Section II-15)**

**Table D-1**
**CTL plate: U.S. producers' narratives on impact of orders and anticipated impact of revocation of orders**

***  *  *  *  *  *  ***

.
**The Commission requested U.S. importers to report the likely effect of imposition and/or revocation of orders; specifically the significance of the existing countervailing duty and antidumping duty orders covering imports of CTL plate from India, Indonesia and/or Korea in terms of their effect on imports, U.S. shipments of imports, and inventories. The Commission suggested that U.S. importers may wish to compare operations before and after the imposition of the orders. (Section II-11)**

**The Commission also requested U.S. importers to report on anticipated changes in operations if the order were to remain in place and if the orders were to be revoked. (Section II-12)**

**Table D-2**
**CTL plate: U.S. importers' narratives on impact of orders and anticipated impact of revocation of orders**

***  *  *  *  *  *  ***

**The Commission requested U.S. purchasers to report the likely effects on their firm and on the U.S. market of any revocation of the antidumping and/or countervailing duty order on imports of CTL plate from India, Indonesia and/or Korea, excluding POSCO. (Section III-31)**

**Table D-3**
**CTL plate: U.S. purchasers' narratives on impact of orders and anticipated impact of revocation of orders**

***  *  *  *  *  *  ***

**The Commission requested foreign producers to report anticipated changes in the character of operations or organization relating to production capacity, production, U.S. shipments, inventories, purchases, employment, revenues, costs, profits, cash flow, capital expenditures, research and development expenditures, or asset values relating to production of CTL plate in the future. The Commission asked foreign producers to consider both anticipated changes if the countervailing duty and antidumping duty orders on CTL plate from India, Indonesia and Korea were to remain in place and if the orders were revoked. (Section II-11)**

**Table D-4**
**CTL plate: foreign producers' narratives on impact of orders and anticipated impact of revocation of orders**

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