Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam

Investigation Nos. 731-TA-1550-1553 (Preliminary)

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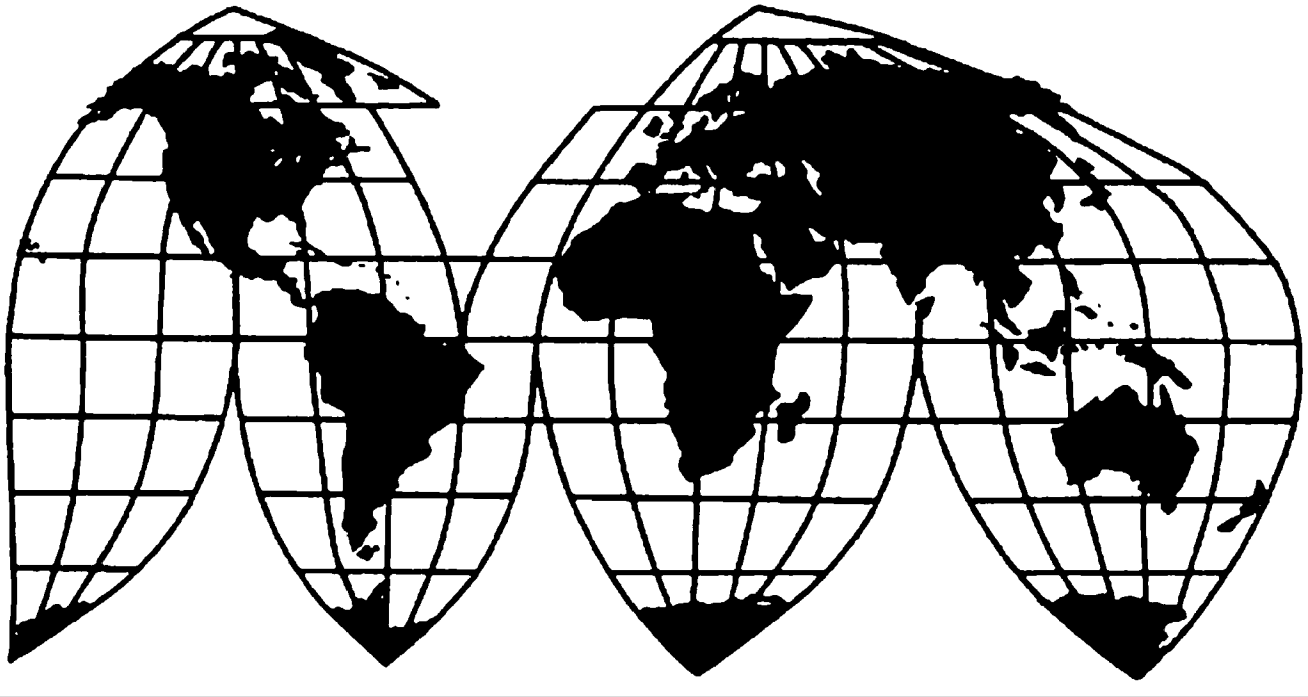
U.S. International Trade Commission



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Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436
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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-1550-1553 (Preliminary)

Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam

DETERMINATIONS

On the basis of the record[1] developed in the subject investigations, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of polyester textured yarn from Indonesia, Malaysia, Thailand, and Vietnam, provided for in subheadings 5402.33.30 and 5402.33.60 of the Harmonized Tariff Schedule of the United States, that are alleged to be sold in the United States at less than fair value ("LTFV").[2]

COMMENCEMENT OF FINAL PHASE INVESTIGATION

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

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

[2] 85 FR 74680 (November 23, 2020).

BACKGROUND

On October 28, 2020, Nan Ya Plastics Corp. America, Lake City, South Carolina and Unifi Manufacturing, Inc., Greensboro, North Carolina filed a petition with the Commission and Commerce, alleging that an industry in the United States is materially injured or threatened with material injury by reason of LTFV imports of polyester textured yarn from Indonesia, Malaysia, Thailand, and Vietnam. Accordingly, effective October 28, 2020, the Commission instituted antidumping duty investigation Nos. 731-TA-1550-1553 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of November 3, 2020 (85 FR 69643). In light of the restrictions on access to the Commission building due to the COVID–19 pandemic, the Commission conducted its conference through written testimony and video conference. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the preliminary phase of these investigations, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of polyester textured yarn ("PTY") from Indonesia, Malaysia, Thailand, and Vietnam alleged to be sold in the United States at less than fair value.

I. The Legal Standard for Preliminary Determinations

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

II. Background

Unifi Manufacturing Inc. ("Unifi") and Nan Ya Plastics Corporation America ("Nan Ya") (jointly "Petitioners"), domestic producers of PTY, filed the petitions in these investigations on

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

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

October 28, 2020.[3] Representatives of both companies appeared at the conference accompanied by counsel and petitioners submitted a postconference brief.[4]

Several respondents participated in these investigations. A representative of the Government of Indonesia ("GOI") appeared at the conference and submitted a postconference brief.[5] Fils Promptex Yarns, Inc. ("Promptex"), an importer of subject merchandise, submitted a postconference brief. Pt. Mutu Gading Tekstil ("Mutu"), a producer and exporter of subject merchandise in Indonesia, submitted a postconference brief.

Data Coverage. The period of investigation ("POI") is January 2017 through June 2020. U.S. industry data are based on the questionnaire responses of five U.S. producers, accounting for the *** of U.S. production of PTY during 2019.[6] U.S. import data are based on official import statistics of the U.S. Department of Commerce ("Commerce").[7] The Commission received questionnaire responses from 23 U.S. importers that are estimated to account for 59.0 percent of total U.S. imports, *** percent of total subject imports, and 61.8 percent of total imports from nonsubject sources in 2019.[8] Importers that responded to the questionnaire represent *** percent of subject imports from Indonesia, *** percent of subject imports from

[3] *See* Petition, EDIS Doc. 723430.

[4] In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its conference through submissions of written testimony and a videoconference held on November 18, 2020, as set forth in procedures provided to the parties on November 4, 2020.

[5] *See* Conference Transcript, EDIS Doc. 726275 at 2–3. No other respondent appeared at the conference.

[6] Confidential Report INV-SS-141 ("CR") and Public Report ("PR") at I-4. The five U.S. producers are Unifi, Nan Ya, CS America, Inc. ("CS America"), Milliken & Company ("Milliken"), and Sapona Manufacturing Inc. *Id*. at Table III-1.

[7] *See* CR/PR at Table IV-2. Data are based on official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000.

[8] CR/PR at I-4 and IV-1, n.3.

Malaysia, *** percent of subject imports from Thailand, and *** percent of subject imports from Vietnam in 2019.[9] The Commission received usable responses to its foreign producers' questionnaire from six producers of subject merchandise in Indonesia, accounting for the vast majority of subject imports from Indonesia in 2019,[10] from one producer of subject merchandise in Malaysia, accounting for approximately *** percent of subject imports from Malaysia in 2019,[11] from two producers of subject merchandise in Thailand, accounting for approximately *** percent of subject imports from Thailand in 2019,[12] and from three producers of subject merchandise in Vietnam, accounting for *** subject imports from Vietnam in 2019.[13]

III. Domestic Like Product

In determining whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the "domestic like product" and the "industry."[14] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Tariff Act"), defines the relevant domestic industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[15] In turn, the Tariff Act defines

[9] Derived from CR/PR at Table IV-2 and official Commerce import statistics.
[10] CR/PR at VII-3.
[11] CR/PR at VII-8.
[12] CR/PR at VII-13.
[13] CR/PR at VII-18.
[14] 19 U.S.C. § 1677(4)(A).
[15] 19 U.S.C. § 1677(4)(A).

"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."[16]

By statute, the Commission's "domestic like product" analysis begins with the "article subject to an investigation," *i.e.*, the subject merchandise as determined by Commerce.[17] Therefore, Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is "necessarily the starting point of the Commission's like product analysis."[18] The Commission then defines the domestic like product in light of the imported articles Commerce has identified.[19] The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[20] No single factor is dispositive, and the Commission may

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[16] 19 U.S.C. § 1677(10).

[17] 19 U.S.C. § 1677(10). The Commission must accept Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See*, *e.g.*, *USEC, Inc. v. United States*, 34 Fed. App'x 725, 730 (Fed. Cir. 2002) ("The ITC may not modify the class or kind of imported merchandise examined by Commerce."); *Algoma Steel Corp. v. United States,* 688 F. Supp. 639, 644 (Ct. Int'l Trade 1988), *aff'd*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

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

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

[20] *See*, *e.g.*, *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington Co.*, 747 F. Supp. at 749, n.3, ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case'"). The Commission generally considers a number of factors including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products;

consider other factors it deems relevant based on the facts of a particular investigation.[21] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[22]

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

> The merchandise covered by these investigations, polyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption, insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packaging method (such as spindles, tubes, or beams).
>
> The merchandise subject to these investigations is properly classified under subheadings 5402.33.3000 and 5402.33.6000 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.[23]

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(5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455, n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

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

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

[23] Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Initiation of Less-than-Fair Value Investigations, 85 Fed. Reg. 74680, 74685 (Nov. 23, 2020) ("Commerce Initiation Notice").

PTY is a textile mainly used in fabrics.[24] It is manufactured using polyethylene terephthalate ("PET"), which can be derived directly from chemical inputs or can be manufactured from already-formed chips or flakes. PET flakes or chips can be made from virgin chemical inputs or from recycled materials. The PET is melted at a high temperature to form a syrup-like solution, which is then extruded through the tiny holes of a metal container called a spinneret. The extruded PET filaments cool upon leaving the spinneret and are subsequently collected and wound around a cylinder. The extruded filaments are referred to as partially oriented yarn ("POY"), or partially drawn yarn, which is the primary input for PTY.[25] POY is then further processed through drawing and texturing to give the desired characteristics to the final yarn.[26]

Producers of PTY have differing levels of production integration. Some firms purchase PET chips or flakes and perform the extrusion, drawing, and texturing. Others purchase POY to draw and texture the yarn.[27] While some PTY is further processed by dyeing, petitioners estimate ***, as typically the fabric mills dye the product themselves.[28]

A. Arguments of the Parties

Petitioners' Arguments. Petitioners contend that the Commission should define a single domestic like product coextensive with the scope of these investigations.[29]

[24] CR/PR at II-1.
[25] CR/PR at I-6.
[26] CR/PR at I-7.
[27] CR/PR at I-7.
[28] CR/PR at I-7.
[29] *See* Petitioners Postconference Brief at 3–6.

Respondents' Arguments. No respondent interested party challenged Petitioners' proposed definition of the domestic like product in the preliminary phase of these investigations.[30]

B. Analysis

Based on the record, we define a single domestic like product consisting of all PTY, coextensive with the scope of these investigations.

Physical Characteristics and Uses. All PTY shares the same physical characteristics in that it is made of polyester, is comprised of continuous filaments, and has a textured surface.[31] The textured surface imparts special properties that gives PTY a soft, cotton-like feel that is desirable in many of its end uses, which include fibers that people regularly touch that are used for apparel, home textiles and furnishing, bedding, and automotive seating.[32] PTY is also used in various industrial applications, including medical supplies and devices, industrial materials, and general automotive applications.[33] PTY is characterized by its denier,[34] filament count, luster,[35] and other variants associated with the texturing or dyeing process.[36]

[30] Promptex takes no position on the definition of the domestic like product. Promptex Postconference Brief at 3. Neither Mutu nor the GOI commented on the proposed definition.

[31] CR/PR at I-5 to I-6.

[32] CR/PR at I-6 to I-7 and II-1.

[33] CR/PR at I-6.

[34] Denier is the weight in grams of 9,000 meters of yarn or filament. In general, the lower the denier, the finer the yarn. CR/PR at I-6, n.14.

[35] Luster refers to the quality of shining with reflected lights. Luster is frequently referenced on a scale of bright to dull. According to Petitioners, PTY is most commonly semi-dull or bright. Other lusters include super bright, full-dull, cationic dyeable, and trilobal bright. CR/PR at I-6, n.15.

[36] CR/PR at I-6.

According to Petitioners, the distinct chemical composition of PTY, which is the same for PTY made from virgin or recycled PET, distinguishes PTY from yarn made from other inputs.[37] Petitioners further assert that PTY's textured surface, which "bulks" up the yarn and gives it its soft feel, also distinguishes it from non-textured or flat yarns.[38] Finally, although PTY can differ in terms of denier, luster, and color, Petitioners contend that these varying characteristics reflect a continuum of a single like product.[39]

Manufacturing Facilities, Production Processes and Employees. As previously discussed, PTY is manufactured from PET that is melted at high temperatures and then extruded into filaments, which are further processed by drawing, texturing, and sometimes dyeing. Although the manufacturing process for PTY is generally the same, U.S. producers vary in terms of levels of production integration, and their respective manufacturing processes vary depending on their primary inputs.[40] PTY accounts for the vast majority of the production on the equipment used by domestic producers to produce PTY, although some firms reported producing a small quantity of alternative products, by ***.[41]

Channels of Distribution. The vast majority of domestically produced PTY is sold directly to textile manufacturers, including a portion sold to automobile textile manufacturers, and a small remainder is sold to distributors.[42]

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[37] Petitioners Postconference Brief at 4 (citing Conference Transcript, EDIS Doc. 726275 at 17 (Nations)).

[38] Petitioners Postconference Brief at 4 (citing Conference Transcript, EDIS Doc. 726275 at 16–17 (Nations)).

[39] Petitioners Postconference Brief at 4–5.

[40] CR/PR at I-7 and VI-3; Petitioners Postconference Brief, Responses to Questions, Exhibit 1 at 2.

[41] CR/PR at III-5 and Table III-5; *see also* Petitioners Postconference Brief at 5–6.

[42] CR/PR at Table II-1; *see also* Petitioners Postconference Brief at 5 and Exhibit 9.

Interchangeability. As discussed above, PTY has various characteristics with respect to texturing, luster, denier, filament, and color. The record in the preliminary phase of these investigations, however, does not indicate the extent to which these variations may limit interchangeability among PTY products. According to Petitioners, PTY is not interchangeable with other products. Specifically, fibers or yarns made from other inputs have different physical characteristics and price points, which make them unsuitable as substitutes for PTY. In addition, non-textured yarns lack the characteristic bulk and soft feel of PTY, and consequently are not interchangeable with PTY and are more suitable in industrial applications.[43] All four responding U.S. producers and 18 of 20 responding importers stated that there were no substitutes for PTY.[44]

Producer and Customer Perceptions. According to Petitioners, producers and customers perceive all PTY as the same product and perceive it to be unique from other products that do not have PTY's unique characteristics.[45]

Price. Petitioners contend that all PTY is sold within a reasonable range of prices, which reflect slight variations in technical characteristics.[46] The Commission collected data concerning pricing of four PTY products; there was some variation in prices among the domestically produced products, but domestic products generally exhibited some overlap in prices.[47]

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[43] Petitioners Postconference Brief at 5 and Conference Transcript, EDIS Doc. 726275 at 17–18.

[44] CR/PR at II-8.

[45] Petitioners Postconference Brief at 6 and Conference Transcript, EDIS Doc. 726275 at 18 (Nations).

[46] Petitioners Postconference Brief at 6 and Exhibit 10.

[47] CR/PR at V-4 and Tables V-3 to V-11.

Conclusion. Based on the record in the preliminary phase of these investigations, we define a single domestic like product that is coextensive with the scope, consisting of all PTY. All PTY shares the same physical characteristics; it is made of polyester, comprised of continuous filaments, and has a textured surface. These key characteristics of PTY distinguish it from other textile products, such as polyester fibers and non-textured yarn, which would not be suitable for the same end uses as PTY. PTY is generally sold in the same channels of distribution to textile manufacturers. Further, notwithstanding different levels of integration among U.S. producers, the production process for PTY is the same, and it is produced on equipment that is largely dedicated to the production of PTY. In addition, producers and customers perceive PTY to be a unique product that is not interchangeable with other products that lack its unique characteristics.

Although there may be some variations in PTY products, the record in the preliminary phase of these investigations does not indicate that there are clear dividing lines among these types of PTY.[48] In light of these considerations, and the lack of any contrary argument, we define a single domestic like product consisting of PTY that is coextensive with the scope.

[48] In investigations such as these where domestically manufactured merchandise is made up of a grouping of similar products or involves specialty products, the Commission does not consider each item of merchandise to be a separate domestic like product that is only "like" its identical counterpart in the scope. Rather, the Commission considers the grouping itself to constitute the domestic like product and "disregards minor variations," absent a "clear dividing line" between particular products in the group. *See*, *e.g.*, *Fine Denier Polyester Staple Fiber From China, India, Korea, and Taiwan*, Inv. Nos. 701-TA-579-580 and 731-TA-1369-1372 (Preliminary), USITC Pub. 4709 (July 2017) at 7–9.

IV. Domestic Industry and Related Parties

The statute defines the relevant industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the product."[49] 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.

These investigations raise the issue of whether appropriate circumstances exist to exclude two domestic producers from the domestic industry pursuant to the related parties provision. Section 771(4)(B) of the Tariff Act allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise, or which are themselves importers.[50] In these investigations, two U.S. producers (*** and ***) are subject to possible exclusion pursuant to the related parties provision because each imported subject merchandise during the POI.[51]

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[49] 19 U.S.C. § 1677(4)(A)

[50] 19 U.S.C. § 1677(4)(B). 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. United States Int'l Trade Comm'n*, 100 F. Supp.3d 1314, 1326–31 (Ct. Int'l. Trade 2015); *see also Torrington Co. v. United States*, 790 F. Supp. at 1168.

[51] CR/PR at Table III-8. *** is affiliated with a producer of PTY in Vietnam (***). CR/PR at Table III-2. The record does not indicate that *** exported subject merchandise to the United States during

We discuss below whether appropriate circumstances exist to exclude any producer from the domestic industry pursuant to the related parties provision.[52]

***. *** was the *** domestic producer in 2019, accounting for *** percent of domestic production of PTY during that year.[53] It imported *** pounds of subject imports in 2017 and *** pounds in 2018; it *** subject merchandise in 2019 or January-June ("interim") 2020.[54] These imports were equivalent to *** percent of its U.S. production of PTY in 2017 and *** percent in 2018.[55] *** states that it imported subject merchandise ***.[56]

We find that appropriate circumstances do not exist to exclude *** from the domestic industry. ***'s primary interest is in domestic production as it accounts for *** of U.S. PTY production and its U.S. production was substantially larger than the quantity of subject merchandise that it imported. In addition, no party has argued for it to be excluded from the domestic industry.

***. *** was the *** domestic producer in 2019, accounting for *** percent of domestic production of PTY during that year.[57] Its imports of subject merchandise declined over the POI, from *** pounds in 2017 to *** pounds in both 2018 and 2019; it imported ***

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the POI. *Id.*; *see also* Petitioner Postconference Brief, Exhibit 4 at para. 8. Therefore, the record indicates that *** is not subject to exclusion pursuant to the related party provision. 19 U.S.C. § 1677(4)(B).

[52] Petitioners argue that appropriate circumstances do not exist to exclude *** from the domestic industry because its primary interest is in domestic production. Petitioners further contend that this producer *** and accounts for a ***. Petitioners Postconference Brief at 6–7 and Responses to Questions, Exhibit 1 at 3–4. Promptex takes no position on the definition of the domestic industry. Promptex Postconference Brief at 3.

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

[54] CR/PR at Table III-8.

[55] CR/PR at Table III-8.

[56] CR/PR at Table III-8.

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

pounds in interim 2019 and interim 2020.[58] These imports were equivalent to *** percent of its U.S. production of PTY in 2017, *** percent in 2018, and *** percent in 2019.[59] It explained that it imports subject merchandise ***.[60]

We find that appropriate circumstances do not exist to exclude *** from the domestic industry. ***'s primary interest is in domestic production as its U.S. production of PTY was substantially larger than the quantity of subject merchandise that it imported, and its imports declined over the POI and were *** in interim 2020. In addition, no party has argued for it to be excluded from the domestic industry.

Thus, for the purposes of the preliminary phase of these investigations, we define the domestic industry to include all U.S. producers of PTY.

V. Negligible Imports

Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition generally shall be deemed negligible.[61]

Imports from each subject country exceed the statutory negligibility threshold. Specifically, for the 12-month period (October 2019 through September 2020) preceding the

[58] CR/PR at Table III-8. *** imported subject merchandise from *** from 2017 to 2019 and from *** in 2019. *Id*.

[59] CR/PR at Table III-8.

[60] CR/PR at Table III-8.

[61] 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B); *see also* 15 C.F.R. § 2013.1 (developing countries for purposes of 19 U.S.C. § 1677(36)). The exceptions to this general rule are not applicable here.

filing of the petitions, subject imports from Indonesia accounted for 16.1 percent of the quantity of total imports of PTY, subject imports from Malaysia accounted for 13.2 percent, subject imports from Thailand accounted for 14.4 percent, and subject imports from Vietnam accounted for 8.8 percent.[62] We therefore find that imports from each subject country are not negligible.

VI. Cumulation

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

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

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

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

(4) whether the subject imports are simultaneously present in the market.[63]

[62] CR/PR at IV-5.

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

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.[64] Only a "reasonable overlap" of competition is required.[65]

Based on the record of the preliminary phase of these investigations, we consider subject imports from Indonesia, Malaysia, Thailand, and Vietnam on a cumulated basis, because the statutory criteria for cumulation are satisfied.[66] As an initial matter, Petitioners filed the antidumping duty petitions with respect to imports from all four subject countries on the same day, October 28, 2020.[67] We also find that there is a reasonable overlap in competition between and among the domestic like product and subject imports from each of the subject countries, for the reasons described below.

Fungibility. The record indicates that in all comparisons between the domestic like product and imports from subject sources and between imports from different subject sources, the majority of U.S. producers found the products "always" interchangeable. Majorities of

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

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

[66] Petitioners argue that the Commission should cumulate imports from all four subject countries for purposes of its material injury analysis because the petitions in these investigations were all filed on the same day and there is a reasonable overlap of competition between subject imports from each source and the domestic like product. *See* Petitioners Postconference Brief at 9–12. No respondent made any arguments related to cumulation. *See* Promptex Postconference Brief at 3 (expressing no position with respect to cumulation in the preliminary phase of the investigations).

[67] None of the statutory exceptions to cumulation applies.

importers found imports from each subject country "always" or "frequently" interchangeable with PTY from other subject countries in all comparisons. Importers' perceptions of interchangeability of domestic and subject products varied: the numbers of importers finding domestic and subject products "always" or "frequently" interchangeable was seven of 14 when comparing the domestic product with subject imports from Indonesia, six of nine with subject imports from Malaysia, five of nine with subject imports from Thailand, and four of nine when comparing subject imports from Vietnam. In all comparisons a majority of importers found the domestic product and imports from subject sources at least "sometimes" interchangeable.[68]

The record indicates at least some overlap in product types. U.S. producers and U.S. importers of PTY from each subject source reported U.S. shipments of PTY in three of six denier size ranges in 2019.[69] Moreover, there were pricing observations for the domestically produced product and for imports from each of the subject countries for two of the four pricing products.[70]

Channels of Distribution. The domestic like product and subject imports from each subject country shared the same main channel of distribution. Throughout the POI the *** of U.S. shipments of domestically produced PTY and importers' shipments of PTY from each subject country were to textile manufacturers.[71]

Geographic Overlap. During the POI, the domestic like product was sold in all regions of the contiguous United States, as were subject imports from Thailand, while subject imports

[68] CR/PR at Table II-6.
[69] CR/PR at IV-6 and Table IV-3.
[70] CR/PR at Tables V-3 to V-4.
[71] CR/PR at Table II-1.

from Indonesia, Malaysia, and Vietnam were sold in the Northeast, Southeast, and Pacific Coast regions.[72] Accordingly, there were multiple geographic areas in which the domestic like product and imports from all subject sources competed.

Simultaneous Presence in Market. Subject imports from Indonesia, Malaysia, and Thailand were present in the U.S. market during every month of the POI, and subject imports from Vietnam were present during 39 of 42 months.[73] The domestic like product was present in the U.S. market throughout the POI.[74]

Conclusion. Based on the foregoing considerations and the lack of contrary argument, we find that there is a reasonable overlap of competition between the domestic like product and imports from each subject country and between imports from each subject country. Additionally, as noted, the relevant antidumping duty petitions were filed on the same day. Accordingly, for our analysis of whether there is a reasonable indication of material injury by subject imports, we cumulate subject imports from Indonesia, Malaysia, Thailand, and Vietnam.

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

A. Legal Standard

In the preliminary phase of antidumping and countervailing duty investigations, the Commission determines whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.[75] In making this determination, the Commission must consider the volume of

[72] CR/PR at Table II-2.
[73] *See* CR/PR at Table IV-6.
[74] *See* CR/PR at Tables V-3 to V-6.
[75] 19 U.S.C. §§ 1671b(a), 1673b(a).

subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[76] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[77] In assessing whether there is a reasonable indication that the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[78] No single factor is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[79]

Although the statute requires the Commission to determine whether there is a reasonable indication that the domestic industry is "materially injured or threatened with material injury by reason of" unfairly traded imports,[80] it does not define the phrase "by reason of," indicating that this aspect of the injury analysis is left to the Commission's reasonable exercise of its discretion.[81] In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the "by reason of" standard must ensure that subject imports are more than a minimal or tangential

[76] 19 U.S.C. § 1677(7)(B). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each {such} factor ... and explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B).

[77] 19 U.S.C. § 1677(7)(A).

[78] 19 U.S.C. § 1677(7)(C)(iii).

[79] 19 U.S.C. § 1677(7)(C)(iii).

[80] 19 U.S.C. §§ 1671b(a), 1673b(a).

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

cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.[82]

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.[83] In performing its examination, however, the Commission need not isolate

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

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

the injury caused by other factors from injury caused by unfairly traded imports.[84] Nor does the "by reason of" standard require that unfairly traded imports be the "principal" cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.[85] It is clear that the existence of injury caused by other factors does not compel a negative determination.[86]

Assessment of whether material injury to the domestic industry is "by reason of" subject imports "does not require the Commission to address the causation issue in any particular way" as long as "the injury to the domestic industry can reasonably be attributed to the subject imports."[87] The Commission ensures that it has "evidence in the record" to "show that the

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

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

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

[87] *Mittal Steel*, 542 F.3d at 876 and 78; *see also id.* at 873 ("While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured 'by reason of' subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology."), *citing United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its

harm occurred 'by reason of' the LTFV imports," and that it is "not attributing injury from other sources to the subject imports."[88] The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed "rigid adherence to a specific formula."[89]

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.[90] Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.[91]

B. Conditions of Competition and the Business Cycle

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

1. Captive Production

We first consider the applicability of the statutory captive production provision.[92] Petitioners argue that the Commission should apply the captive production provision and focus

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decision in *Swiff-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission's causation analysis as comporting with the Court's guidance in *Mittal*.

[88] *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877–79. We note that one relevant "other factor" may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

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

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

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

[92] The captive production provision, 19 U.S.C. § 1677(7)(C)(iv), as amended by the Trade Preferences Extension Act of 2015, provides:

on the merchant market when analyzing the domestic industry's market share and financial performance.[93]

The captive production provision can be applied only if, as a threshold matter, significant production of the domestic like product is internally transferred and significant production is sold in the merchant market. In these investigations, commercial shipments accounted for between *** percent and *** percent and internal consumption accounted for between *** percent and *** percent of the domestic industry's U.S. shipments during each year and interim period of the POI.[94] We find that both internal consumption and merchant market shipments constitute significant portions of the market and, therefore, determine that the threshold criterion for application of the captive production provision has been met.

We also determine that the first statutory criterion has been met. This criterion focuses on whether any of the domestic like product that is transferred internally for further processing

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(iv) CAPTIVE PRODUCTION – If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that-

> (I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product, and
> (II) the domestic like product is the predominant material input in the production of that downstream article.

The SAA indicates that where a domestic like product is transferred internally for the production of another article coming within the definition of the domestic like product, such transfers do not constitute internal transfers for the production of a "downstream article" for purposes of the captive production provision. SAA at 853.

[93] Petitioner Postconference Brief at 12–15. No respondent took a position on this issue.

[94] CR/PR at Table III-6. We observe that the industry's internal consumption percentages are potentially understated because two U.S. producers that are understood to internally consume PTY did not submit questionnaire responses in the preliminary phase of these investigations. CR/PR at III-12.

is in fact sold on the merchant market.[95] No domestic producer reported diverting PTY that was to be internally consumed to the merchant market.[96]

In applying the second statutory criterion, the Commission generally considers whether the domestic like product is the predominant material input into a downstream product by referring to its share of the raw material cost of the downstream product, but has also construed "predominant" material input to mean the main or strongest element, and not necessarily a majority, of the inputs by value.[97] In these investigations, Petitioners report that PTY comprises between *** percent and *** percent of the finished cost of downstream products.[98] *** reports that PTY it internally consumes comprises *** percent of the total manufacturing cost of downstream products; because the remaining *** percent of total manufacturing costs are inclusive of conversion costs, it does not suggest that there are other raw material inputs of equal or greater value.[99] The record indicates that PTY constitutes a majority of the cost in some downstream products, while in others it is the predominant material input cost. Consequently, on balance, we find that this criterion is also satisfied.

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[95] *See*, *e.g.*, *Hot-Rolled Steel Products from Argentina and South Africa*, Inv. Nos. 701-TA-404, 731-TA-898, 905 (Final), USITC Pub. 3446 at 15–16 (Aug. 2001); *Certain Cold-Rolled Steel Products from Argentina, Brazil*, *China*, *Indonesia*, *Japan*, *Russia*, *Slovakia*, *South Africa*, *Taiwan*, *Turkey and Venezuela*, Inv. Nos. 701-TA-393 and 731-TA-829-40 (Final) (Remand), USITC Pub. 3691 at 2 and n.19 (May 2004).

[96] CR/PR at III-12.

[97] See generally, e.g., Polyethylene Terephthalate Film, Sheet and Strip from Brazil, China, Thailand, and the United Arab Emirates, Inv. Nos. 731-TA-1131-1134 (Final), USITC Pub. 4040 (Oct. 2008) at 17, n.103; Polyethylene Terephthalate Film, Sheet, and Strip from India and Taiwan, Inv. Nos. 701-TA-415 and 731-TA-933-34 (Final), USITC Pub. 3518 (June 2002) at 11 and n.51; Polyvinyl Alcohol from Germany and Japan, Inv. Nos. 731-TA-1015-16 (Final), USITC Pub. 3604 (June 2003) at 15, n.69.

[98] CR/PR at III-13.

[99] *** U.S. Producers Questionnaire, EDIS Docs. 724899 (response to question II-15); 727238 (Follow-Up to Part II).

We conclude that the criteria for application of the captive production provision are satisfied in these investigations. Accordingly, we focus primarily on the merchant market in analyzing the market share and financial performance of the domestic industry.

2. Demand Conditions

U.S. demand for PTY depends on demand for the downstream products in which it is used. While as noted above, the vast majority of domestically produced PTY is sold directly to textile manufacturers of one type or another, such as automobile textile manufacturers,[100] PTY is ultimately used in a variety of end uses including apparel, automotive seating and upholstery, bedding, medical supplies and devices, industrial materials, and home textiles and furnishings.[101]

Market participants provided mixed perceptions of U.S. demand trends during the POI. Petitioners contended that demand for PTY fluctuated but declined overall.[102] Promptex argues that the domestic industry's success depends on the strength of the automotive and textile/apparel industries, and Promptex contends that these sectors have experienced decreased demand due to the COVID-19 pandemic.[103] Among responding market participants, an equal number of U.S. producers (*** each) reported that U.S. demand for PTY increased or decreased while *** reported it did not change during the POI.[104] The majority of importers (***) reported that U.S. demand for PTY decreased or fluctuated, and the remainder (***)

[100] CR/PR at Table II-1; *see also* Petitioners Postconference Brief at 5 and Exhibit 9.
[101] CR/PR at I-3, I-5, II-1.
[102] Petitioners Postconference Brief at 15; *see also* Conference Transcript at 48 (Mangaldas).
[103] Promptex Postconference Brief at 7–8.
[104] CR/PR at Table II-4. We will explore in any final phase of these investigations why there appeared to be an overall decline in U.S. demand for PTY, even prior to COVID-19 pandemic. *See* CR/PR at Tables IV-7 and IV-8; Conference Transcript, EDIS Doc. 726275 at 48 (Mangaldas).

reported that U.S. demand did not change or increased during the POI.[105] Apparent U.S. consumption in the merchant market for PTY decreased *** percent from 2017 to 2019. It was *** pounds in 2017, *** pounds in 2018, and *** pounds in 2019. Apparent U.S. consumption was *** pounds in interim 2019 and lower, at *** pounds, in interim 2020.[106]

3. Supply Conditions

During the POI, the domestic industry was the largest source of supply of PTY in the U.S. merchant market in two of the three full years, in 2017 and 2019.[107] The domestic industry's share of the U.S. merchant market declined from *** percent in 2017 to *** percent in 2018, and increased to *** percent in 2019. The domestic industry's share was *** percent in interim 2019 and higher, at *** percent, in interim 2020.[108] There were five reporting domestic producers; petitioner Unifi is *** percent of domestic PTY production in 2019.[109] As discussed above, the domestic industry captively consumes some of its production; all captive consumption is attributable to a single producer, ***.[110] The domestic industry's capacity

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

[106] CR/PR at Tables IV-8 and C-2. Apparent U.S. consumption in the total market for PTY decreased *** percent from 2017 to 2019. It was *** pounds in 2017, *** pounds in 2018, and *** pounds in 2019; it was *** pounds in interim 2019 and lower, at *** pounds, in interim 2020. CR/PR at Tables IV-7 and C-1.

[107] CR/PR at Tables IV-10 and C-2.

[108] CR/PR at Tables IV-10 and C-2. The domestic industry's share of the total U.S. market for PTY declined from *** percent in 2017 to *** percent in 2018, and then increased to *** percent in 2019; it was *** percent in interim 2019 and higher, at *** percent, in interim 2020. CR/PR at Tables IV-9 and C-1.

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

[110] CR/PR at III-6. As previously noted, there may be additional domestic producers that captively consume their production of PTY that did not respond to the Commission's questionnaire. *See* CR/PR at III-12.

showed little variation during the POI.[111] U.S. production of PTY was designated an essential industry during the COVID-19 pandemic and remained operational throughout 2020.[112]

Subject imports accounted for the smallest share of PTY in the U.S. merchant market from 2017 through 2019, but their share increased over the POI and was the second largest source of supply in interim 2020. Their share of the U.S. merchant market was *** percent in 2017, *** percent in 2018, *** percent in 2019, *** percent in interim 2019, and *** percent in interim 2020.[113]

Nonsubject imports' were generally the second largest source of supply in the U.S. merchant market, but this share declined over the POI.[114] Their share of the U.S. merchant market increased from *** percent in 2017 to *** percent in 2018, and declined to *** percent in 2019, below their share in 2017. Their share was *** percent in interim 2019 and lower, at *** percent, in interim 2020.[115]

The largest sources of nonsubject imports were China in 2017 and 2018 and Mexico in 2019.[116] The quantities of imports of PTY from China and India peaked in 2018.[117] Antidumping and countervailing duty petitions were filed on imports from these countries on October 18,

[111] CR/PR at Table III-4.

[112] CR/PR at II-8; Petitioners Postconference Brief at 17.

[113] CR/PR at Tables IV-10 and C-2. Subject imports' share of the total U.S. PTY market declined from *** percent in 2017 to *** percent in 2018, and increased to *** percent in 2019; it was *** percent in interim 2019 and higher, at *** percent, in interim 2020. CR/PR at Tables IV-9 and C-1.

[114] CR/PR at Tables IV-10 and C-2. In 2018, nonsubject imports accounted for a larger share of the merchant market than the domestic industry. *Id*.

[115] CR/PR at Tables IV-10 and C-2. Nonsubject imports' share of the total U.S. PTY market was *** percent in 2017, *** percent in 2018, and *** percent in 2019; it was *** percent in interim 2019 and *** percent in interim 2020. CR/PR at Tables IV-9 and C-1.

[116] Petitioners Postconference Brief at Exhibit 6.

[117] Petitioners Postconference Brief at Exhibit 6.

2018,[118] and imports from these countries have been subject to antidumping and countervailing duty cash deposits since mid-2019 and antidumping and countervailing duty orders since January 10, 2020.[119] The volume of nonsubject imports from Mexico and Taiwan both increased from 2018 to 2019 but were lower in interim 2020 than in interim 2019.[120]

4. Substitutability and Other Conditions

The record in the preliminary phase of these investigations indicates that there is a moderate to high degree of substitutability between domestically produced PTY and PTY from the subject sources.[121] As discussed in section VI above, in all comparisons between the domestic like product and imports from subject sources, the majority of U.S. producers found the products to be "always" interchangeable. Responding importers generally had varied perceptions of interchangeability of domestic and subject products.[122]

[118] *Polyester Textured Yarn from China and India*, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), USITC Pub. 5007 at 3 (Jan. 2020).

[119] Polyester Textured Yarn From the People's Republic of China and India: Countervailing Duty Orders, 85 Fed. Reg. 1301 (Jan. 10, 2020); Polyester Textured Yarn From India and the People's Republic of China: Amended Final Antidumping Duty Determination for India and Antidumping Duty Orders, 85 Fed. Reg. 1298 (Jan. 10, 2020). Liquidation of entries of PTY from China and India with respect to the countervailing duty and antidumping investigations were suspended on May 3, 2019 and July 1, 2019, respectively. See Polyester Textured Yarn From India: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination With Final Antidumping Duty Determination, 84 Fed. Reg. 19036 (May 3, 2019); Polyester Textured Yarn From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, and Alignment of Final Determination With Final Antidumping Duty Determination, 84 Fed. Reg 19040 (May 3, 2019); Polyester Textured Yarn From the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination and Extension of Provisional Measures, 84 Fed. Reg. 31297 (July 1, 2019); Polyester Textured Yarn From India: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Postponement of Final Determination and Extension of Provisional Measures, 84 Fed. Reg. 31301 (July 1, 2019).

[120] Petitioners Postconference Brief at Exhibit 6.

[121] CR/PR at II-8.

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

The record indicates that price is an important factor in purchasing decisions. In purchaser responses to the lost sales/lost revenue survey, price and quality were most frequently named (in seven of nine responses) as among the top three most important factors considered in purchasing decisions. Price was second most frequently named as the top purchasing factor and was tied as the most frequently named second most important purchasing factor.[123]

The parties agree that there are statutory provisions such as the Berry Amendment, which applies to sales for military end uses and government procurement contracts, that require use of domestically produced PTY in certain applications. In addition, preference programs under U.S. free trade agreements requires or encourages use of regional content.[124] For example, the Dominican Republic-Central America Free Trade Agreement ("CAFTA-DR") provides that only apparel using yarn and fabric from the United States, Central America, and the Dominican Republic qualifies for duty-free benefits under the agreement.[125] The U.S.-Mexico-Canada Agreement ("USMCA") has adopted similar sourcing requirements.[126]

U.S. producers of PTY have differing levels of production integration. Accordingly, they vary in terms of the form of primary inputs used to produce PTY.[127] The main input for PTY, however, is PET, which may be derived from virgin or recycled materials, and the main

[123] CR/PR at Table II-5.

[124] *See* Petitioners Postconference Brief at 20–21; Promptex Postconference Brief at 9–10, Exhibits 9–10, and 12; CR/PR at II-10 (perceptions of importers).

[125] Promptex Postconference Brief at Exhibit 12.

[126] Promptex Postconference Brief at Exhibits 9 and 10.

[127] CR/PR at I-7. Petitioner Nan Ya manufactures the PET chip, partially oriented yarn, and polyester textured yarn. In contrast, Petitioner Unifi purchases partially oriented yarn as a precursor to its PTY. *Id*. at n.28; Transcript, EDIS Doc. 726275 at 57 (Freeman and Ingle).

components of PET are monoethylene glycol and purified terephthalic acid.[128] PET resin prices fluctuated over the POI, increasing by over *** percent from January 2017 to September 2018, falling by more than *** percent from September 2018 to April 2020, and then increasing thereafter. Overall, PET resin prices fell 25 percent from January 2017 to June 2020.[129]

The domestic industry predominantly sold PTY though spot sales, which accounted for *** percent, of its U.S. commercial shipments in 2019, while spot sales accounted for only *** percent of importers' U.S. shipments. It sold the remaining *** percent of its U.S. commercial shipments through short-term contracts in 2019, and short-term contracts accounted for *** percent of importers' U.S. shipments.[130]

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[131]

Subject imports increased substantially over the POI, increasing 81.7 percent by volume from 2017 to 2019.[132] Subject imports particularly began to surge in 2019 when imports of PTY from China and India, then subject to antidumping and countervailing duty investigations,

[128] CR/PR at V-1; Conference Transcript, EDIS Doc. 726275 at 50 (Ingle).

[129] CR/PR at V-1. We intend in any final phase of these investigations to further explore raw material prices and trends. In this regard, we invite the parties to identify and provide any sources for information on raw material prices in comments on draft questionnaires for any final phase.

[130] CR/PR at Table V-2. Domestic producers' short-term contracts ranged from 30 to 90 days while importers' short-term contracts ranged from 30 to 180 days. CR/PR at V-3.

[131] 19 U.S.C. § 1677(7)(C)(i).

[132] The quantity of cumulated subject imports was 79.4 percent higher in interim 2020 than it was interim 2019. CR/PR at Tables C-1 and C-2.

declined in the U.S. market.[133] Cumulated subject imports' volume initially declined from 23.8 million pounds in 2017 to 21.6 million pounds in 2018, but then doubled to 43.3 million pounds in 2019. Cumulated subject import volume was 15.6 million pounds in interim 2019 and sharply higher, at 27.9 million pounds, in interim 2020.[134]

Subject imports' market penetration in the merchant market increased substantially during the POI, with their share by quantity increasing *** percentage points from 2017 to 2019. Subject imports' share of the merchant market was *** percent in 2017, *** percent in 2018, and *** percent in 2019. This share was *** percentage points higher in interim 2020, when it was *** percent, than it was in interim 2019, when it was *** percent.[135]

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

D. Price Effects of the Subject Imports

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

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

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[133] CR/PR at Table IV-2 and Petitioner Postconference Brief, Exhibit 6; Polyester Textured Yarn From India and the People's Republic of China: Amended Final Antidumping Duty Determination for India and Antidumping Duty Orders, 85 Fed. Reg 1298, 1300 (Jan. 10, 2020), and Polyester Textured Yarn From the People's Republic of China and India: Countervailing Duty Orders, 85 Fed. Reg 1301, 1302 (Jan. 10, 2020).

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

[135] CR/PR at Tables C-2 and IV-10. Cumulated subject imports' share of apparent U.S. consumption in the total market declined from *** percent in 2017 to *** percent in 2018 and then increased to *** percent in 2019, an increase of *** percentage points from 2017 to 2019. Cumulated subject imports' share of the total market was *** percent in interim 2019 and higher, at *** percent, in interim 2020. CR/PR at Table C-1, Table IV-9. Thus, in both the merchant and total markets, subject import market penetration *** during the three-year POI and *** in the interim period.

> (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[136]

As discussed above in section VII.B.4., for purposes of the preliminary phase of these investigations, we find that there is a moderate to high degree of substitutability between cumulated subject imports and the domestic like product and that price is an important factor in purchasing decisions.

We have examined several sources of information in our underselling analysis. These include pricing data, import purchase cost data, and responses by purchasers to the Commission's lost sales/lost revenue questionnaire survey ("LSLR Survey").

The Commission collected quarterly f.o.b. pricing data on sales of four PTY products shipped to unrelated U.S. customers during the POI.[137] Five U.S. producers and seven importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[138] The pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. commercial shipments of PTY in 2019, *** percent of U.S. commercial shipments of subject imports from Indonesia, *** percent of U.S. commercial shipments of subject imports from Malaysia, *** percent of U.S. commercial shipments of subject imports from Thailand, and *** percent of U.S. commercial shipments of

[136] 19 U.S.C. § 1677(7)(C)(ii).

[137] CR/PR at V-4. The four pricing products are: **Product 1.**--Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY; **Product 2.**--Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY; **Product 3.**--Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY; **Product 4.**-- Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY. *Id*.

[138] CR/PR at V-4.

subject imports from Vietnam in 2019.[139] Importers did not report pricing data for subject ***.[140]

The pricing data show that subject imports undersold the domestic like product in 41 out of 69 (or 59.4 percent of) quarterly comparisons at margins ranging between 0.3 and 69.3 percent, and an average underselling margin of 27.6 percent.[141] Subject imports oversold the domestic like product in the remaining 28 quarterly comparisons (or 40.5 percent) at margins ranging between 1.9 and 243.6 percent, and an average overselling margin of 58.6 percent.[142] The pricing data reflect that the vast majority of subject imports (4.7 million pounds) were associated with quarters of underselling, as compared to only 97,757 pounds of subject imports associated with quarters of overselling.[143] Thus, prices for the subject imports were lower than prices for the domestic product in the majority of quarterly comparisons involving a substantial majority of the quantity of subject imports for which pricing data were reported.

The Commission also requested that firms that imported PTY from the subject countries for their own use provide quarterly purchase cost data for the four pricing products.[144] Three importers reported usable import purchase cost data, although none of the firms reported

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[139] CR/PR at V-5.

[140] CR/PR at Tables V-3 to V-6. Pricing data for subject imports from Indonesia for products 3 and 4 and from Malaysia for products 2 and 4 were only available for interim 2020. *See* CR/PR at Tables V-4 to V-6. Importer ***, which was the importer of the *** during the POI, stated that it was ***. CR/PR at V-5.

We encourage parties to provide in their comments on the draft final phase questionnaires proposed pricing product definitions that may provide higher coverage for U.S. importers' sales and purchase cost data of PTY from each of the subject countries, as well as a greater number of pricing comparisons between domestic product and subject imports.

[141] CR/PR at Table V-12.

[142] Most overselling occurred early in POI. Notably, ***. *See* CR/PR at V-5, nn. 7 and 8, and V-26.

[143] CR/PR at Table V-12.

[144] CR/PR at V-14.

purchase costs for all products for all quarters.[145] Purchase cost data reported by these firms accounted for approximately *** percent of reported purchases for internal consumption of subject imports from Indonesia and *** percent of reported purchases for internal consumption of subject imports from Malaysia in 2019.[146] U.S. importers of PTY from Thailand and Vietnam did not report purchase cost data.[147] The purchase cost data indicate that landed duty-paid costs for subject imports were below the sales price for U.S. produced PTY in 18 of 24 (or 75.0 percent of) quarterly comparisons (involving a total of 4.3 million pounds of subject imports), by differentials ranging from 0.1 to 62.3 percent, with an average price-cost differential of 19.9 percent.[148] Landed duty-paid costs for subject imports were above the sales price for U.S. produced PTY in six of 24 (or 25.0 percent of) quarterly comparisons (involving a total of 514,437 pounds of subject imports), at differentials ranging from 0.0 to 268.3 percent, with an average price-cost differential of 45.7 percent.[149] Thus, purchase costs for the subject imports were lower than prices for the domestic product in the large majority of quarterly comparisons involving a substantial majority of the quantity of subject imports for which purchase cost data were reported.

We recognize that the import purchase cost data may not reflect the total cost of importing and therefore requested that direct importers provide additional information regarding the costs and benefits of directly importing PTY. None of the three importers

[145] CR/PR at V-14.

[146] CR/PR at V-14. For that year, reported purchase cost data accounted for *** percent of U.S. importers' reported shipments of imports from Indonesia, and a similar *** percent of U.S. importers' reported shipments of imports from Malaysia. CR/PR at V-14, n.13.

[147] CR/PR at V-14.

[148] CR/PR at Table V-13.

[149] CR/PR at Table V-13.

reported that they incurred additional costs beyond landed duty-paid costs of importing PTY directly rather than purchasing from a U.S. producer or importer.[150] Two of three responding importers reported that the cost of direct importing themselves was less than the cost of purchasing from a U.S. producer or importer.[151] One importer estimated that it saved between *** percent by importing PTY itself instead of purchasing from domestic producers or U.S. importers.[152]

We have also considered information purchasers provided in their responses to the LSLR Survey. Commission staff contacted 21 purchasers and received responses from nine purchasers.[153] Six purchasers reported that since 2017 they had purchased subject imports from Indonesia, Malaysia, Thailand, or Vietnam instead of U.S.-produced product. Six of these nine purchasers reported that subject imports were priced lower than the domestic like product.[154] Three purchasers stated that price was a primary reason they purchased subject imports rather than the domestic like product, and these purchasers reported purchasing *** pounds of subject imports instead of the domestic like product.[155]

The overall data on the record indicate that cumulated subject imports were generally available at lower prices than domestically produced PTY. Given the substitutability of the

[150] CR/PR at V-14.
[151] CR/PR at V-14 to V-15.
[152] CR/PR at V-15.
[153] CR/PR at V-27.
[154] CR/PR at V-28.
[155] CR/PR at V-28. We acknowledge that some purchasers identified the domestic industry's inability to supply the products they desired as a reason for purchasing subject imports rather than the domestic like product. CR/PR at V-28 and Table V-15. Petitioners argue that the domestic industry can supply purchasers with the full range of PTY products. Petitioners Postconference Brief at 31–32 and Conference Transcript at 16–17 (Nations) (domestic industry offers all specialty types of PTY). In any final phase of the investigations, we will examine further any differences in product range between the domestic industry and the subject imports.

products and the importance of price in purchasing decisions, we find, for purposes of these preliminary determinations, that there has been significant price underselling by the subject imports. The preliminary phase record indicates that this underselling caused the domestic industry to lose sales to the cumulated subject imports, and allowed subject imports to gain most of the market share vacated by imports from China and India in 2019 following initiation of antidumping and countervailing duty investigations on those countries, thus preventing the domestic industry from being able to achieve the magnitude of market share gains it reasonably could have expected on account of that decline.[156]

We have also examined available data on price trends. Prices for domestically produced products 1 and 2 were higher during the second quarter of 2020 than in the first quarter of 2017 and prices for products 3 and 4 were lower at the end of the POI than at its beginning.[157] Pricing trends for subject imports cannot generally be discerned because of their intermittent presence and small shipment quantities in the reported pricing data for many of the imported subject products.[158]

The record shows that prices declined for three of the four domestically produced products (products 1, 2, and 4) after the first quarter of 2019.[159] While subject import volumes

[156] CR/PR at Table C-2 and Petitioners Postconference Brief at Exhibit 6 (showing imports of PTY from China and India from 2017 through interim 2020 and corresponding market share). In the merchant market, subject imports gained *** percentage points of the *** percentage points market share that nonsubject imports vacated from 2018 to 2019, while the domestic industry gained only *** percentage points. CR/PR at Table C-2.

[157] CR/PR at Table V-11.

[158] *See* CR/PR at Tables V-3 to V-10. For those pricing products with the most recurring volumes of subject imports, the available data indicate that prices for subject imports of product 2 from Vietnam peaked in the fourth quarter of 2018 and declined thereafter, and that purchase costs for subject imports of product 4 from Indonesia peaked in the first quarter of 2019 and declined irregularly thereafter. *See* CR/PR at Tables V-4 and V-10.

[159] *See* CR/PR at Tables V-3 to V-6.

increased over this time period, demand in the merchant market also fell. It declined by *** percent from 2018 to 2019 and was *** percent lower in interim 2020 than in interim 2019.[160] Unit raw material costs for domestic merchant market producers also declined from 2018 to 2019 and were lower in interim 2020 than in interim 2019.[161] The declines in prices for domestically produced products thus coincide with both the surge in subject imports after the first quarter of 2019 and the declines in apparent U.S. consumption and unit raw material costs during the latter portion of the POI.[162]

We also have considered whether subject imports prevented U.S. price increases that would otherwise have occurred to a significant degree. Domestic merchant market producers' ratio of cost of goods sold ("COGS") to sales generally rose during the POI. This ratio increased from *** percent in 2017 to *** percent in 2018 and *** percent in 2019, and was higher in interim 2020, when it was *** percent, than in interim 2019, when it was *** percent.[163] [164] Nevertheless, the record is unclear whether domestic producers could have otherwise reasonably expected to pass on these rising costs. As previously discussed, merchant market

[160] CR/PR at Table C-2.

[161] CR/PR at Table VI-3.

[162] No purchasers reported reductions in prices for the domestically produced products due to subject import competition. CR/PR at V-28.

[163] CR/PR at Table VI-3. Domestic producers' COGS to net sales ratio in the total market followed a similar trend. CR/PR at Table VI-1. We also note that in the investigations of *PTY from China and India*, we found that imports from China and India had suppressed domestic prices to a significant degree from 2016 to 2018, as evidenced by raw material costs and units COGS rising more than domestic prices over this period. *Polyester Textured Yarn from China and India*, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), USITC. Pub. 5007 at 31 (Jan. 2020) ("*PTY from China and India Determinations*"). Thus, domestic producers' costs in 2017 and 2018 represented rising levels compared to sales values supported a finding of price suppression in these prior investigations.

[164] The average unit value ("AUV") for commercial sales in the merchant market increased from 2017 to 2018, did not change from 2018 to 2019, and was lower in interim 2020 than in interim 2019. CR/PR at Table VI-3. From 2017 to 2018, the differential between the increase in average unit sales values and the increase in average unit COGS was small. *Id*.

consumption was falling during this time, including declining *** percent between 2018 and 2019 and *** percent between interim 2019 and interim 2020.[165] Unit raw material costs, which constituted the largest share of domestic merchant market producers' total COGS, increased from 2017 to 2018, but declined somewhat in 2019 and were lower in interim 2020 than in interim 2019.[166] In any final phase of these investigations, we will further examine the extent to which subject imports may have caused price declines or prevented price increases that otherwise would have occurred.[167]

Based on the current record, we find that significant underselling caused the domestic industry to lose sales to subject imports and be unable to achieve the magnitude of market share gains it reasonably could have expected in 2019 as imports from China and India declined following initiation of antidumping and countervailing duty investigations in 2018. We

[165] CR/PR at Table IV-10.

[166] CR/PR at Table VI-3. Merchant market producers' total unit COGS rose from 2018 to 2019 and were lower in interim 2020 than in interim 2019. *Id*. Notwithstanding the slight declines in unit raw material costs at the end of the POI, we note that overall unit raw material costs remained higher in 2019 than in 2017.

[167] Chair Kearns finds that, for purposes of these preliminary determinations, subject imports prevented price increases that otherwise might have occurred to a significant degree. As an initial matter, the Commission found in investigations of PTY from China and India that from 2016 to 2018 domestic producers' costs increased more than their prices, and that imports of PTY from China and India had prevented further price increases over this time. *PTY from China and India Determinations*, at 31. Thus, domestic producers' prices in 2017 and 2018 in these investigations were already at levels suppressed by imports from China and India, and domestic producers' costs, including the average unit COGS and ratio of COGS to net sales, continued to increase in 2019. CR/PR at Table VI-3. While apparent consumption declined in 2019 and interim 2020, Chair Kearns nonetheless finds that the record indicates that domestic producers would have increased prices in 2019 and interim 2020 given their protracted cost/price squeeze were it not for the significant increase in lower-priced subject imports over this time. While Chair Kearns finds that the record supports price suppression for purposes of these preliminary determinations, he concurs that the interplay of subject import pricing and declining demand warrants further investigation in any final phase of these investigations.

therefore find for purposes of these preliminary determinations that subject imports have had significant price effects.

E. Impact of the Subject Imports[168]

Section 771(7)(C)(iii) of the Tariff Act provides that the Commission, in examining the impact of the subject imports on the domestic industry, "shall evaluate all relevant economic factors which have a bearing on the state of the industry." These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debt, research and development ("R&D"), and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[169]

The domestic industry's output indicators generally declined throughout the POI.[170] The domestic industry's capacity remained relatively constant throughout the POI: it was *** pounds in 2017, *** pounds in 2018 and 2019, and *** pounds in interim 2019 and interim 2020.[171] Production decreased by *** percent from 2017 to 2019, declining from *** pounds

[168] In its notice of initiation, Commerce reported estimated dumping margins of 26.07 percent for imports from Indonesia, 75.13 percent for imports from Malaysia, 56.80 percent for imports from Thailand, and 54.13 percent for imports from Vietnam. *Commerce Initiation Notice*, 85 Fed. Reg. at 74683.

[169] 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act ("TPEA") of 2015, Pub. L. 114-27.

[170] Also informing our analysis in these investigations is that the domestic industry's production and performance data for 2017 and 2018 were for a period in which the Commission found the domestic industry to be materially injured by reason of imports of PTY from China and India. *PTY from China and India Determinations*, at 32–36.

[171] CR/PR at Table III-4.

in 2017 to *** pounds in 2018 and *** pounds in 2019; it was *** pounds in interim 2019 and lower, at *** pounds, in interim 2020.[172] Capacity utilization also decreased by *** percentage points from 2017 to 2019, declining from *** percent in 2017 to *** percent in 2018 and *** percent in 2019; it was *** percent in interim 2019 and lower, at *** percent, in interim 2020.[173]

The domestic industry's commercial U.S. shipments decreased from 2017 to 2019 by *** percent, declining from *** pounds in 2017 to *** pounds in 2018 and *** pounds in 2019; they were *** pounds in interim 2019 and lower, at *** pounds, in interim 2020.[174] End-of-period inventories decreased *** percent from 2017 to 2019, and were *** pounds in 2017, *** pounds in 2018, and *** pounds in 2019; they were *** pounds in interim 2019 and lower, at *** pounds, in interim 2020.[175] The domestic industry's share of the U.S. merchant market decreased by *** percentage points from 2017 and 2019, declining from *** percent in 2017 to *** percent in 2018, and increasing to *** percent in 2019; it was *** percent in interim 2019 and higher, at *** percent, in interim 2020.[176]

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[172] CR/PR at Table III-4.

[173] CR/PR at Table III-4.

[174] CR/PR at Tables C-2 and III-6. Internal consumption and total shipments also declined throughout the POI. Internal consumption was *** pounds in 2017, *** pounds in 2018, *** pounds in 2019, *** pounds in interim 2019, and *** pounds in interim 2020. The domestic industry's total shipments were *** pounds in 2017, *** pounds in 2018, *** pounds in 2019, *** pounds in interim 2019, and *** pounds in interim 2020. CR/PR at Table III-6. We note that part of the reason for the decline in the domestic industry's total shipments was that U.S. producers' export shipments decreased from *** million pounds in 2017 to *** million pounds in 2018 and *** million pounds in 2019, and were lower in interim 2020 at *** million pounds than in interim 2019 at *** million pounds. CR/PR Table III-6.

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

[176] CR/PR at Tables C-2 and IV-10. The domestic industry's share of apparent U.S. consumption in the total market decreased from *** percent in 2017 to *** percent in 2018 and rose to *** percent in 2019; it was *** percent in interim 2019 and higher, at *** percent, in interim 2020. CR/PR at Table C-1, Table IV-9.

The domestic industry's employment indicators were mixed during the POI. Employment rose by *** percent from 2017 to 2019, decreasing from *** production-related workers ("PRWs") in 2017 to *** PRWs in 2018, and increasing to *** PRWs in 2019. There were *** PRWs in interim 2019 and fewer, ***, in interim 2020.[177] Total hours worked increased from *** in 2017 to *** in 2018 and *** in 2019; there were *** hours worked in interim 2019 and fewer, ***, in interim 2020.[178] Wages paid rose from $*** in 2017 to $*** in 2018 and $*** in 2019; they were $*** in interim 2019 and lower, at $***, in interim 2020.[179] Hourly wages declined from $*** in 2017 to $*** in 2018 and $*** in 2019; they were $*** in interim 2019 and higher, $***, in interim 2020.[180] Productivity in pounds per hour declined throughout the POI; it was *** in 2017, *** in 2018, *** in 2019, *** in interim 2019 and *** in interim 2020. Unit labor costs increased throughout the POI; they were $*** per pound in 2017, $*** per pound in 2018, $*** per pound in 2019, $*** per pound in interim 2019, and $*** per pound in interim 2020.[181]

Merchant market producers' financial indicia generally deteriorated during the POI; revenues and all measures of profitability declined during each calendar year and were lower in interim 2020 than in interim 2019.[182] Commercial sales revenues were $*** in 2017, $*** in 2018, and $*** in 2019; they were $*** in interim 2019 and $*** in interim 2020.[183] Total

[177] CR/PR at Table III-8. *Id*.

[178] CR/PR at Table III-9. Hours worked per PRW were *** hours in 2017, *** hours in 2018, *** hours in 2019, *** hours in interim 2019, and *** hours in interim 2020. *Id.*

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

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

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

[182] This was true in both the merchant market and the total market. CR/PR at Tables VI-1 and VI-3.

[183] CR/PR at Table VI-3. In the overall market, net sales revenues were $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019, and $*** in interim 2020. CR/PR at Table VI-1.

COGS were $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019 and $*** in interim 2020.[184] Gross profits were $*** in 2017, $*** in 2018, and $*** in 2019; they were $*** in interim 2019 and $*** in interim 2020.[185] Operating income was $*** in 2017, $*** in 2018, and $*** in 2019; it was $*** in interim 2019 and $*** in interim 2020.[186] Operating income as a ratio to commercial sales was *** percent in 2017, *** percent in 2018, and *** percent in 2019; it was *** percent in interim 2019 and *** percent in interim 2020.[187] Net income was $*** in 2017, $*** in 2018, and $*** in 2019; it was $*** in interim 2019 and $*** in interim 2020.[188]

The domestic industry's capital expenditures decreased from $*** in 2017 to $*** in 2018 and $*** in 2019; they were $*** in interim 2019 and lower, at $***, in interim 2020. R&D expenditures increased from 2017 to 2019 and were $*** in 2017, $*** in 2018, and $*** in 2019; they were $*** in interim 2019 and lower, at $***, in interim 2020. The domestic industry's total net assets increased from $*** in 2017 to $*** in 2018, and decreased to $*** in 2019. The industry's operating return on assets was *** percent in 2017, *** percent in

[184] CR/PR at Table VI-3. In the total market, COGS were $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019, and $*** in interim 2020. CR/PR at Table VI-1.

[185] CR/PR at Table VI-3. In the total market, gross profits were $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019, and $*** in interim 2020. CR/PR at Table VI-1.

[186] CR/PR at Table VI-3. In the total market, operating income was $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019, and $*** in interim 2020. CR/PR at Table VI-1.

[187] CR/PR at Table VI-3. In the total market, the operating ratio was *** percent in 2017, *** percent in 2018, *** percent in 2019, *** percent in interim 2019, and *** percent in interim 2020. CR/PR at Table VI-1.

[188] CR/PR at Table VI-3. In the total market, net income was $*** in 2017, $*** in 2018, $*** in 2019, $*** in interim 2019, and $*** in interim 2020. CR/PR at Table VI-1.

2018, and *** percent in 2019.[189] Three of five domestic producers reported that the subject imports had negative effects on their investment and on their growth and development.[190]

The volume of cumulated subject imports was significant during the POI and surged in 2019 and interim 2020 following the decline of imports of PTY from China and India, which were subject to investigations that ultimately led to the imposition of antidumping and countervailing duties on these imports. In the merchant market, the market penetration of cumulated subject imports more than doubled from 2018 to 2019 and was over twice as large in interim 2020 as in interim 2019.[191] Moreover, cumulated subject imports significantly undersold the domestic like product. As a result, subject imports took sales from the domestic industry and gained most of the market share vacated by nonsubject imports following initiation of antidumping and countervailing duty investigations with respect to imports from China and India. The domestic industry, therefore, was unable to achieve the magnitude of market share gains it reasonably could have expected after the decline of nonsubject imports from China and India, and, consequently, it would have had greater production, shipments, and revenue than it obtained in 2019 and interim 2020 were it not for the increasing presence of low-priced subject imports. The record of the preliminary phase of these investigations thus indicates that the significant volumes of low-priced subject imports caused the domestic industry's output and revenues to be lower than they would have been otherwise. This caused the domestic industry's financial performance to deteriorate sharply towards the end of the

[189] CR/PR at Table VI-7.

[190] CR/PR at Tables VI-9-10.

[191] CR/PR at Table IV-10. There were also substantial increases in cumulated subject import penetration in the total market. CR/PR at Table IV-9.

POI, in both the merchant market and the total market, with domestic producers showing *** operating income and net income in 2019 and interim 2020, although, as noted above, this deterioration also coincided with a sharp decrease in apparent consumption.[192]

We have also considered whether there are other factors that may have had an impact on the domestic industry to ensure that we are not attributing injury from such other factors to subject merchandise. Nonsubject import volumes declined overall from 2017 to 2019, were lower in interim 2020 than in interim 2019, and nonsubject imports ceded market share in the merchant market after 2018.[193] Therefore, nonsubject imports cannot explain the domestic industry's inability to achieve greater market share, output, and revenues in 2019 and interim 2020.

Promptex argues that the presence of nonsubject imports in the U.S. market is substantial and that nonsubject imports from Mexico in particular have continually increased since 2016.[194] The record shows that, although nonsubject imports from Mexico increased during a portion of the POI, their increase from 2018 to 2019 was far less than the increase in subject imports, and nonsubject import volumes from Mexico were lower in interim 2020 than interim 2019, while subject import volume was higher over this time.[195] Available data also indicate that the average unit values AUVs of nonsubject imports from Mexico were

[192] CR/PR at Tables VI-1, VI-3.

[193] CR/PR at Tables IV-2, C-2. In the total market, nonsubject import market share exhibited similar trends. CR/PR at Table C-1.

[194] Promptex Postconference Brief at 13–14.

[195] *See* CR/PR at Table IV-2 and official Commerce import statistics; *see also* Petitioners Postconference Brief, Exhibit 6.

considerably higher than those for subject imports throughout the POI.[196] Therefore, nonsubject imports from Mexico cannot explain the price effects that we have attributed to the subject imports. Nor can they explain the magnitude of the domestic industry's declines in output and inability to achieve greater market share in 2019 and interim 2020.

Apparent U.S. consumption declined overall over the POI, particularly in 2019 and interim 2020. Petitioners state that the COVID-19 pandemic had a modest negative impact on their operations in interim 2020.[197] While demand declines due to the COVID-19 pandemic may have adversely affected domestic industry output and performance in interim 2020, declining demand cannot explain the increasing market share cumulated subject imports achieved after 2019, and the adverse effects described above that this caused to the domestic industry.

We are also not persuaded by Promptex's argument that preferences for domestic PTY established by the Berry Amendment and regional free trade agreements such as USMCA and CAFTA-DR create a protected market in the United States for the domestic industry that is insulated from import competition.[198] The record indicates that these preference programs do not apply to the bulk of PTY purchases in the U.S. market.[199] More importantly, these preference programs did not prevent cumulated subject imports from making significant volume and market share gains during the POI.

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[196] Petitioners Postconference Brief at ex. 6. We realize that differences between AUVs may reflect differences in product mix as well as differences in prices. In the final phase of these investigations, we will seek data regarding PTY pricing from significant nonsubject imports sources.

[197] Petitioners Postconference Brief at 5.

[198] Promptex Postconference Brief at 9–12.

[199] *See, e.g.,* CR/PR at Table III-6 (during each year and interim period of the POI, between *** and *** of domestic industry shipments were exported to CAFTA and USMCA markets); Petitioners Postconference Brief at 19 and Exhibit 3, para. 5 (petitioner Unifil, ***, estimates that military and government procurement end uses accounted for *** of its U.S. sales during the POI).

Promptex also claims that a number of customers in the United States purchased subject imports during the POI because certain specialty PTY products were unavailable from the domestic industry.[200] As previously discussed, Petitioners dispute this. We will examine further the role of specialty PTY products in the U.S. market, and the domestic industry's ability to supply them, in any final phase of these investigations.

Promptex also alleges that U.S. textile and apparel manufacturers are unwilling to buy higher-priced PTY because they must compete with imported textiles and apparel which can be made with PTY from foreign sources.[201] According to Promptex, competition from foreign manufacturers of downstream products places "price ceilings" on raw materials for textile and apparel manufacture in the United States including PTY.[202] In any final phase of these investigations, we intend to further examine how purchasers respond to changes in the price of PTY, how downstream competition may impact purchasing decisions for PTY, and whether there is a "price ceiling."

Accordingly, for purposes of these preliminary determinations, we conclude that cumulated subject imports had a significant impact on the domestic industry.

VIII. Conclusion

For the reasons stated above, we determine that there is a reasonable indication that an industry in the United States is materially injured by reason of cumulated subject imports of polyester textured yarn from Indonesia, Malaysia, Thailand, and Vietnam.

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[200] Promptex Postconference Brief at 17–18; *see also* CR/PR at V-28.

[201] Promptex Postconference Brief at 8 and Exhibit 15; *see also* CR/PR at II-6 (potential loss of competitiveness for downstream products may contribute to sensitivity of PTY demand to changes in price).

[202] Promptex Postconference Brief at 8.

Part I: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce ("Commerce") and the U.S. International Trade Commission ("USITC" or "Commission") by Nan Ya Plastics Corp. America ("Nan Ya"), Lake City, South Carolina and Unifi Manufacturing, Inc. ("Unifi"), Greensboro, North Carolina on October 28, 2020, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair-value ("LTFV") imports of polyester textured yarn ("PTY")[1] from Indonesia, Malaysia, Thailand, and Vietnam. The following tabulation provides information relating to the background of these investigations.[2] [3]

Effective date	Action
October 28, 2020	Petitions filed with Commerce and the Commission; institution of Commission investigations (85 FR 69643, November 3, 2020)
November 17, 2020	Commerce's notice of initiation (85 FR 74680, November 23, 2020)
November 18, 2020	Commission's conference
December 11, 2020	Date for the Commission's vote
December 14, 2020	Date for the Commission's determinations
December 21, 2020	Date for the Commission's views

Statutory criteria

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

> *shall consider (I) the volume of imports of the subject merchandise, (II) the effect of imports of that merchandise on prices in the United States for domestic like products, and (III) the impact of imports of such merchandise on domestic producers of domestic like products, but only in*

[1] See the section entitled "The subject merchandise" in Part I of this report for a complete description of the merchandise subject in this proceeding.

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

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

the context of production operations within the United States; and. . . may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.

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

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

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

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

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

Organization of report

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

Market summary

PTY is generally used in weaving and knitting of synthetic fabrics, which are ultimately manufactured into numerous products such as socks/hosiery and apparel, footwear, home textiles and furnishings, bedding, medical supplies and devices, industrial materials, and automotive seating and upholstery. The leading U.S. producer of PTY is *** while leading producers of PTY outside the United States include *** of Indonesia, *** of Malaysia, *** of Thailand, and *** of Vietnam. The leading U.S. importer of PTY from Indonesia, Malaysia, and Thailand is ***, while the leading U.S. importer of PTY from Vietnam is ***. Leading importers of PTY from nonsubject countries (primarily China, India, Mexico and Taiwan) include *** and ***. U.S. purchasers of PTY include firms that weave or knit the yarn into synthetic fabrics; leading purchasers include ***, ***, and ***.

Apparent U.S. consumption of PTY totaled *** pounds ($***) in 2019. Currently, five firms are known to produce PTY in the United States. U.S. producers' U.S. shipments of PTY totaled *** pounds ($***) in 2019, and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from subject sources totaled 43.3 million pounds ($38.4 million) in 2019 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. imports from nonsubject sources totaled 83.5 million pounds ($103.3 million) in 2019 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, tables C-1 and C-2. Except as noted, U.S. industry data are based on questionnaire responses of five

firms that accounted for *** of U.S. production of PTY during 2019.[6] U.S. imports are based on Commerce's official import statistics under statistical reporting numbers 5402.33.3000 and 5402.33.6000, and the questionnaire responses of 23 U.S. importers of PTY that are believed to account for 59.0 percent of total imports, *** percent of total subject U.S. imports, and 61.8 percent of total nonsubject imports during 2019.

Previous and related investigations

PTY has been the subject of one prior countervailing and antidumping duty investigations in the United States. As a result of a petition filed on October 18, 2018, on behalf of Nan Ya and Unifi , the Commission conducted countervailing and antidumping duty investigations concerning PTY from China and India. On January 3, 2020, the Commission determined that an industry in the United States was materially injured by reason of imports of polyester textured yarn from China and India provided for in statistical reporting numbers 5402.33.3000 and 5402.33.6000 of the HTSUS, that had been found by Commerce to be sold in the United States at LTFV and to be subsidized by the governments of China and India.[7]

Alleged sales at LTFV

On November 17, 2020, Commerce published a notice in the *Federal Register* of the initiation of its antidumping duty investigations on PTY from Indonesia, Malaysia, Thailand and Vietnam.[8] Commerce has initiated antidumping duty investigations based on estimated dumping margins of 26.07 percent for PTY from Indonesia, 75.13 percent for PTY from Malaysia, 56.80 percent for PTY from Thailand, and 54.13 percent for PTY from Vietnam.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:[9]

> *The merchandise covered by these investigations, polyester textured yarn, is synthetic multifilament yarn that is manufactured from polyester (polyethylene terephthalate). Polyester textured yarn is produced through a texturing process, which imparts special properties to the filaments of the yarn, including stretch, bulk, strength, moisture absorption,*

[6] Petitioners' postconference brief, exhibit 1 p. 2.
[7] 85 FR 1183, January 9, 2020.
[8] 85 FR 74680, November 23, 2020.
[9] 85 FR 74680, November 23, 2020

insulation, and the appearance of a natural fiber. This scope includes all forms of polyester textured yarn, regardless of surface texture or appearance, yarn density and thickness (as measured in denier), number of filaments, number of plies, finish (luster), cross section, color, dye method, texturing method, or packaging method (such as spindles, tubes, or beams).

Tariff treatment

Based upon the scope set forth by the U.S. Department of Commerce, information available to the Commission indicates that the merchandise subject to these investigations is provided for in subheadings 5402.33.30 and 5402.33.60 of the Harmonized Tariff Schedule of the United States ("HTS"). The 2020 general rate of duty is 8.8 percent ad valorem for HTS subheading 5402.33.30 and 8.0 percent ad valorem for HTS subheading 5402.33.60.[10] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

The product

Description and applications

The product covered by these investigations is polyester textured yarn. PTY is made from molten polyethylene terephthalate ("PET") and is comprised of multiple filaments that have a textured surface.[11] The texturing process imparts physical characteristics such as bulk to the yarn, which gives it a soft feel.[12] PTY is therefore typically used in products such as apparel, home textiles and furnishings, bedding, and automotive upholstery.[13] PTY is also used in other applications, including medical supplies and devices and industrial materials.

[10] These HTS headings are duty free for Australia, Bahrain, Chile, Colombia, Israel, Jordan, Morocco, Oman, Panama, Peru, Singapore, USMCA and CAFTA-DR countries. They are also at a 0.8 percent duty rate from South Korea. Products of China under both of these subheadings are assessed an additional duty of 25 percent ad valorem under subheading 9903.88.03. 83 F.R. 47974 (September 21, 2018); 84 F.R. 20459 (May 9, 2019).
[11] Conference transcript, p. 15-16 (Nations).
[12] Conference transcript, p. 17 (Nations).
[13] Ibid.

PTY is characterized by its denier,[14] filament count, luster,[15] and color associated with the texturing or dying process.[16] The petitioners state that customers generally request PTY of a denier between 20 and 400; however, PTY can be manufactured in sizes outside this range to specifications requested by the customer.[17]

Manufacturing processes

PTY is manufactured using PET, which can be derived directly from chemical inputs or it can be manufactured from already-formed chips or flakes. When formed from chemical inputs, the reaction of monoethylene glycol ("MEG") and purified terephthalic acid ("PTA") produces the PET.[18] PTY manufacturers can also purchase PET chips or flakes, which are subsequently melted and used to produce PTY. PET flakes or chips can be made from virgin chemical inputs (MEG and PTA) or from recycled materials.[19] The PET is melted at a high temperature to form a syrup-like solution and then extruded through the tiny holes of a metal container called a spinneret. The extruded PET filaments cool upon leaving the spinneret and are collected and wound around a cylinder. At this point in the manufacturing process, the extruded filaments are referred to as partially oriented yarn (POY—also known as partially drawn yarn, or PDY), the primary input for PTY.[20]

The POY is further processed through drawing and texturing. The PTY is first subjected to heating and cooling while being twisted and stretched. This drawing process optimizes the orientation of the molecules in the fiber and increases resilience, strength, and tenacity. It also creates the soft feel to the touch.[21] ***.[22]

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[14] Denier is the weight in grams of 9,000 meters of yarn or filament and is used to convey the relative thickness of the yarn. In general, the lower the denier, the finer the yarn. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 42, 1990.

[15] Luster refers to the quality of shining with reflected light. Luster is frequently referenced on a scale of bright to dull. According to the petitioners, polyester textured yarn is most commonly semi-dull or bright. Other lusters include super bright, full-dull, cationic dyeable, and trilobal bright. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 42, 1990; Conference transcript, p. 17 (Nations)

[16] Conference transcript, p. 17 (Nations).

[17] Ibid.

[18] Polyester Textured Yarn from China and India, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), USITC Publication 5007, January 2020 ("China and India PTY publication"), p. I-9.

[19] Conference transcript, p. 16 (Nations).

[20] Ibid.

[21] Ibid.

[22] ***.

After texturing, the yarn passes into a secondary heater tub. The yarn then passes over a break detector and lubricating rollers, before being wound onto a tube.[23] Multiple strands of finished PTY may also be wound onto a beam tube, which can then be placed directly on a loom for weaving by the downstream textile manufacturing customer.[24] The yarn is then taken for testing and/or inspection, and packed for shipment.[25]

PTY can be dyed either at the beginning or at the end of the process. Solution dyeing occurs when highly concentrated colored chips are combined with non-colored PET chips or flakes and melted and mixed together in the extruder to produce "solution dyed" fiber. Package dyeing occurs at the end of the PTY production process by immersing an entire spool or spindle of PTY in a dye bath.[26] In the conference for PTY from China and India, petitioners indicated that most of the PTY sold is not dyed, as typically the fabric mills dye the product themselves.[27]

There are varying levels of integration amongst the firms producing polyester textured yarn.[28] Some firms purchase PET chips or flakes and perform the extrusion, drawing, and texturing. Others, known as a throwster, purchase POY to draw and texture into PTY.[29]

[23] Conference transcript, p. 16 (Nations).
[24] China and India PTY publication, p. I-11.
[25] Conference transcript, p. 16 (Nations).
[26] China and India PTY publication, p. I-11.
[27] Polyester Textured Yarn from China and India, Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Preliminary), Conference transcript, p. 37 (Cole).
[28] Petitioner Nan Ya manufactures the PET chip, POY, and polyester textured yarn. Unifi purchases POY as a precursor to its PTY. Conference transcript, p. 57 (Freeman and Ingle).
[29] ***.

Domestic like product issues

No issues with respect to the domestic like product have been raised in these investigations. The petitioners propose the Commission should define the domestic like product to consist of all PTY, coextensive with the scope of the investigations.[30] Respondent party, Promptex, takes no position with the petitioners' definition of the domestic like product, but reserves the right to address any related issues in the event these investigations proceed to a final phase.[31]

[30] Petitioners' postconference brief, p. 3.
[31] Respondent's postconference brief, p. 3.

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

U.S. market characteristics

The domestic PTY market is served by multiple U.S. producers, subject importers, and nonsubject importers. Apparent U.S. consumption of PTY increased by *** percent from 2017 to 2018, before decreasing *** percent from 2018 to 2019, for an overall decrease of *** percent from 2017 to 2019. Apparent U.S. consumption was *** percent lower in January-June 2020 than in January-June 2019.

PTY is a textile used mainly in fabrics. It is created when polyester POY is textured through one of several processes, including heating, drawing, twisting, crimping, or air drawing. POY is produced from polyester chips or flakes or directly from PET resin.[1] PTY can be made from virgin or recycled PET resin. Some purchasers have a preference for PTY made from recycled materials so that they can market their own downstream products as made from recycled materials.[2]

Almost all PTY is sold to purchasers who weave or knit the yarn into synthetic fabrics. These fabrics are ultimately manufactured into products such as socks, hosiery and apparel, home textiles and furnishings, bedding, medical supplies and devices, industrial materials, and automotive seating upholstery. All reported U.S. production facilities for PTY are located in North or South Carolina. Most importers and purchasers are also headquartered in the Southeast.[3]

PTY is produced in a variety of filaments, finishes (lusters), colors, and deniers. A denier is a unit of measurement of the linear mass density (in terms of grams of weight per 9,000 meters of length) or thickness of the PTY. PTY commonly ranges from 20 to 400 denier and is sold on the basis of the number of filaments, or strands of individual fibers, it contains. Finishes or "lusters" of PTY also vary, with several available lusters including semi-dull, full-dull, bright, cationic dyeable, and "trilobal bright." Numerous colors of PTY can be produced, either through solution (or "dope") dye or packaged dye.[4]

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[1] China and India PTY publication, p. II-1.
[2] Conference transcript, p. 42 (Ingle and Freeman).
[3] China and India PTY publication, p. II-1.
[4] China and India PTY publication, p. II-1.

Two U.S. producers and sixteen importers[5] indicated that there had not been any changes to the product range, product mix, and/or marketing of PTY since January 1, 2017. Two U.S. producers and five importers stated that there had been. *** described increased marketing of PTY made from recycled raw materials. *** stated that PTY is increasingly replacing nylon yarn due to PTY's lower cost. *** stated that the market is using less specialty yarn, as prices of specialty yarn have risen and availability has fallen. *** also described changes in demand for specialty types of PTY. *** described the product range as having increased due to increased additives and increased use of recycled and/or biodegradable raw materials.

Channels of distribution

U.S. producers and importers supplied PTY mainly to textile manufacturers other than automotive firms, as shown in table II-1. Automotive textile end users receive the majority of the remainder, as distributors represent a very small share of the market.

[5] *** submitted both U.S. producers' and importers' questionnaires. Unless otherwise indicated, their responses are compiled in this chapter as both U.S. producers and importers.

Table II-1
PTY: U.S. producers' and importers' U.S. shipments, by sources and channels of distribution, January 2017-June 2020

Item	Period				
	Calendar year			January-June	
	2017	2018	2019	2019	2020
	Share of reported shipments (percent)				
U.S. producers' shipments of PTY:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***
U.S. importers' U.S. shipments of PTY from Indonesia:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***
U.S. importers' shipments of PTY from Malaysia:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***
U.S. importers' shipments of PTY from Thailand:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***
U.S. importers' shipments of PTY from Vietnam:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***
U.S. importers' shipments of PTY from all other countries:					
Distributors	***	***	***	***	***
Automotive textile manufacturers	***	***	***	***	***
Other textile manufacturers	***	***	***	***	***

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

Geographic distribution

U.S. producers reported selling PTY to all regions in the contiguous United States (table II-2). Importers of subject product reported selling to the Northeast, Southeast, Pacific Coast, and Other (Alaska, Hawaii, Puerto Rico, and/or the U.S. Virgin Islands). For U.S. producers, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

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

Region	U.S. producers	Importers of product from Indonesia	Importers of product from Malaysia	Importers of product from Thailand	Importers of product from Vietnam	Importers of product from all subject countries
Northeast	4	3	1	3	1	4
Midwest	3	---	---	1	---	1
Southeast	5	13	5	5	7	16
Central Southwest	3	---	---	1	---	1
Mountain	1	---	---	1	---	1
Pacific Coast	4	1	1	3	1	3
Other	2	1	---	1	---	1
All regions (except Other)	1	---	---	1	---	1
Reporting firms	5	13	5	6	8	17

Note: 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

Table II-3 provides a summary of the supply factors regarding PTY from U.S. producers and from subject countries.

Table II-3
PTY: Supply factors that affect the ability to increase shipments to the U.S. market

	Capacity (1,000 pounds)		Capacity utilization (percent)		Ratio of inventories to total shipments (percent)		Shipments by market, 2019 (percent)		Able to shift to alternate products
Country	2017	2019	2017	2019	2017	2019	Home market shipments	Exports to non-U.S. markets	No. of firms reporting "yes"
United States	***	***	***	***	***	***	***	***	***
Indonesia	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***	***

Note: Responding U.S. producers accounted for most U.S. production of PTY in 2019. Responding foreign producer/exporter firms accounted for approximately two-thirds of such imports from Malaysia, and about half of such imports from Indonesia, Thailand, and Vietnam during 2019. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary Data and Data Sources."

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

Domestic production

Based on available information, U.S. producers of PTY have the ability to respond to changes in demand with moderate to large changes in the quantity of shipments of U.S.-produced PTY to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, some ability to shift shipments from alternate markets, and an ability to shift production to or from alternate products.

Subject imports from Indonesia

Based on available information, producers of PTY from Indonesia have the ability to respond to changes in demand with moderate to large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of large alternate markets, restrained by high capacity utilization and an inability to produce alternate products on the same equipment. Additionally, foreign producers that did not respond to Commission questionnaires may have more capacity to respond to changes in demand.

Subject imports from Malaysia

Based on available information, producers of PTY from Malaysia have the ability to respond to changes in demand with large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the ability to shift shipments from alternate markets. Additionally, foreign producers that did not respond to Commission questionnaires may have more capacity to respond to changes in demand.

Subject imports from Thailand

Based on available information, producers of PTY from Thailand have the ability to respond to changes in demand with moderate to large changes in the quantity of shipments of PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of very large alternate markets, restrained by high capacity utilization and an inability to produce alternate products on the same equipment. Additionally, foreign producers that did not respond to Commission questionnaires may have more capacity to respond to changes in demand.

Subject imports from Vietnam

Based on available information, producers of PTY from Vietnam have the ability to respond to changes in demand with moderate to large changes in the quantity of shipments of

PTY to the U.S. market. The main contributing factor to this degree of responsiveness of supply is the existence of large alternate markets, restrained by moderately high capacity utilization and an inability to produce alternate products on the same equipment. Additionally, foreign producers that did not respond to Commission questionnaires may have more capacity to respond to changes in demand.

Imports from nonsubject sources

Nonsubject imports accounted for approximately two-thirds of total U.S. imports in 2019. Sources of nonsubject imports during January 2017-June 2020 include China, India, and Mexico, as well as Belgium, Italy, Spain, and Turkey.

Supply constraints

U.S. producers and importers were asked if they had been unable to supply polyester textured yarn since January 1, 2017. Most questionnaire respondents (5 U.S. producers and 18 importers) stated that they had not experienced any such supply constraints. Four importers stated that they had. *** attributed such constraints to tariffs (including antidumping tariffs) that had made it difficult to know final import prices, and *** attributed such constraints to issues with customer credit. *** stated that it had experienced supply constraints due to COVID-19. *** stated that it sometimes consumes all its PTY inventories for large orders on downstream products.

U.S. demand

Based on available information, the overall demand for PTY is likely to experience small to moderate changes in response to changes in price. The main contributing factors are the limited range of substitute products, tempered by the often (but not always) large cost share of PTY in its end-use products, leading to potential loss of competitiveness for downstream products.

End uses and cost share

U.S. demand for PTY depends on the demand for a wide variety of U.S.-produced downstream products in the textile industry. End uses include apparel, industrial fabric, upholstered furniture, automotive seats, mattress ticking, rugs, and sewing thread.[6]

[6] Questionnaire responses of U.S. producers and importers as well as conference transcript, p. 33 (Ingle) and p. 44 (Mangaldas).

PTY accounts for a variable share of the cost of the end-use products in which it is used, depending on the end use. Reported cost shares for some end uses were as follows: 8 percent for area rugs; 10-20 percent for automotive seats; 50-65 percent for sewing fabric (including industrial sewing fabric); 40 percent for apparel; 90 percent for socks and hosiery; 70 percent for mattress ticking; and 5-95 percent for fabrics (depending on the type of fabric).

Business cycles

Four of 5 U.S. producers and 12 of 22 importers indicated that the U.S. market for PTY was not subject to unique business cycles or conditions of competition. However, one U.S. producer (***) and ten importers indicated that there were. That U.S. producer and four importers indicated that the PTY market was subject to business cycles, and that U.S. producer and eight importers indicated that the market was subject to unique conditions of competition. One U.S. producer and eight importers described the conditions of competition as having changed since January 1, 2017.

Describing those conditions, U.S. producer *** cited government contracts and the replacement of nylon with PTY. Four importers indicated that raw material costs (including oil prices, as oil is an upstream input into PTY production) were a condition of competition unique to the PTY market. Three importers cited the antidumping duty orders on Chinese and Indian PTY as unique conditions, and other importers cited slow summer demand and global demand for PTY as unique conditions.

Demand trends

U.S. producers and importers reported a wide variety of demand trends for PTY since January 1, 2017 (table II-4). U.S. producer *** described U.S. demand as increasing because PTY is replacing nylon. However, U.S. producer ***, as well as importer ***, described U.S. demand as decreasing because more downstream articles are imported and/or because there are fewer U.S. purchasers. Two importers described U.S. demand as decreasing due to COVID-19. Importers also described increasing uses for PTY or global growth as increasing demand for PTY. Importer *** described demand as fluctuating due to oil prices, textile industry demand, and government policies.

Table II-4
PTY: Firms' responses regarding U.S. demand and demand outside the United States

Item	Increase	No change	Decrease	Fluctuate
Demand in the United States				
U.S. producers	1	2	1	---
Importers	4	3	7	7
Demand outside the United States				
U.S. producers	2	---	---	2
Importers	5	2	1	8

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

Unifi and Nan Ya described the COVID-19 outbreak as having a minimal effect on U.S. demand, stating that demand declined only for a couple months in the second quarter of 2020. Moreover, both added that they were classified as "essential" businesses - and were able to manufacture personal protective equipment for a short period immediately after the beginning of the outbreak - and that demand for regular products has recovered since then, as many of their customers have also been declared "essential."[7]

Substitute products

Four U.S. producers and 18 importers stated that there were no substitutes for PTY. Unifi stated that yarns made of other materials are not suitable for the same end uses.[8] However, two importers described polyester spun yarn as a substitute in producing rugs or weaved products.

Substitutability issues

The degree of substitution between domestic and imported PTY depends upon such factors as relative prices, quality (e.g., grade standards, defect rates, etc.), and conditions of sale (e.g., price discounts and rebates, lead times between order and delivery dates, reliability of supply, product services, etc.). Based on available data, staff believes that there is a moderate to high degree of substitutability between domestically produced PTY and PTY imported from subject sources. A majority of responding firms described U.S. product and subject imports as interchangeable, although some firms described differences in the availability of specific products and other purchasing factors.

[7] Conference transcript, pp. 14-15, 41, 66 (Ingle) and 23 (Nations). See also postconference brief of petitioners, answers to staff questions, p. 5.

[8] Conference transcript, p. 17 (Nations).

Lead times

PTY is sold both produced-to-order and from inventory. U.S. producers reported that *** percent of their commercial shipments were produced-to-order, with lead times averaging *** days. The remaining *** percent of their commercial shipments came from inventories, with lead times averaging *** days. U.S. importers reported that *** percent of their commercial shipments were produced-to-order, with lead times averaging *** days. *** percent of commercial shipments came from foreign inventories, with lead times averaging *** days. The remaining *** percent of their commercial shipments came from U.S. inventories, with lead times averaging *** days.

Factors affecting purchasing decisions

Purchasers responding to lost sales lost revenue allegations[9] were asked to identify the main purchasing factors their firm considered in their purchasing decisions for PTY. As shown in table II-5, the major purchasing factors identified by firms include quality, price, and availability.

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

Item	1st	2nd	3rd	Total
	Number of firms			
Quality	4	2	1	7
Price	2	3	2	7
Availability	1	3	---	4
Customer service/communication	1	1	---	2
Lead/delivery time	---	---	2	2
Domestic source requirement	1	---	---	1

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

Comparison of U.S.-produced and imported PTY

In order to determine whether U.S.-produced PTY can generally be used in the same applications as imports from Indonesia, Malaysia, Thailand, and Vietnam, U.S. producers and importers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-6, most U.S. producers, as well as a large portion of importers, described PTY from most sources as always interchangeable. However, large portions of U.S. importers also described interchangeability between most sources as frequently or sometimes interchangeable.

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

In additional comments, *** described value-added products (such as package dye and solution dye) as limiting interchangeability. Other importers indicated that interchangeability depends on quality and on yarn specifications such as no-splice[10] and filament count, or the variable yarn specifications of different end users. Importer *** stated that statutory requirements and trade agreements (including the Berry Amendment, North American Free Trade Agreement (NAFTA), and Central American Free Trade Agreement (CAFTA)) limited interchangeability, as imports cannot be used under some provisions.[11] Importer *** indicated that as it supplies ***, it needs to supply product ***.

[10] Importer *** stated that foreign suppliers can supply yarn without splices at no additional charge, while U.S. producers supply only spliced yarn, which, in turn, causes defects in *** products.

[11] In additional comments, U.S. producer *** indicated that it mostly cannot compete in the *** market segment due to low import prices. It added that domestic requirements in CAFTA and NAFTA were all that kept it in business at all.

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

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
U.S. vs. subject countries:								
U.S. vs. Indonesia	4	---	1	---	4	3	4	3
U.S. vs. Malaysia	4	---	1	---	3	3	2	1
U.S. vs. Thailand	4	---	1	---	3	2	3	1
U.S. vs. Vietnam	4	---	1	---	3	1	4	1
Subject countries comparisons:								
Indonesia vs. Malaysia	4	---	1	---	3	4	1	---
Indonesia vs. Thailand	4	---	1	---	4	3	1	---
Indonesia vs. Vietnam	4	---	1	---	3	2	2	---
Malaysia vs. Thailand	4	---	1	---	4	3	1	---
Malaysia vs. Vietnam	4	---	1	---	3	2	1	---
Thailand vs. Vietnam	4	---	1	---	3	2	1	---
Nonsubject countries comparisons:								
U.S. vs. nonsubject	4	---	1	---	3	3	5	1
Indonesia vs. nonsubject	4	---	1	---	2	3	3	---
Malaysia vs. nonsubject	4	---	1	---	2	3	2	---
Thailand vs. nonsubject	4	---	1	---	2	2	2	---
Vietnam vs. nonsubject	4	---	1	---	2	2	4	---

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

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

In addition, U.S. producers and importers were asked to assess how often differences other than price were significant in sales of PTY from the United States, subject, or nonsubject countries. As seen in table II-7, most U.S. producers, as well as a large portion of importers, described factors other than price as never being significantly different in sales of PTY from most sources. However, large portions of importers also described factors other than price between most sources as frequently or sometimes significant in their sales of PTY.

In additional comments, importers (including ***) described availability, quality, meeting customer specifications, origin, lead time, technical support, transportation, and product range as important purchasing factors other than price. Importer *** described U.S. producers as not always being able to supply PTY without splicing. Importer *** described timely delivery as superior from imported sources than domestic sources.

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

Country pair	Number of U.S. producers reporting				Number of U.S. importers reporting			
	A	F	S	N	A	F	S	N
U.S. vs. subject countries:								
U.S. vs. Indonesia	1	1	---	3	6	4	2	2
U.S. vs. Malaysia	1	1	---	3	2	4	2	2
U.S. vs. Thailand	1	1	---	3	2	4	3	2
U.S. vs. Vietnam	1	1	---	3	4	4	---	2
Subject countries comparisons:								
Indonesia vs. Malaysia	1	---	1	3	1	2	4	2
Indonesia vs. Thailand	1	---	1	3	1	2	4	2
Indonesia vs. Vietnam	1	---	1	3	1	2	2	3
Malaysia vs. Thailand	1	---	1	3	1	2	4	2
Malaysia vs. Vietnam	1	---	1	3	1	2	2	2
Thailand vs. Vietnam	1	---	1	3	1	2	2	2
Nonsubject countries comparisons:								
U.S. vs. nonsubject	1	1	---	3	5	3	3	2
Indonesia vs. nonsubject	1	---	1	3	1	---	4	3
Malaysia vs. nonsubject	1	---	1	3	1	---	4	2
Thailand vs. nonsubject	1	---	1	3	1	---	3	2
Vietnam vs. nonsubject	1	---	1	3	1	---	4	3

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

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

Part III: U.S. producers' production, shipments, and employment

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of five firms that accounted for the large majority of U.S. production of PTY during 2019.

U.S. producers

The Commission issued a U.S. producer questionnaire to nine firms based on information contained in the petition. Five firms provided usable data on their operations: CS America, Inc. ("CS America"); Milliken & Company ("Milliken"); Nan Ya; Sapona Manufacturing Inc. ("Sapona"); and Unifi. Responding U.S. producers are estimated to represent the large majority of U.S. production of merchant market polyester yarn.[1]

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

[1] Petitioners' postconference brief, p. 2.

Table III-1
PTY: U.S. producers of PTY, their positions on the petition, production locations, and shares of reported production, 2019

Firm	Position on petition	Production location(s)	Share of production (percent)
CS America	***	Burlington, NC	***
Milliken	***	Williamston, SC	***
Nan Ya	Petitioner	Lake City, SC	***
Sapona	***	Cedar Falls, NC	***
Unifi	Petitioner	Yadkinville, NC Madison, NC	***
Total			***

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

Table III-2 presents information on U.S. producers' ownership, related and/or affiliated firms.

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

Item / Firm	Firm Name	Affiliated/Ownership
Ownership:		
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
Ownership:		
Related producers:		
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

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

As indicated in table III-2, two U.S. producers (*** and ***) are related to foreign producers of the subject merchandise. In addition, as discussed in greater detail below, three U.S. producers (***, ***, and ***) directly import the subject merchandise.

Table III-3 presents U.S. producers' reported changes in operations since January 1, 2017.[2]

Table III-3
PTY: U.S. producers' reported changes in operations, since January 1, 2017

Item / Firm	Reported changed in operations
Expansions:	
***	***
Consolidations:	
***	***
Prolonged shutdowns or curtailments:	
***	***
***	***
***	***
Other:	
***	***

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

U.S. production, capacity, and capacity utilization

Table III-4 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. U.S. producers' capacity decreased by *** percent between 2017 and 2018, while remaining steady between 2018 and 2019. Only two companies reported changes in capacity: *** reported a *** percent decline in capacity between 2017 and 2018, while U.S. producer *** reported an *** percent increase in capacity during the same time period.

U.S. producers' production decreased by *** percent between 2017 and 2018, and then further decreased by *** percent between 2018 and 2019. All but one responding U.S. producer, ***, reported a *** in production between 2017 and 2019. U.S. producers' production was *** percent lower during January-June 2020 compared to January-June 2019. U.S. producer *** reported an *** of *** percent in production during January-June 2020 compared to January-June 2019, while all other U.S. producers reported a *** in production during the same time period.

[2] U.S. producer *** ceased operations in September 2017. *** reported 2017 capacity and production was *** pounds and *** pounds respectively. Investigation Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final): Polyester Textured Yarn from China and India, Confidential Report, INV-RR-129, December 4, 2019 ("China and India PTY confidential staff report"), p. III-4.

U.S. producers' capacity utilization decreased by *** percentage points between 2017 and 2018, and then further decreased by *** percentage points between 2018 and 2019. Capacity utilization was *** percentage points lower during January-June 2020 compared to January-June 2019, with all but *** reporting lower capacity utilization.

Table III-4
PTY: U.S. producers' production, capacity, and capacity utilization, 2017-2019, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Capacity (1,000 pounds)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***
	Production (1,000 pounds)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***
	Capacity utilization (percent)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***
	Share of production (percent)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***

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

Figure III-1
PTY: U.S. producers' production, capacity, and capacity utilization, 2017-2019, January to June 2019, and January to June 2020

* * * * * * *

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

Alternative products

As shown in table III-5, *** percent of the product produced during 2019 by U.S. producers was PTY. Two firms, *** and ***, reported producing nylon yarns. Overall capacity and total production on same machinery decreased *** percent and *** percent, respectively.

Table III-5
PTY: U.S. producers' overall plant capacity and production on the same equipment as subject production, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Overall capacity	***	***	***	***	***
Production:					
Polyester textured yarn	***	***	***	***	***
Nylon yarns	***	***	***	***	***
Other products	***	***	***	***	***
Out-of-scope production	***	***	***	***	***
Total production on same machinery	***	***	***	***	***
	Ratios and shares (percent)				
Overall capacity utilization	***	***	***	***	***
Share of production:					
Polyester textured yarn	***	***	***	***	***
Nylon yarns	***	***	***	***	***
Other products	***	***	***	***	***
Out-of-scope production	***	***	***	***	***
Total production on same machinery	***	***	***	***	***

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

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

Table III-6 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments by quantity decreased by *** percent between 2017 and 2018, and then further decreased by *** percent between 2018 and 2019. U.S. shipments by quantity were *** percentage points lower during January-June 2020 compared to January-June 2019. More than *** percent of U.S. producers' shipments by quantity were U.S. shipments between 2017 and 2019, and January-June 2020. Commercial U.S. shipments share of total shipments by quantity ranged from *** to *** percent while the share reported as internal consumption ranged from *** to *** percent. Only one responding U.S. producer, ***, reported internally consuming PTY. U.S. producers' export shipments by quantity decreased by *** percent between 2017 and 2018, and then further decreased by *** percent between 2018 and 2019. Export shipments by quantity were *** percent lower during January-June 2020 compared to January-June 2019. All four producers which reported export shipments of PTY also reported exporting to USMCA and CAFTA-DR countries, while three producers also reported exporting to other markets.[3] [4]

[3] Reported USMCA and CAFTA-DR export markets include: ***
[4] Reported other export markets include: ***

Unit values for U.S. shipments increased by *** percent between 2017 and 2018, decreased by *** percent between 2018 and 2019, and were *** percent lower during January-June 2020 compared to January-June 2019.

Table III-6
PTY: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Commercial U.S. shipments	***	***	***	***	***
Internal consumption	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Shipments to USMCA and CAFTA-DR	***	***	***	***	***
Shipments to other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	***	***	***	***	***
	Value (1,000 dollars)				
Commercial U.S. shipments	***	***	***	***	***
Internal consumption	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Shipments to USMCA and CAFTA-DR	***	***	***	***	***
Shipments to other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	***	***	***	***	***
	Unit value (dollars per pound)				
Commercial U.S. shipments	***	***	***	***	***
Internal consumption	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Shipments to USMCA and CAFTA-DR	***	***	***	***	***
Shipments to other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	***	***	***	***	***

Table continued on next page.

Table III-6 –Continued
PTY: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2017-19, January to June 2019, and January to June 2020

	Share of quantity (percent)				
Commercial U.S. shipments	***	***	***	***	***
Internal consumption	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Shipments to USMCA and CAFTA-DR	***	***	***	***	***
Shipments to other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	***	***	***	***	***
	Share of value (percent)				
Commercial U.S. shipments	***	***	***	***	***
Internal consumption	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Shipments to USMCA and CAFTA-DR	***	***	***	***	***
Shipments to other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	***	***	***	***	***

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

U.S. producers' inventories

Table III-7 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments**.** U.S. producers' end-of-period inventories increased by *** percent between 2017 and 2018, decreased by *** percent between 2018 and 2019, and were *** percent lower during January-June 2020 compared to January-June 2019. One U.S. producer, ***, reported lower inventories in 2019 than in 2017. All but two U.S. producers, *** and ***, reported a decline in inventories between 2017 and 2018. All responding U.S. producers except *** reported lower inventories during January-June 2020 compared to January-June 2019. The ratios of inventories to U.S. production and U.S. shipments were higher in 2018 than in 2017 but lower in 2019 than in 2018.

Table III-7
PTY: U.S. producers' inventories, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
U.S. producers' end-of-period inventories	***	***	***	***	***
	Ratio (percent)				
Ratio of inventories to.--					
U.S. production	***	***	***	***	***
U.S. shipments	***	***	***	***	***
Total shipments	***	***	***	***	***

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

U.S. producers' imports and purchases

U.S. producers' imports of PTY are presented in table III-8. Three U.S. producers, ***, *** and ***, imported PTY between 2017 and 2019. U.S. producer *** imported from Vietnam only in 2019, while its imports from Thailand declined between 2017 and 2019 and *** in interim 2020. *** ratio to U.S. production of imports from Thailand decreased from *** percent to *** percent or by *** percentage points between 2017 and 2019. *** ratio to U.S. production of imports from nonsubject sources increased by *** percentage points between 2017 and 2019, while decreasing by *** percentage points during January-June 2020 compared to January-June 2019.

*** imported PTY from China, a nonsubject source, in 2017 and 2018, but *** imports of PTY in 2019, accounting for less than *** percent in any one year. *** imported PTY from Indonesia in 2017 and 2018, and from India in 2017, but *** imports of PTY in 2019, accounting for less than *** percent in any one year.

Table III-8
PTY: U.S. producers' U.S. production and imports, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
*** U.S. production	***	***	***	***	***
*** U.S. imports from.--					
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
	Ratio (percent)				
*** ratio to U.S. production of imports from.--					
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
	Narrative				
*** reason for importing	***				
	Quantity (1,000 pounds)				
*** U.S. production	***	***	***	***	***
*** U.S. imports from.--					
Nonsubject sources	***	***	***	***	***
	Ratio (percent)				
*** ratio to U.S. production of imports from.--					
Nonsubject sources	***	***	***	***	***
	Narrative				
*** reason for importing	***				
	Quantity (1,000 pounds)				
*** U.S. production	***	***	***	***	***
*** U.S. imports from.--					
Subject sources (Indonesia)	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All imports sources	***	***	***	***	***
	Ratio (percent)				
*** ratio to U.S. production of imports from.--					
Subject sources (Indonesia)	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All imports sources	***	***	***	***	***
	Narrative				
*** reason for importing	***				

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

U.S. employment, wages, and productivity

Table III-9 shows U.S. producers' employment-related data. U.S. producers' number of production and related workers (PRWs), total hours worked, and wages paid *** between 2017 and 2019, but were lower during January-June 2020 compared to January-June 2019. Two U.S. producers, *** and ***, reported a *** percent (*** PRWs) and *** percent (*** PRWs) increase in PRWs respectively between 2017 and 2019 while all other U.S. producers reported a decrease in PRWs during the same time period. Between 2017 and 2019, all but two U.S. producers, *** and ***, reported an increase in total hours worked, while all but one U.S. producer, ***, reported an increase in wages paid. U.S. producers' productivity *** by *** percent between 2017 and 2019, and was *** percent lower during January-June 2020 compared to January-June 2019.

Table III-9
PTY: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (1,000 hours)	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (pounds per hour)	***	***	***	***	***
Unit labor costs (dollars per pound)	***	***	***	***	***

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

Captive consumption

Section 771(7)(C)(iv) of the Act states that–[5]

> *If domestic producers internally transfer significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that–*
>
> *(I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product,*
>
> *(II) the domestic like product is the predominant material input in the production of that downstream article, and*
>
> *then the Commission, in determining market share and the factors affecting financial performance . . ., shall focus primarily on the merchant market for the domestic like product.*

Transfers and sales

As reported in table III-6 above, internal consumption accounted for between *** and *** percent of responding U.S. producers' U.S. shipments of PTY by quantity between January 2017 and June 2020. These percentages may be understated however because ***.[6]

First statutory criterion in captive consumption

The first requirement for application of the captive consumption provision is that the domestic like product that is internally transferred for processing into that downstream article not enter the merchant market for the domestic like product. *** reported internal consumption of PTY for the production of downstream products. No U.S. producer, however, reported diverting PTY intended for internal consumption to the merchant market.

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

[6] China and India PTY confidential staff report, pp. III-18 and VI-1. Petitioners' postconference brief, Exhibit 1 p. 2.

Second statutory criterion in captive consumption

The second criterion of the captive consumption provision concerns whether the domestic like product is the predominant material input in the production of the downstream article that is captively produced. With respect to the downstream articles resulting from captive production, *** stated PTY comprises *** percent of the finished cost of the downstream products.[7] *** stated PTY comprises *** percent by value of the finished downstream products and *** per yard for some of their larger volume fabrics containing textured PET.[8] [9]

[7] Petitioner's postconference brief, pp. 14-15.

[8] *** producer questionnaire response, section II-16.

[9] These products include ***. Email ***, December 4, 2020.

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

U.S. importers

The Commission issued importer questionnaires to 52 firms believed to be importers of subject PTY.[1] Usable questionnaire responses were received from 23 companies, representing 59.1 percent of total imports, *** percent of total subject U.S. imports, and 61.8 percent of total nonsubject imports in 2019 under HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000.[2] [3] Table IV-1 lists all responding U.S. importers of PTY from all sources, their locations, and their shares of U.S. imports, in 2019.

Table IV-1
PTY: U.S. importers by source, 2019

Firm	Headquarters	Share of imports by source (percent)						
		Indonesia	Malaysia	Thailand	Vietnam	Subject	Nonsubject	All imports
Akra	Monterrey, NL	***	***	***	***	***	***	***
Altex	Costa Mesa, CA	***	***	***	***	***	***	***
Champion	Gastonia, NC	***	***	***	***	***	***	***
Chori	Jersey City, NJ	***	***	***	***	***	***	***
Cosmic	Maitland, FL	***	***	***	***	***	***	***
CS America	Burlington, NC	***	***	***	***	***	***	***
Culp	High Point, NC	***	***	***	***	***	***	***
Promptex	Dorval, QC	***	***	***	***	***	***	***
Master Weavers	Sanford, ME	***	***	***	***	***	***	***
J&E	Pawleys Island, SC	***	***	***	***	***	***	***
Lava	York, SC	***	***	***	***	***	***	***
Lear	Southfield, MI	***	***	***	***	***	***	***
Milliken	Spartanburg, SC	***	***	***	***	***	***	***

Table continued on next page.

[1] The Commission issued questionnaires to those firms identified in the petition, along with firms that, based on a review of data provided by U.S. Customs and Border Protection ("Customs"), may have accounted for more than one percent of total imports under HTS subheading statistical reporting numbers 5402.33.3000 and 5402.33.6000 in 2019.

[2] Six firms, ***, certified not having imported any PTY since January 1, 2017.

[3] Usable questionnaire responses represented *** percent of imports from Indonesia, *** percent from Malaysia, *** percent from Thailand, and *** percent from Vietnam.

Table IV-1 –Continued
PTY: U.S. importers by source, 2019

Firm	Headquarters	Share of imports by source (percent)						
		Indonesia	Malaysia	Thailand	Vietnam	Subject	Nonsubject	All imports
RSM	Charlotte, NC	***	***	***	***	***	***	***
Seiren	Morganton, NC	***	***	***	***	***	***	***
Shawmut	Burlington, NC	***	***	***	***	***	***	***
Simatex	Spartanburg, SC	***	***	***	***	***	***	***
Style Fashion	Cazzano S.Andrea (Bg), IT	***	***	***	***	***	***	***
Toray	New York, NY	***	***	***	***	***	***	***
Unifi	Greensboro, NC	***	***	***	***	***	***	***
Venus	Atlanta, GA	***	***	***	***	***	***	***
William Barnet & Son	Spartanburg, SC	***	***	***	***	***	***	***
YKK	Macon, GA	***	***	***	***	***	***	***
Total		100.0	100.0	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. imports

Table IV-2 and Figure IV-1 present data for U.S. imports of PTY from Indonesia, Malaysia, Thailand, Vietnam and all other sources. Between 2017 and 2019, U.S. imports from subject sources increased by 81.7 percent, while U.S. imports from nonsubject sources decreased by 21.8 percent during the same time period.[4] U.S. imports from subject sources were 79.4 percent higher during January-June 2020 compared to January-June 2019, while US. imports from nonsubject sources were 46.7 percent lower. Between 2017 and 2019, U.S. imports from Indonesia, Thailand, Malaysia and Vietnam increased by 50.7 percent, 43.3 percent, 137.9 percent, and 711.9 percent respectively, with the majority of this increase between 2018 and 2019.

Unit values for U.S. imports from subject sources increased by 7.9 percent in 2018, decreased by 7.5 percent in 2019 to the same as in 2017, and were 12.3 percent lower during January-June 2020 compared to January-June 2019. Unit values were lower in 2019 than in 2018 for U.S. imports from each individual subject country, and lower during January-June 2020 compared to January-June 2019. Unit values for U.S. imports from nonsubject sources

[4] Antidumping and countervailing duty orders for imports of PTY from China and India were issued by the Department of Commerce on January 10, 2020. 85 FR 1298 and 85 FR 1301.

increased by 18.7 percent between 2017 and 2019, and were 11.9 percent higher during January-June 2020 compared to January-June 2019.

The share of U.S. imports from subject sources increased by 15.9 percentage points between 2017 and 2019, and was 27.7 percentage points higher during January-June 2020 compared to January-June 2019.

Table IV-2
PTY: U.S. imports by source, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
U.S. imports from.--					
Indonesia	10,086	8,989	15,197	5,998	10,069
Malaysia	8,877	9,052	12,720	5,870	4,989
Thailand	4,184	2,679	9,953	2,656	8,792
Vietnam	665	919	5,401	1,051	4,088
Subject sources	23,812	21,639	43,272	15,575	27,938
Nonsubject sources	106,800	122,149	83,490	48,284	25,722
All import sources	130,612	143,788	126,762	63,859	53,660
	Value (1,000 dollars)				
U.S. imports from.--					
Indonesia	9,511	9,083	14,387	5,952	8,331
Malaysia	7,164	8,128	10,208	4,987	3,944
Thailand	3,902	2,618	8,581	2,440	6,918
Vietnam	583	914	5,213	1,061	3,520
Subject sources	21,160	20,742	38,388	14,440	22,714
Nonsubject sources	111,285	136,309	103,281	57,888	34,497
All import sources	132,444	157,051	141,669	72,328	57,211
	Unit value (dollars per pound)				
U.S. imports from.--					
Indonesia	0.94	1.01	0.95	0.99	0.83
Malaysia	0.81	0.90	0.80	0.85	0.79
Thailand	0.93	0.98	0.86	0.92	0.79
Vietnam	0.88	0.99	0.97	1.01	0.86
Subject sources	0.89	0.96	0.89	0.93	0.81
Nonsubject sources	1.04	1.12	1.24	1.20	1.34
All import sources	1.01	1.09	1.12	1.13	1.07
	Share of quantity (percent)				
U.S. imports from.--					
Indonesia	7.7	6.3	12.0	9.4	18.8
Malaysia	6.8	6.3	10.0	9.2	9.3
Thailand	3.2	1.9	7.9	4.2	16.4
Vietnam	0.5	0.6	4.3	1.6	7.6
Subject sources	18.2	15.0	34.1	24.4	52.1
Nonsubject sources	81.8	85.0	65.9	75.6	47.9
All import sources	100.0	100.0	100.0	100.0	100.0

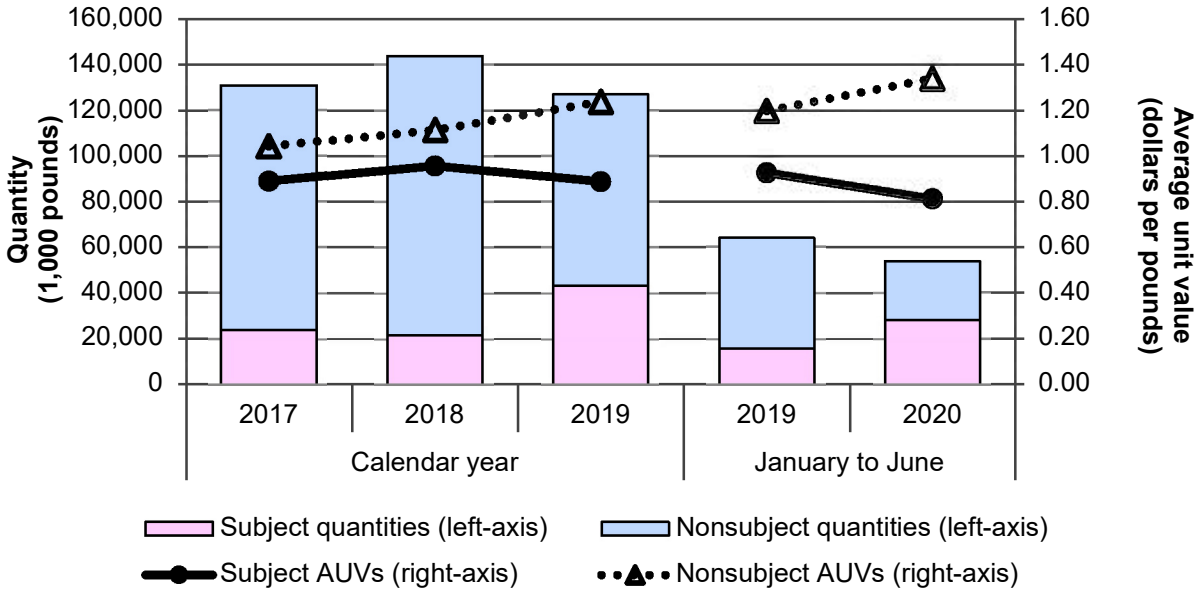
Table continued on next page.

Table IV-2—Continued
PTY: U.S. imports by source, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Share of value (percent)				
U.S. imports from.--					
Indonesia	7.2	5.8	10.2	8.2	14.6
Malaysia	5.4	5.2	7.2	6.9	6.9
Thailand	2.9	1.7	6.1	3.4	12.1
Vietnam	0.4	0.6	3.7	1.5	6.2
Subject sources	16.0	13.2	27.1	20.0	39.7
Nonsubject sources	84.0	86.8	72.9	80.0	60.3
All import sources	100.0	100.0	100.0	100.0	100.0
	Ratio to U.S. production				
U.S. imports from.--					
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Figure IV-1
PTY: U.S. import quantities and average unit values, 2017-19, January to June 2019, and January to June 2020



Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.[5] Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.[6] Imports from Indonesia, Malaysia, Thailand, and Vietnam accounted for 16.1 percent, 13.2 percent, 14.4 percent, and 8.8 percent, respectively, of total imports of PTY, by quantity, during October 2019 through September 2020. Combined imports from subject sources accounted for 52.5 percent of total imports of PTY, by quantity, during the same time period.

Cumulation considerations

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

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

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

Fungibility

Table IV-3 and Figure IV-2 present data for U.S. producers' and U.S. importers' U.S. shipments by denier in 2019. More than *** of U.S. producers' aggregate U.S. shipments were 76-150 denier while *** percent were 0-75 denier. Almost *** percent of U.S. importers' U.S. shipments from subject sources were 76-150 denier, while *** percent were 0-75 denier. Over *** of U.S. importers' U.S. shipments from Indonesia were 76-150 denier. The *** of U.S. importers' U.S. shipments from Vietnam were 0-75 denier or 76-150 denier. U.S. importers' reported *** U.S. shipments from subject sources for 301-375 denier. U.S. producers' U.S. shipments accounted for at least *** percent of U.S. shipments sized 0-75 denier, 76-150 denier, and 226-300 denier.

Table IV-3
PTY: U.S. producers' and U.S. importers' U.S. shipments, by source and by denier, 2019

Item	Denier						
	0-75	76-150	151-225	226-300	301-375	376 and over	All denier size
	Quantity (1,000 pounds)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	***
U.S. importers' U.S. shipments from.--							
Indonesia	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
Combined U.S. shipments	***	***	***	***	***	***	***
	Share across (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	100.0
U.S. importers' U.S. shipments from.--							
Indonesia	***	***	***	***	***	***	100.0
Malaysia	***	***	***	***	***	***	100.0
Thailand	***	***	***	***	***	***	100.0
Vietnam	***	***	***	***	***	***	100.0
Subject sources	***	***	***	***	***	***	100.0
Nonsubject sources	***	***	***	***	***	***	100.0
All import sources	***	***	***	***	***	***	100.0
Combined U.S. shipments	***	***	***	***	***	***	100.0

Table continued on next page.

Table IV-3—Continued
PTY: U.S. producers' and U.S. importers' U.S. shipments by items, 2019

Item	Denier						
	0-75	76-150	151-225	226-300	301-375	376 and over	All denier size
	Share down (percent)						
U.S. producers' U.S. shipments	***	***	***	***	***	***	***
U.S. importers' U.S. shipments from.--							
Indonesia	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***
All import sources	***	***	***	***	***	***	***
Combined U.S. shipments	100.0	100.0	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.

Figure IV-2
PTY: U.S. producers' and U.S. importers' U.S. shipments, by denier, 2019

* * * * * * *

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

Geographical markets

Table IV-5 presents data on U.S. imports by border of entry. U.S. imports from subject sources entered through all four border entries in 2019, however 63.5 percent to 99.6 percent of imports from each individual subject country entered through the East. For U.S. imports from Indonesia, Thailand and Vietnam, 25.5 percent to 36.5 percent entered from the West. The vast majority of U.S. imports from nonsubject sources entered through the West or the South.

Table IV-5
PTY: U.S. imports by border of entry, 2019

Item	Border of entry				
	East	North	South	West	All borders
	Quantity (1,000 pounds)				
U.S. imports from.--					
Indonesia	11,253	---	18	3,926	15,197
Malaysia	12,672	2	28	18	12,720
Thailand	7,205	89	120	2,539	9,953
Vietnam	3,430	---	---	1,971	5,401
Subject sources	34,561	91	166	8,454	43,272
Nonsubject sources	39,745	266	38,973	4,507	83,490
All import sources	74,306	357	39,139	12,960	126,762
	Share across (percent)				
U.S. imports from.--					
Indonesia	74.0	---	0.1	25.8	100.0
Malaysia	99.6	0.0	0.2	0.1	100.0
Thailand	72.4	0.9	1.2	25.5	100.0
Vietnam	63.5	---	---	36.5	100.0
Subject sources	79.9	0.2	0.4	19.5	100.0
Nonsubject sources	47.6	0.3	46.7	5.4	100.0
All import sources	58.6	0.3	30.9	10.2	100.0
	Share down (percent)				
U.S. imports from.--					
Indonesia	15.1	---	0.0	30.3	12.0
Malaysia	17.1	0.7	0.1	0.1	10.0
Thailand	9.7	24.9	0.3	19.6	7.9
Vietnam	4.6	---	---	15.2	4.3
Subject sources	46.5	25.5	0.4	65.2	34.1
Nonsubject sources	53.5	74.5	99.6	34.8	65.9
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.

Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Presence in the market

Table IV-6, Figure IV-3, and Figure IV-4 present data on the monthly entries of U.S. imports of PTY, by source, during January 2017 through September 2020. Imports from Indonesia, Malaysia and Thailand were present in all 45 months for which data were collected while imports from Vietnam were present in 42 out of 45 months.

Table IV-6
PTY: U.S. imports by month, January 2017 through September 2020

U.S. imports	Indonesia	Malaysia	Thailand	Vietnam	Subject sources	Nonsubject sources	All import sources
	Quantity (1,000 pounds)						
2017.--							
January	1,344	652	335	12	2,343	8,720	11,063
February	848	705	412	0	1,965	8,289	10,254
March	941	902	440	5	2,288	10,225	12,513
April	840	567	503	196	2,105	8,246	10,351
May	1,056	553	612	39	2,259	10,522	12,781
June	1,094	716	571	186	2,566	8,301	10,867
July	718	1,401	217	149	2,484	9,326	11,810
August	600	727	378	20	1,726	8,228	9,954
September	545	857	123	37	1,563	9,337	10,900
October	796	812	182	1	1,791	8,720	10,511
November	586	480	301	---	1,367	8,275	9,642
December	718	505	110	20	1,354	8,612	9,965
2018.--							
January	951	765	217	---	1,933	10,092	12,025
February	797	890	244	0	1,931	9,708	11,640
March	976	1,179	161	---	2,316	10,900	13,216
April	751	1,290	208	0	2,249	10,871	13,121
May	886	921	254	74	2,135	12,236	14,371
June	620	488	142	112	1,362	10,041	11,403
July	712	323	200	75	1,309	10,504	11,813
August	477	536	237	154	1,404	9,094	10,497
September	570	541	230	115	1,456	9,476	10,932
October	734	655	273	152	1,815	8,221	10,036
November	811	664	205	193	1,873	8,374	10,247
December	706	800	307	44	1,856	12,632	14,488

Table continued on next page.

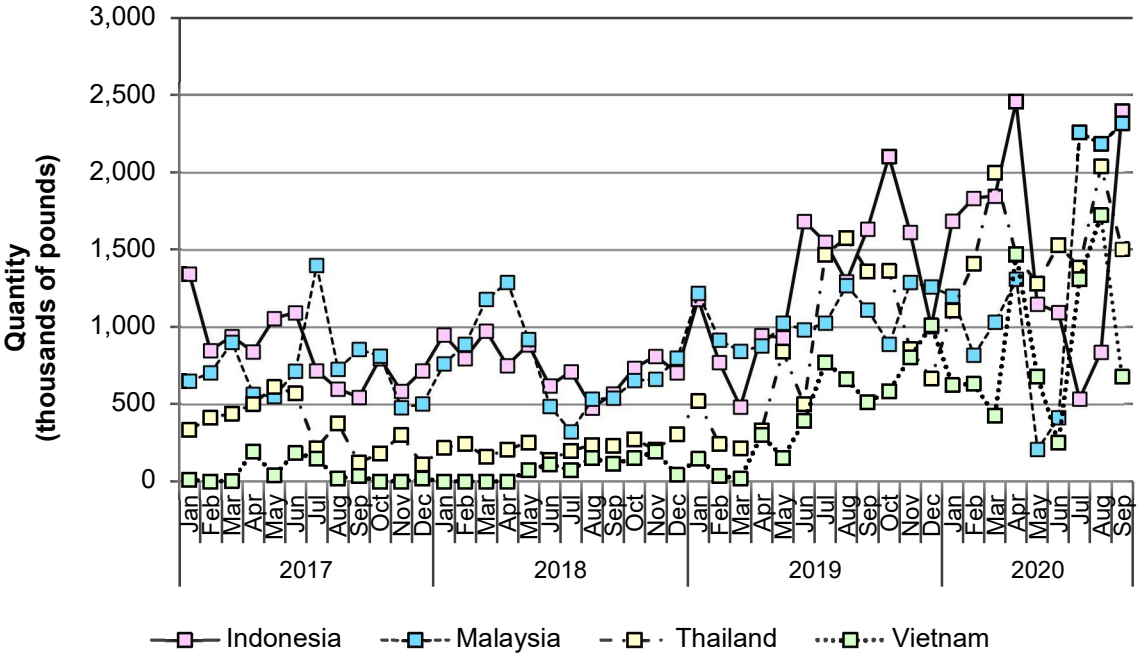
Table IV-6—Continued
PTY: U.S. imports by month, January 2017 through September 2020

U.S. imports	Indonesia	Malaysia	Thailand	Vietnam	Subject sources	Nonsubject sources	All import sources
	Quantity (1,000 pounds)						
2019.--							
January	1,181	1,220	521	148	3,071	8,661	11,732
February	773	916	243	38	1,970	9,214	11,184
March	484	845	216	20	1,564	9,547	11,112
April	945	879	333	300	2,457	8,248	10,705
May	931	1,026	843	153	2,953	6,858	9,811
June	1,685	982	501	392	3,560	5,755	9,315
July	1,549	1,027	1,469	772	4,818	6,124	10,942
August	1,294	1,271	1,577	663	4,805	6,256	11,062
September	1,634	1,113	1,360	514	4,621	6,359	10,981
October	2,104	890	1,363	586	4,943	6,114	11,057
November	1,613	1,290	860	804	4,566	5,588	10,155
December	1,005	1,261	667	1,011	3,943	4,763	8,707
2020.--							
January	1,686	1,202	1,107	624	4,618	5,670	10,289
February	1,833	820	1,410	633	4,696	4,879	9,575
March	1,848	1,034	1,998	427	5,307	5,776	11,083
April	2,458	1,310	1,466	1,474	6,709	3,400	10,109
May	1,149	209	1,279	680	3,317	2,331	5,648
June	1,095	415	1,530	251	3,291	3,665	6,956
July	535	2,260	1,385	1,312	5,492	3,795	9,286
August	839	2,184	2,040	1,724	6,787	4,669	11,456
September	2,397	2,319	1,504	678	6,899	4,078	10,977

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

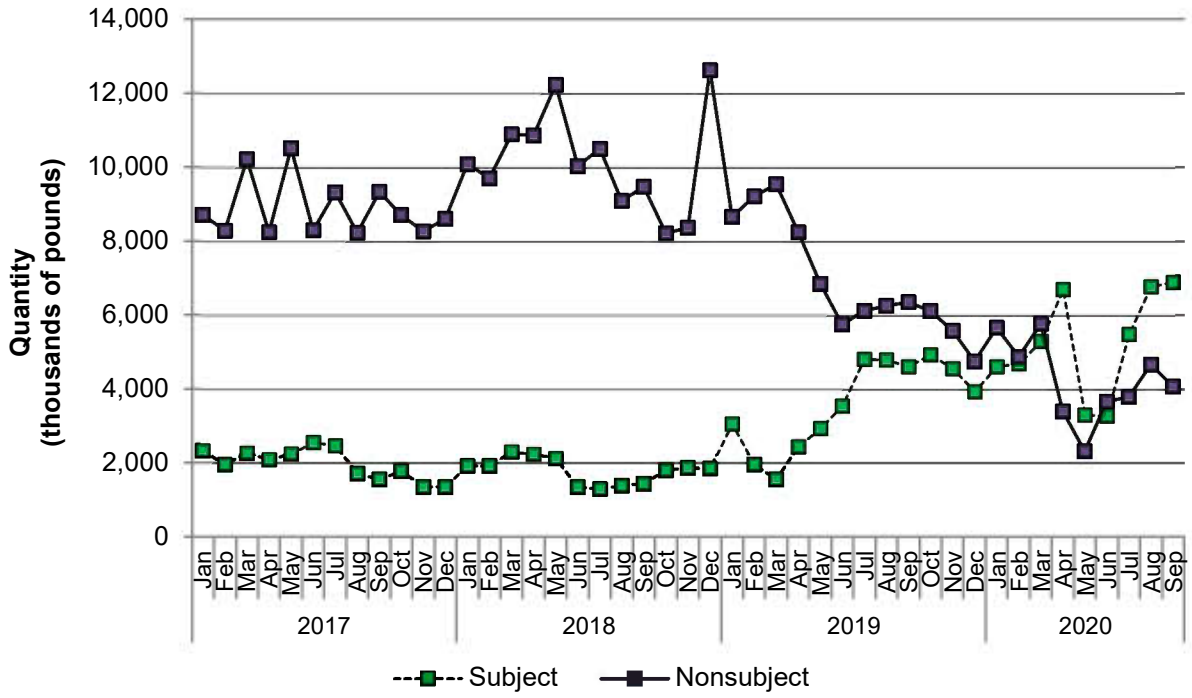
Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Figure IV-3
PTY: U.S. imports from individual subject sources, by month, January 2017 through September 2020



Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Figure IV-4
PTY: U.S. imports from aggregated subject and nonsubject sources, by month, January 2017 through September 2020



Source: Official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Apparent U.S. consumption

Table IV-7 and figure IV-5 present data on apparent U.S. consumption in the overall market. Apparent U.S. consumption in the overall market, by quantity, decreased by *** percent during 2017-19 and was *** percent lower in January-June 2020 compared to January-June 2019. Apparent U.S. consumption by value decreased by *** percent during 2017-19 and was *** percent lower in January-June 2020 compared to January-June 2019.

Table IV-7
PTY: Apparent U.S. consumption, overall market, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	10,086	8,989	15,197	5,998	10,069
Malaysia	8,877	9,052	12,720	5,870	4,989
Thailand	4,184	2,679	9,953	2,656	8,792
Vietnam	665	919	5,401	1,051	4,088
Subject sources	23,812	21,639	43,272	15,575	27,938
Nonsubject sources	106,800	122,149	83,490	48,284	25,722
All import sources	130,612	143,788	126,762	63,859	53,660
Apparent U.S. consumption	***	***	***	***	***
	Value (1,000 dollars)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	9,511	9,083	14,387	5,952	8,331
Malaysia	7,164	8,128	10,208	4,987	3,944
Thailand	3,902	2,618	8,581	2,440	6,918
Vietnam	583	914	5,213	1,061	3,520
Subject sources	21,160	20,742	38,388	14,440	22,714
Nonsubject sources	111,285	136,309	103,281	57,888	34,497
All import sources	132,444	157,051	141,669	72,328	57,211
Apparent U.S. consumption	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Figure IV-5
PTY: Apparent U.S. consumption, overall market, 2017-19, January to June 2019, and January to June 2020

* * * * * * *

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Table IV-8 and figure IV-6 present data on apparent U.S. consumption for the PTY merchant market. Apparent U.S. consumption by quantity in the merchant market decreased by *** percent during 2017-2019 and was *** percent lower during January-June 2020 compared to January-June 2019. Apparent consumption by value decreased by *** percent during 2017-2019 and was *** percent lower during January-June 2020 compared to January-June 2019.

Table IV-8
PTY: Apparent U.S. consumption, merchant market, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
U.S. producers' commercial U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	10,086	8,989	15,197	5,998	10,069
Malaysia	8,877	9,052	12,720	5,870	4,989
Thailand	4,184	2,679	9,953	2,656	8,792
Vietnam	665	919	5,401	1,051	4,088
Subject sources	23,812	21,639	43,272	15,575	27,938
Nonsubject sources	106,800	122,149	83,490	48,284	25,722
All import sources	130,612	143,788	126,762	63,859	53,660
Apparent U.S. consumption	***	***	***	***	***
	Value (1,000 dollars)				
U.S. producers' commercial U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	9,511	9,083	14,387	5,952	8,331
Malaysia	7,164	8,128	10,208	4,987	3,944
Thailand	3,902	2,618	8,581	2,440	6,918
Vietnam	583	914	5,213	1,061	3,520
Subject sources	21,160	20,742	38,388	14,440	22,714
Nonsubject sources	111,285	136,309	103,281	57,888	34,497
All import sources	132,444	157,051	141,669	72,328	57,211
Apparent U.S. consumption	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Figure IV-6
PTY: Apparent U.S. consumption, merchant market, 2017-19, January to June 2019, and January to June 2020

* * * * * * *

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

U.S. market shares

U.S. market share data for the PTY total market are presented in Table IV-9. The share of U.S. producers' U.S. shipments by quantity remained above *** percent between January 2017 and June 2020 while the share of U.S. imports from subject sources increased from *** percent to *** percent during the same time period. U.S. imports from each subject source gained share in the overall market between 2017 and 2019 (by *** percentage points for Indonesia; *** percentage points for Malaysia, *** percentage points for Thailand, and *** percentage points for Vietnam) and were higher in interim 2020 than in interim 2019 for all but U.S. imports from Malaysia which were *** percentage points lower.

The share of U.S. producers' U.S. shipments by value ranged from *** percent to *** percent between January 2017 and June 2020, while the share of U.S. imports from subject sources by value ranged from *** percent to *** percent during the same time period.

Table IV-9
PTY: Market shares, total market, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Apparent U.S. consumption	***	***	***	***	***
	Share of quantity (percent)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
	Value (1,000 dollars)				
Apparent U.S. consumption	***	***	***	***	***
	Share of value (percent)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

U.S. market share data for the PTY merchant market are presented in Table IV-10. The share of U.S. producers' U.S. shipments by quantity ranged from *** percent to *** percent between January 2017 and June 2020 while the share of U.S. imports from subject sources by quantity increased from *** percent to *** percent during the same time period. U.S. shipments of imports from each subject source gained share in the merchant market between 2017 and 2019 (by *** percentage points for Indonesia; *** percentage points for Malaysia, *** percentage points for Thailand, and *** percentage points for Vietnam) and were higher in interim 2020 than in interim 2019 for all but U.S. imports from Malaysia, which were *** percentage points lower.

The share of U.S. producers' U.S. shipments by value ranged from *** percent to *** percent during between January 2017 and June 2020, while the share of U.S. imports from subject sources by value increased from *** percent to *** percent during the same time period.

Table IV-10
PTY: Market shares, merchant market, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Apparent U.S. consumption	***	***	***	***	***
	Share of quantity (percent)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***
	Value (1,000 dollars)				
Apparent U.S. consumption	***	***	***	***	***
	Share of value (percent)				
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. imports from.--					
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Part V: Pricing data

Factors affecting prices

Raw material costs

For U.S. PTY producers, raw material costs were between *** percent of the cost of goods sold in 2017-19, although they fell to approximately *** percent in January-June 2020.

The main input for PTY is PET resin. Some producers of PTY purchase partially oriented yarn, while some purchase PET resin, and some produce PET resin. The PET resin may be either virgin or recycled. The main components required to produce PET resin are the petrochemicals MEG and PTA.[1] The price of PET resin increased by over *** percent from January 2017 to September 2018 and then fell by more than *** percent from September 2018 to April 2020. PET resin prices then increased by *** percent between April 2020 and October 2020. Overall, PET resin prices fell *** percent from January 2017 to June 2020 (figure V-1).

U.S. producers and importers reported a wide variety of trends in the costs of the raw materials used to produce PTY since January 1, 2017. Two U.S. producers and twelve importers (including ***)[2] reported that raw material costs had fluctuated, often describing raw material costs as having increased in the early part of the period, and then decreasing more recently. One U.S. producer and six importers (including ***) reported that raw material costs had decreased. Two U.S. producers and five importers reported that raw material costs had increased, and one importer reported that raw materials costs had not changed. Three U.S. producers, while reporting different trends in raw material costs, stated that they had not been able to cover raw material costs due to the presence of low-priced imports. One firm (importer ***) indicated that raw material prices had decreased, "likely" due to COVID-19.

[1] China and India PTY publication, p. V-1, and conference transcript, p. 50 (Ingle).

[2] *** submitted both U.S. producers' and importers' questionnaires. Unless otherwise indicated, their responses are compiled in this chapter as both U.S. producers and importers.

Figure V-1
PET resin prices: Price of PET resin, by month, January 2017-October 2020

* * * * * * *

Source: *** provided by the petitioners.

Transportation costs to the U.S. market

Transportation costs for PTY shipped from subject countries to the United States averaged 6.1 percent for Indonesia, 7.2 percent for Malaysia, 5.1 percent for Thailand, and 6.6 percent for Vietnam during 2019. These estimates were derived from official import data and represent the transportation and other charges on imports.[3]

U.S. inland transportation costs

Three responding U.S. producers (including ***) and 12 importers reported that they typically arrange transportation to their customers, while 2 other U.S. producers and 2 importers reported that their customers arranged transportation.[4] U.S.

[3] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2019 and then dividing by the customs value based on official U.S. import statistics for HTS numbers 5402.33.3000 and 5402.33.6000.

[4] Six importers indicated that they shipped PTY from their point of importation, and six indicated they did so from a storage facility.

producers reported that their U.S. inland transportation costs ranged from one to four percent, and most importers reported similar costs of two to five percent.

Pricing practices

Pricing methods

As presented in table V-1, U.S. producers and importers sell primarily through transaction-by-transaction negotiations and/or contracts.[5] Two importers described setting prices based on the price of raw materials and import duties, and U.S. producer *** described setting prices based on the customer and the item.

Table V-1
PTY: U.S. producers' and importers' reported price setting methods, by number of responding firms

Method	U.S. producers	Importers
Transaction-by-transaction	4	10
Contract	2	3
Set price list	---	2
Other	1	3
Responding firms	5	14

Note: The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

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

In 2019, most U.S. producers' sales were spot sales, while most importers' sales were under short-term contracts (table V-2). U.S. producers' short-term contracts ranged from 30 to 90 days, while importers' short-term contracts ranged from 30 to 180 days.

Table V-2
PTY: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2019

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.

[5] Two importers reported their prices changed based on raw material costs, and one of these also reported using a price list.

U.S. producers and importers that used contracts were asked to report their contract provisions. For short-term contracts, two U.S. producers and four importers reported that prices were not renegotiated during the contract period, while one U.S. producer and one importer reported that prices could be renegotiated during the contract period. Most responding producers and importers indicated that contracts fixed price but not quantity, and were not indexed to raw material costs.[6]

Sales terms and discounts

Most U.S. responding producers (4 of 5) and importers (6 of 12) typically quote prices on an f.o.b. basis, with the remainder quoting on a delivered basis. Three U.S. producers and 12 importers indicated that they had no discounts. Two U.S. producers and two U.S. importers indicated they had quantity discounts, and one U.S. producer and one importer described other discounts, such as net payment or individual customer discounts.

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 PTY products shipped to unrelated U.S. customers during January 2017-June 2020.

Product 1.--Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

Product 2.--Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

Product 3.--Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

Product 4.-- Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

Five U.S. producers and seven importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[7]

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[6] ***.

[7] 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.

(*continued*...)

Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' shipments of PTY, *** percent of U.S. commercial shipments of subject imports from Indonesia, *** percent of U.S. commercial shipments of subject imports from Malaysia, *** percent of U.S. commercial shipments of subject imports from Thailand, and *** percent of U.S. commercial shipments of subject imports from Vietnam in 2019.[8]

Price data for products 1 through 4 are presented in tables V-3 to V-6 and figures V-2 to V-5. In many quarters, pricing data for subject countries often reflect data from ***.[9] Additionally, importer ***, stated that it was ***.[10]

(…*continued*)

Commission questionnaires requested that, if questionnaire respondents had a product that was not exactly the same as, but nonetheless competitive with, the requested product, to provide data for that product and describe it. Staff has attempted to keep all data provided by firms, but in a few cases, the prices were far above normal levels. In those few instances, staff has not used those data. ***. See emails from ***.

[8] Imports of pricing data accounted for *** percent of all imports from Indonesia, *** percent of all imports from Malaysia, *** percent of all imports from Thailand, and *** percent of all imports from Vietnam. Pricing coverage is based on U.S. shipments reported in questionnaires.

[9] ***. See email from ***.

[10] See Part IV and ***.

Table V-3
PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Table V-4
PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Table V-5
PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Table V-6
PTY: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	Price ($ per pound)	Quantity (pounds)	Margin (percent)	Price ($ per pound)	Quantity (pounds)	Margin (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Figure V-2
PTY: Weighted-average prices and quantities of domestic and imported product 1, by quarter, January 2017-June 2020

* * * * * * *

Product 1: Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Figure V-3
PTY: Weighted-average prices and quantities of domestic and imported product 2, by quarter, January 2017-June 2020

* * * * * * *

Product 2: Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Figure V-4
PTY: Weighted-average prices and quantities of domestic and imported product 3, by quarter, January 2017-June 2020

* * * * * * *

Product 3: Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Figure V-5
PTY: Weighted-average prices and quantities of domestic and imported product 4, by quarter, January 2017-June 2020

* * * * * * *

Product 4: Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Import purchase cost data

The Commission also requested that importers provide quarterly purchase cost data from their own use. Three importers (***)[11] provided usable purchase cost data of the requested products, although none of these firms reported purchase costs for all products for all quarters.[12] Purchase cost data reported by these firms accounted for approximately *** percent of internal consumption of subject imports from Indonesia and *** percent of internal consumption of subject imports from Malaysia in 2019.[13]

Landed duty paid purchase cost data are presented in tables V-7 to V-10 and figures V-6 to V-9 along with U.S. producers' sales price.[14]

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of importing PTY directly**.** Two importers reported that they compared costs of importing to the cost of purchasing from both U.S. producers and importers in determining whether to import PTY, and one importer did not compare costs to purchasing from either U.S. producers or importers.

None of the three importers providing cost data reported that they incurred additional costs beyond landed duty-paid costs by importing PTY directly rather than purchasing from a U.S. producer or U.S. importer.

Importers were asked about the benefits of importing PTY directly. *** stated that they did so because availability of the specific products they imported was limited from U.S. producers.

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[11] *** Staff has left these data *** in.

[12] 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.

[13] These purchase cost data accounted for *** percent of U.S. importers' reported shipments of imports from Indonesia, and a similar *** percent of U.S. importers' reported shipments of imports from Malaysia.

[14] LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differentials are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

*** stated that importing directly did not result in a lower price than purchasing from a U.S. producer or importer, but *** stated that it would. *** stated that by importing directly, it saved 20 percent from the price of U.S. producers, and 10 percent from the price of U.S. importers. ***.

Table V-7
PTY: Weighted-average f.o.b. prices, costs, and quantities of domestic and imported product 1 and price-cost differentials, by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 1: Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Table V-8
PTY: Weighted-average f.o.b. prices, costs, and quantities of domestic and imported product 2 and price-cost differentials, by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 2: Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Table V-9
PTY: Weighted-average f.o.b. prices, costs, and quantities of domestic and imported product 3 and price-cost differentials, by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	--
July-Sept.	***	***	***	***	***	***	***	--
Oct.-Dec.	***	***	***	***	***	***	***	--
2020: Jan.-Mar.	***	***	***	***	***	***	***	--
Apr.-June	***	***	***	***	***	***	***	***
Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 3: Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Table V-10
PTY: Weighted-average f.o.b. prices, costs, and quantities of domestic and imported product 4 and price-cost differentials, by quarter, January 2017-June 2020

Period	United States		Indonesia			Malaysia		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Period	United States		Thailand			Vietnam		
	Price ($ per pound)	Quantity (pounds)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)	LDP cost ($ per pound)	Quantity (pounds)	Price/cost differential (percent)
2017: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2018: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020: Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***	***	***

Note: Product 4: Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Figure V-6
PTY: Weighted-average prices, unit LDP values and quantities of domestic and imported product 1, by quarter, January 2017-June 2020

* * * * * * *

Product 1: Single ply, 150 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Figure V-7
PTY: Weighted-average prices, unit LDP values and quantities of domestic and imported product 2, by quarter, January 2017-June 2020

* * * * * * *

Product 2: Single ply, 70 denier, 34 to 48 filaments, semi-dull natural luster, round PTY.

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

Figure V-8
PTY: Weighted-average prices, unit LDP values and quantities of domestic and imported product 3, by quarter, January 2017-June 2020

* * * * * * *

Product 3: Single ply, 70 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Figure V-9
PTY: Weighted-average prices, unit LDP values and quantities of domestic and imported product 4, by quarter, January 2017-June 2020

* * * * * * *

Product 4: Single ply, 300 denier, 68 to 72 filaments, semi-dull natural luster, round PTY.

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

Price and cost trends

U.S. producers' prices for products 1 and 2 increased (from *** to *** percent) during January 2017 to June 2020, while their prices for products 3 and 4 decreased (from *** to *** percent). Table V-11 summarizes the price trends, by country and by product. Price trends for subject imports sometimes show either large ranges or large decreases, in part due to ***.

Table V-11
PTY: Summary of weighted-average f.o.b. prices and costs for products 1-4 from the United States, Indonesia, Malaysia, Thailand, and Vietnam

Item	Number of quarters	Low price or cost ($ per pound)	High price or cost ($ per pound)	Change in price or cost (percent)
Product 1				
United States	***	***	***	***
Indonesia – pricing data	***	***	***	***
Malaysia – pricing data	***	***	***	***
Thailand – pricing data	***	***	***	***
Vietnam – pricing data	***	***	***	***
Indonesia – purchase cost data	***	***	***	***
Malaysia – purchase cost data	***	***	***	***
Thailand – purchase cost data	***	***	***	***
Vietnam – purchase cost data	***	***	***	***
Product 2				
United States	***	***	***	***
Indonesia – pricing data	***	***	***	***
Malaysia – pricing data	***	***	***	***
Thailand – pricing data	***	***	***	***
Vietnam – pricing data	***	***	***	***
Indonesia – purchase cost data	***	***	***	***
Malaysia – purchase cost data	***	***	***	***
Thailand – purchase cost data	***	***	***	***
Vietnam – purchase cost data	***	***	***	***
Product 3				
United States	***	***	***	***
Indonesia – pricing data	***	***	***	***
Malaysia – pricing data	***	***	***	***
Thailand – pricing data	***	***	***	***
Vietnam – pricing data	***	***	***	***
Indonesia – purchase cost data	***	***	***	***
Malaysia – purchase cost data	***	***	***	***
Thailand – purchase cost data	***	***	***	***
Vietnam – purchase cost data	***	***	***	***
Product 4				
United States	***	***	***	***
Indonesia – pricing data	***	***	***	***
Malaysia – pricing data	***	***	***	***
Thailand – pricing data	***	***	***	***
Vietnam – pricing data	***	***	***	***
Indonesia – purchase cost data	***	***	***	***
Malaysia – purchase cost data	***	***	***	***
Thailand – purchase cost data	***	***	***	***
Vietnam – purchase cost data	***	***	***	***

Note: 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-12, prices for product imported from Indonesia, Malaysia, Thailand, and Vietnam were below those for U.S.-produced product in 41 of 69 instances (4,655,290 pounds); margins of underselling ranged from 0.3 to 69.3 percent. In the remaining 28 instances (97,757 pounds), prices for product from subject countries were between 1.9 and 243.6 percent above prices for the domestic product. Most underselling occurred early in the period, when ***.

Table V-12
PTY: Instances of underselling/overselling and the range and average of margins, by source, January 2017-June 2020

Source	Underselling				
	Number of quarters	Quantity (pounds)	Average margin (percent)	Margin range (percent)	
				Min	Max
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Total	41	4,655,290	27.6	0.3	69.3
Source	**(Overselling)**				
	Number of quarters	Quantity (pounds)	Average margin (percent)	Margin range (percent)	
				Min	Max
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Total	28	97,757	(58.6)	(1.9)	(243.6)

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

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

As shown in table V-13, subject import purchase costs were lower than U.S. producers' prices in 18 quarters of comparison (4,348,004 pounds), with price/cost differentials ranging from 0.1 to 62.3 percent. Subject import purchase costs were higher than U.S. producers' prices in 6 quarters of comparisons (514,437 pounds), with price/cost differentials ranging from 0.0 to 268.3 percent.

Table V-13
PTY: Instances of lower/(higher) average unit purchase costs compared to U.S. prices and the range and average of price/cost differentials, by country, January 2017 through June 2020

Source	Unit purchase cost data lower than U.S. prices				
	Number of quarters	Quantity (pounds)	Average price / cost differential (percent)	Price / cost differential range (percent)	
				Min	Max
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Total	18	4,348,004	19.9	0.1	62.3
Source	**(Unit purchase cost data higher than U.S. prices)**				
	Number of quarters	Quantity (pounds)	Average price / cost differential (percent)	Price / cost differential range (percent)	
				Min	Max
Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Total	6	514,437	(45.7)	(0.0)	(268.3)

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

Lost sales and lost revenue

The Commission requested that U.S. producers of PTY report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam during January 2017-June 2020. Of the four responding U.S. producers, three reported that they had to either reduce prices or roll back announced price increases, and three firms reported that they had lost sales. (*** indicated that it had not lost sales.) *** U.S. producers submitted lost sales and lost revenue allegations. These U.S. producers identified 21 firms from which they lost sales.

Staff contacted 21 purchasers and received responses from 9 purchasers, including ***. Responding purchasers reported purchasing 77 million pounds of PTY during January 2017 to June 2020 (table V-14).

During 2019, responding purchasers purchased 36.6 percent from U.S. producers, 3.4 percent from Indonesia, 3.3 percent from Malaysia, 2.3 percent from Thailand, 4.9 percent from Vietnam, 31.9 percent from nonsubject countries, and 17.6 percent from "unknown source" countries. Purchasers were asked about changes in their purchasing patterns from different sources since January 1, 2017. Of the responding purchasers, five reported fluctuating purchases from domestic producers, two reported constant purchases from domestic producers, one reported decreasing purchases from domestic producers, and one reported increasing purchases from domestic producers. Five purchasers reported no purchases of Indonesian or Malaysian product, six reported no purchases of Vietnamese product, and four reported no purchases of Thai product. Among those reporting purchases of subject product, a plurality reported increasing purchases of Indonesian and Vietnamese product, while one of three reported increasing purchases of Malaysian product, and one of three reported increasing purchases of Thai product.

Explanations for fluctuating purchasing patterns from U.S. producers included price (***), changing downstream product mix (***), downstream sales (***), and the lack of U.S. producers making the product needed (***). Additionally, *** indicated that it switched from purchasing ***. *** described product from Malaysia as the highest quality for its end uses. *** described increasing purchases of Vietnamese product until the COVID-19 outbreak.

Of the nine responding purchasers, six reported that, since 2017, they had purchased imported PTY from Indonesia, Malaysia, Thailand, and/or Vietnam instead of U.S.-produced product. Six of these purchasers reported that subject import prices were lower than U.S.-produced product, and three of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. Three purchasers estimated the quantity of PTY from Indonesia, Malaysia, Thailand, and/or Vietnam purchased instead of domestic product; quantities ranged from 480,000 pounds to 805,000 pounds (table V-15). Three purchasers identified non-price reasons for purchasing imported rather than U.S.-produced product, stating that U.S. producers did not produce sufficient no-splice or special twisted PTY, or that U.S. producers did not have capacity.

Of the nine responding purchasers, five reported that U.S. producers had not reduced prices in order to compete with lower-priced imports from subject countries, while four reported that they did not know. Additionally, table V-16 provides purchasers' responses to purchasing subject imports instead of domestic product, by country.

In additional comments, *** stated that its domestic supplier ***. *** stated that when purchasing, it first tries to source from suppliers of *** product, then compares quality. It continued that if quality is the same, it will then prioritize price.

Table V-14
PTY: Purchasers' reported purchases and imports, January 2017-June 2020

Purchaser	Purchases in January 2017-June 2020 (pounds)			Change in domestic share (pp, 2017-19)	Change in subject country share (pp, 2017-19)
	Domestic	Subject	All other		
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
Total	***	***	***	***	***

Note: All other includes all other sources and unknown sources.
Note: Percentage points (pp) change: Change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years. *** was unable to provide 2017 data, so no change in domestic share is reported for it from 2017 to 2019.

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

Table V-15
PTY: Purchasers' responses to purchasing subject imports instead of domestic product

Purchaser	Purchased imports instead of domestic (Y/N)	Imports priced lower (Y/N)	If purchased imports instead of domestic, was price a primary reason		
			Y/N	If Yes, quantity purchased instead of domestic (1,000 pounds)	If No, non-price reason
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
Total	Yes--6; No--3	Yes--6; No--0	Yes--3; No--3	***	

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

Table V-16
PTY: Purchasers' responses to purchasing subject imports instead of domestic product, by country

Source	Count of purchasers reporting subject instead of domestic	Count of purchasers reported that imports were priced lower	Count of purchasers reporting that price was a primary reason for shift	Quantity subject purchased (1,000 pounds)
Indonesia	3	3	1	***
Malaysia	4	4	3	***
Thailand	2	2	1	***
Vietnam	2	2	1	***
Any subject source	6	6	3	***

Part VI: Financial experience of U.S. producers

Background

Five U.S. producers provided usable financial data for their total and merchant market operations on PTY: CS America, Milliken, Nan Ya, Sapona, and Unifi.[1] All responding U.S. producers reported financial data according to generally accepted accounting principles (GAAP).[2] The questionnaire responses are believed to account for the large majority of sales of PTY by U.S. producers.[3]

Figure VI-1 presents each responding U.S. producer's share of the total reported net sales quantity in 2019 in the overall market (inclusive of commercial sales, internal consumption, and transfers to related firms).[4] Commercial sales represent the substantial majority (*** percent) of revenue in 2019. The remaining revenue (*** percent) reflects internal consumption reported by ***.[5] *** reported *** transfers to related firms ***.[6]

[1] Another U.S. producer, ***, ceased production of polyester textured yarn in 2017 and did not provide a response in these preliminary investigations. China and India PTY publication, p. VI-1.

[2] ***, U.S. producers reported their annual financial results based on calendar year periods. *** fiscal years end on or about December 31st while ***. U.S. producers reported U.S. commercial shipments and exports (presented in Part III of this report) that were the same as their merchant market sales. Very small differences between the data reported in the trade and financial sections of the Commission's questionnaires are due to rounding by the five companies that provided usable trade and financial data.

[3] The record from related proceeding on polyester textured yarn included data from additional U.S. producers Aquafil and Sage. China and India PTY publication, p. VI-1.

[4] Overall market, also referred to as "total market," includes commercial sales (U.S. and export shipments), internal consumption, and transfers to related firms.

[5] ***. Inv. Nos. 701-TA-612-613 and 731-TA-1429-1430 (Final), Polyester Textured Yarn from China and India--Staff Report, INV-RR-129, December 4, 2019 ("China and India PTY confidential staff report"), p. VI-1.

[6] ***. China and India PTY confidential staff report, p. VI-2 and *** email to USITC staff, November 24, 2020.

Figure VI-1
PTY: Share of net sales quantity (overall operations), by firm, 2019

* * * * * * *

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

Operations on PTY

Table VI-1 presents PTY financial results in the overall market from 2017 to 2019, January to June 2019 ("interim 2019"), and January to June 2020 ("interim 2020")) and table VI-2 presents corresponding changes in average values per-pound. Table VI-3 presents PTY financial results specific to the merchant market (commercial sales only) and table VI-4 presents corresponding changes in average values per-pound. Table VI-5 presents selected company-specific financial information in both overall and merchant market operations over the period for which data were collected. Differences in average unit values of sales and costs are largely attributable to differences in product mix and level of vertical integration among producers.[7]

[7] The discussion of average unit values in the overall market mostly mirror those in the merchant market.

Table VI-1
PTY: Results of overall operations of U.S. producers, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Commercial sales	***	***	***	***	***
Internal consumption	***	***	***	***	***
Transfers to related firms	***	***	***	***	***
Total net sales	193,187	180,653	167,458	85,454	72,447
	Value (1,000 dollars)				
Commercial sales	***	***	***	***	***
Internal consumption	***	***	***	***	***
Transfers to related firms	***	***	***	***	***
Total net sales	325,401	316,171	295,818	152,830	121,891
Cost of goods sold.-- Raw materials	180,213	186,300	174,388	91,886	68,548
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Total COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Other expense / (income), net	***	***	***	***	***
Net income or (loss)	***	***	***	***	***
Depreciation/amortization	***	***	***	***	***
Cash flow	***	***	***	***	***
	Ratio to net sales (percent)				
Cost of goods sold.-- Raw materials	55.4	58.9	59.0	60.1	56.2
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Net income or (loss)	***	***	***	***	***

Table continued on next page.

Table VI-1—Continued
PTY: Results of overall operations of U.S. producers, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Ratio to total COGS (percent)				
Cost of goods sold.-- Raw materials	61.6	64.4	62.0	62.9	58.1
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
	Unit value (dollars per pound)				
Commercial sales	***	***	***	***	***
Internal consumption	***	***	***	***	***
Transfers to related firms	***	***	***	***	***
Total net sales	1.68	1.75	1.77	1.79	1.68
Cost of goods sold.-- Raw materials	0.93	1.03	1.04	1.08	0.95
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Net income or (loss)	***	***	***	***	***
	Number of firms reporting				
Operating losses	1	2	4	3	4
Net losses	---	1	5	5	4
Data	5	5	5	5	5

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

Table VI-2
PTY: Changes in AUVs (overall operations) between calendar years and partial year periods

Item	Between Calendar years			Between partial year period
	2017-19	2017-18	2018-19	2019-20
	Change in AUVs (percent)			
Commercial sales	▲***	▲***	▲***	▼***
Internal consumption	▲***	▲***	▲***	▼***
Transfers to related firms	▼***	▼***	▼***	▼***
Total net sales	▲4.9	▲3.9	▲0.9	▼(5.9)
Cost of goods sold.-- Raw materials	▲11.6	▲10.6	▲1.0	▼(12.0)
Direct labor	▲***	▲***	▲***	▲***
Other factory costs	▲***	▼***	▲***	▲***
Average COGS	▲***	▲***	▲***	▼***
	Change in AUVs (dollars per pound)			
Commercial sales	▲***	▲***	▲***	▼***
Internal consumption	▲***	▲***	▲***	▼***
Transfers to related firms	▼***	▼***	▼***	▼***
Total net sales	▲0.08	▲0.07	▲0.02	▼(0.11)
Cost of goods sold.-- Raw materials	▲0.11	▲0.10	▲0.01	▼(0.13)
Direct labor	▲***	▲***	▲***	▲***
Other factory costs	▲***	▼***	▲***	▲***
Average COGS	▲***	▲***	▲***	▼***
Gross profit	▼***	▼***	▼***	▼***
SG&A expense	▼***	▲***	▼***	▲***
Operating income or (loss)	▼***	▼***	▼***	▼***
Net income or (loss)	▼***	▼***	▼***	▼***

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

Table VI-3
PTY: Results of merchant market operations of U.S. producers, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Commercial sales	***	***	***	***	***
	Value (1,000 dollars)				
Commercial sales	***	***	***	***	***
Cost of goods sold.-- Raw materials	***	***	***	***	***
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Total COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Other expense / (income), net	***	***	***	***	***
Net income or (loss)	***	***	***	***	***
Depreciation/amortization	***	***	***	***	***
Cash flow	***	***	***	***	***
	Ratio to net sales (percent)				
Cost of goods sold.-- Raw materials	***	***	***	***	***
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Net income or (loss)	***	***	***	***	***

Table VI-3—Continued
PTY: Results of merchant market operations of U.S. producers, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Ratio to total COGS (percent)				
Cost of goods sold.-- Raw materials	***	***	***	***	***
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
	Unit value (dollars per pound)				
Commercial sales	***	***	***	***	***
Cost of goods sold.-- Raw materials	***	***	***	***	***
Direct labor	***	***	***	***	***
Other factory costs	***	***	***	***	***
Average COGS	***	***	***	***	***
Gross profit	***	***	***	***	***
SG&A expense	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***
Net income or (loss)	***	***	***	***	***
	Number of firms reporting				
Operating losses	1	2	4	3	4
Net losses	---	1	5	5	4
Data	5	5	5	5	5

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

Table VI-4
PTY: Changes in AUVs, merchant market operations, between fiscal years and between partial year periods

Item	Between Calendar years			Between partial year period
	2017-19	2017-18	2018-19	2019-20
	Change in AUVs (percent)			
Commercial sales	▲***	▲***	▲***	▼***
Cost of goods sold.-- Raw materials	▲***	▲***	▼***	▼***
Direct labor	▲***	▲***	▲***	▲***
Other factory costs	▲***	▼***	▲***	▲***
Average COGS	▲***	▲***	▲***	▼***
	Change in AUVs (dollars per pound)			
Commercial sales	▲***	▲***	▲***	▼***
Cost of goods sold.-- Raw materials	▲***	▲***	▼***	▼***
Direct labor	▲***	▲***	▲***	▲***
Other factory costs	▲***	▼***	▲***	▲***
Average COGS	▲***	▲***	▲***	▼***
Gross profit	▼***	▼***	▼***	▼***
SG&A expense	▼***	▲***	▼***	▲***
Operating income or (loss)	▼***	▼***	▼***	▼***
Net income or (loss)	▼***	▼***	▼***	▼***

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

Table VI-5
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
		Total net sales (1,000 pounds)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	193,187	180,653	167,458	85,454	72,447
		Total net sales (1,000 dollars)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	325,401	316,171	295,818	152,830	121,891
		Cost of goods sold (1,000 dollars)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
		Gross profit (1,000 pounds)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		SG&A expenses(1,000 dollars)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		Operating income or (loss) (1,000 dollars)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
		Net income (1,000 dollars)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		COGS to net sales ratio (percent)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		Gross profit or (loss) to net sales ratio (percent)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
		SG&A expense to net sales ratio (percent)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		Operating income or (loss) to net sales ratio (percent)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
		Net income or (loss) to net sales ratio (percent)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

Table continued on next page.

Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
		Unit net sales value (dollars per pound)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	1.68	1.75	1.77	1.79	1.68
		Unit raw materials (dollars per pound)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	0.93	1.03	1.04	1.08	0.95
		Unit direct labor (dollars per pound)				
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
	Unit other factory costs (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
	Unit COGS (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
	Unit gross profit or (loss) (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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Table VI-5—Continued
PTY: Select results of overall and merchant market operations of U.S. producers, by company, 2017-19, January to June 2019, and January to June 2020

Item		Calendar year			January to June	
		2017	2018	2019	2019	2020
	Unit SG&A expenses (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
	Unit operating income or (loss) (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***
	Unit net income or (loss) (dollars per pound)					
CS America	Merchant	***	***	***	***	***
Milliken	Merchant	***	***	***	***	***
Nan Ya	Merchant	***	***	***	***	***
Sapona	Merchant	***	***	***	***	***
Unifi	Merchant	***	***	***	***	***
All firms	Merchant	***	***	***	***	***
CS America	Overall	***	***	***	***	***
Milliken	Overall	***	***	***	***	***
Nan Ya	Overall	***	***	***	***	***
Sapona	Overall	***	***	***	***	***
Unifi	Overall	***	***	***	***	***
All firms	Overall	***	***	***	***	***

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

Net sales

As presented in table VI-1, total net sales includes commercial sales, internal consumption, and transfers to related firms. Tables VI-1 and VI-3 show that PTY sales volume and value in both categories of operations (overall and merchant markets) declined throughout 2017 to 2019, and were lower in interim 2020 than in interim 2019. *** reported total sales volume and value declines throughout the period, reflecting declines in its U.S. commercial sales and exports. While aggregated commercial sales volume and value declined throughout the period, on a company-specific basis the pattern varied from 2017-18 and from 2018-19. All U.S. producers reported lower interim 2020 sales volume and value than in interim 2019.

Average sales value ("AUV") per-pound in both categories of operations (commercial and overall sales) increased from 2017 to 2019 and was lower in interim 2020 than in interim 2019. On a company-specific basis, U.S. producers reported increases in the AUVs of PTY from 2017 to 2018 and most reported increases from 2018 to 2019 (***). Table VI-5 shows that *** generally reported the highest commercial sales value per-pound throughout the period and *** generally reported the lowest commercial sales value per-pound in both the total and merchant markets.

Cost of goods sold and gross profit or loss

As presented in table VI-1, raw materials represent the largest share of total cost of goods sold ("COGS") in the overall market, ranging from 58.1 percent to 64.4 percent during the period for which data were collected. Table VI-3 shows that raw material cost shares were somewhat higher in the merchant market, ranging from 60.1 percent to 67.4 percent of total COGS during this period.

Table VI-5 shows that U.S. producers' average unit raw material costs in the overall market increased from 2017 to 2019 ($0.93 per-pound in 2017, $1.03 per-pound in 2018, and $1.04 per-pound in 2019); average unit raw material costs were lower in interim 2020 than in interim 2019. As a ratio to net sales, raw materials in the overall market increased from 2017 to 2019 (55.4 percent in 2017, 58.9 percent in 2018, 59.0 percent in 2019) and were lower in interim 2020 than in interim 2019. In the merchant market, U.S. producers reported a range of average unit raw material costs, with the industry reporting increasing average unit raw material costs from 2017 to 2018 before declining in 2019 ($*** per-pound in 2017, $*** per-pound in 2018, and $*** per-pound in 2019); average unit raw material costs were lower in interim 2020 than in interim 2019. As a ratio to net sales, raw materials fluctuated in the merchant market, increasing from *** percent in 2017 to *** percent in 2018 before declining to *** percent in 2019 and were lower in interim 2020 than in interim 2019.

Company-specific average unit raw material costs varied according to the level of vertical integration and the form of primary inputs used to produce PTY. As the only vertically integrated producer that uses MEG (monoethylene glycol) and PTA (purified terephthalic acid) feedstock as the raw materials for PTY, *** average unit raw material costs, ranging from $*** to $***, all from internally produced PET resin.[8] *** primary raw material costs are related to the its internal production of partially oriented yarn ("POY") using purchases of recycled plastic bottles and post-industrial polyester waste; *** also buys PET resin and POY to supplement its internal production of POY.[9] The remaining *** U.S. producers (***) reported that their primary raw material costs reflect purchased POY.[10] The highest average unit raw material cost was reported by one U.S. producer (***) for very small amounts of purchased PET resin. While U.S. producers varied in terms of the level of material input integration, the production of PTY was generally described as capital intensive with a corresponding incentive to maintain high capacity utilization.[11] Table VI-6 presents raw materials, by type, in 2019 in both overall and merchant markets.[12]

[8] ***. The underlying raw materials, MEG and PTA, used to produce polyester chip are crude oil based chemicals and are therefore impacted by crude oil prices and supply and demand. ***. ***'s U.S. producer questionnaire, III-7 and China and India PTY publication, p. VI-11.

[9] ***.

[10] *** also reported other raw materials in addition to purchased PET resin and POY, but in much smaller amounts relative to purchased POY.

[11] China and India confidential PTY staff report, p. VI-18.

[12] *** reported purchasing inputs of *** from related suppliers at fair market value.

Table VI-6
PTY: Raw material costs, by type, 2019

Raw materials		Calendar year 2019		
		Value (1,000 dollars)	Unit value (dollars per pound)	Share of value (percent)
Internal produced PET	Merchant	***	***	***
Purchased PET resin	Merchant	***	***	***
Cost of internally produced POY	Merchant	***	***	***
Purchased POY	Merchant	***	***	***
Other material inputs	Merchant	***	***	***
Total, raw materials	Merchant	***	***	***
Internal produced PET	Total	***	***	***
Purchased PET resin	Total	***	***	***
Cost of internally produced POY	Total	***	***	***
Purchased POY	Total	***	***	***
Other material inputs	Total	***	***	***
Total, raw materials	Total	174,388	1.04	100.0

Note.—Shares and ratios shown as "0.00" represent values greater than zero, but less than "0.005" percent.

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

In both overall and merchant markets, the share of total COGS accounted for by direct labor remained within a relatively narrow range. In the overall market, direct labor ranged from *** percent to *** percent from 2017 to 2019. In the merchant market, direct labor accounted for a marginally smaller share, ranging from *** percent to *** percent of total COGS from 2017 to 2019. Director labor costs in both the overall and merchant markets were lower in interim 2020 than in interim 2019 but higher as a share of COGS and revenue. Average unit direct labor costs were higher in interim 2020 than in interim 2019 in both markets.

Other factory costs as a share of total COGS in the overall market ranged from *** percent to *** percent from 2017 to 2019. In the merchant market, other factory costs shares to total COGS were similar, ranging from *** percent to *** percent of total COGS during the same period.[13] With the exception of ***, U.S. producers reported large fluctuations in their average unit other factory costs from 2017 to 2019 and in the interim periods.[14]

Tables VI-1 and VI-3 show that average unit COGS in both markets increased each year from 2017 to 2019, but was lower in interim 2020 than in interim 2019. The pattern of

[13] *** other factory costs per-pound, with its other factory costs per-pound fluctuating from 2017 to 2019, reflecting its net sales fluctuations. ***'s other factory costs per-pound was lower in interim 2020 than in interim 2019.

[14] *** reported the largest variation of other factory costs per-pound, ***.

increasing average unit COGS primarily reflects changes in corresponding average unit raw material costs; i.e., while average unit direct labor costs increased slightly and other factory costs fluctuated during the period, the impact on average unit COGS was less pronounced. Table VI-5 shows that company-specific average unit COGS fluctuated, with all U.S. producers reporting higher average unit COGS from 2017 to 2019. Company-specific differences in the directional pattern of average unit COGS broadly reflect variations in both average unit raw material costs and conversion costs (combined unit direct labor and other factory costs). Except for small U.S. producer ***, U.S. producers all reported lower average unit COGS in interim 2020 than in interim 2019.

While remaining positive, gross profit in both overall and merchant market operations declined on an absolute basis and as a ratio to sales from 2017 to 2019 and was lower in interim 2020 than in interim 2019. *** reported negative gross profit in 2019 and interim 2020. In contrast, *** is the only U.S. producer that reported increased gross profit in absolute values and as a ratio to net sales in the overall market from 2017 to 2019, but reported lower gross profits in interim 2020 than in interim 2019 similar to the aggregated industry trend.

SG&A expenses and operating income or loss

As shown in tables VI-1 and VI-3, total selling, general, and administrative ("SG&A") expenses declined each year from 2017 to 2019 in the overall market while SG&A expenses increased in the merchant market from 2017 to 2018 before declining in 2019; SG&A expenses were lower in interim 2020 than in interim 2019 for both markets. In both markets, SG&A expenses ratios (i.e., total SG&A expenses divided by net sales) increased from 2017 to 2018 before declining in 2019; SG&A expense ratios were higher in interim 2020 than in interim 2019. On a company-specific basis (see table VI-5), U.S. producers reported a relatively wide range of SG&A expense ratios.

As presented in table VI-1 and VI-3, U.S. producers' operating income declined each year from 2017 to 2019 and was lower in interim 2020 than in interim 2019 in both overall and merchant markets. Operating margins (i.e. operating income divided by net sales) also declined each year from *** percent in 2017 to *** percent in 2018, with a negative operating margin of *** percent in 2019 in the overall market, with the merchant market showing the same trend but lower operating margins in every annual year period. Operating margins were lower in interim 2020 than in interim 2019 in both markets. As shown in table VI-5, individual U.S. producers reported a mix of higher and lower operating profits from 2017 to 2019. The operating losses in both merchant and overall markets in 2018 largely reflect ***. *** was the only U.S. producer reporting positive operating results in 2019 in both market categories, but

reported much lower operating results in interim 2020 than in interim 2019. The pattern of declining operating results primarily reflects the factors impacting financial results at the gross level (i.e., reduced sales volume and declining gross profit ratios), ***.

All other expenses and net income or loss

Classified below the operating income level are interest expenses, other expenses, and other income. In tables VI-1 and VI-3, these items are aggregated with the net amount shown. The net "all other expenses/income" fluctuated from 2017 to 2019 and was higher in interim 2020 than in interim 2019.[15] While the absolute difference between operating and net profits narrowed and widened in conjunction with changes in total interest expense and all other income and expenses, the U.S. industry's operating and net profits followed the same directional trend throughout the period, with *** accounting for the largest shares of net income in 2017, *** accounting for the net loss in 2018, and all U.S. producers reporting net losses in 2019 and in both interim periods.[16]

[15] Two smaller U.S. producers *** reported other income. The net all other income in 2017 reflect the other income of ***.

[16] A variance analysis is not shown due to large differences in product mix, production of other products, and vertical integration of U.S. producers. These differences result in wide variations in the costs allocated to polyester textured yarn operations as well as the cost structures among the reporting firms.

Capital expenditures, research and development expenses, assets, and return on assets

Table VI-7 presents capital expenditures and research and development ("R&D") expenses, assets, and return on assets ("ROA") of U.S. producers. Table VI-8 provides the producers' narrative responses regarding the nature and focus of their capital expenditures and R&D expenses as well as substantial changes in assets.

Table VI-7
PTY: Capital expenditures, R&D expenses, total assets, and ROA of U.S. producers, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Capital expenditures (1,000 dollars)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***
	Research and development expenses (1,000 dollars)				
CS America	***	***	***	***	***
Milliken	***	***	***	***	***
Nan Ya	***	***	***	***	***
Sapona	***	***	***	***	***
Unifi	***	***	***	***	***
All firms	***	***	***	***	***
	Total net assets (1,000 dollars)				
CS America	***	***	***		
Milliken	***	***	***		
Nan Ya	***	***	***		
Sapona	***	***	***		
Unifi	***	***	***		
All firms	***	***	***		
	Operating return on assets (percent)				
CS America	***	***	***		
Milliken	***	***	***		
Nan Ya	***	***	***		
Sapona	***	***	***		
Unifi	***	***	***		
All firms	***	***	***		

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

Table VI-8
PTY: Firms' narrative responses relating to capital expenditures, R&D expenses, and assets since January 1, 2017

Item / Firm	Narrative
Nature and focus of capital expenditures	
***	***
***	***
***	***
Nature and focus of R&D expenses	
***	***
Substantial changes in net assets	
***	***
***	***
***	***
***	***

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

Capital and investment

The Commission requested U.S. producers of PTY to describe any actual or potential negative effects of imports of PTY from Indonesia, Malaysia, Thailand, and Vietnam on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-9 presents the number of firms reporting an impact in each category and table VI-10 provides the U.S. producers' narrative responses.

Table VI-9
PTY: Actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2017

Item	No	Yes
Negative effects on investment	2	3
Cancellation, postponement, or rejection of expansion projects		1
Denial or rejection of investment proposal		0
Reduction in the size of capital investments		0
Return on specific investments negatively impacted		1
Other		3
Negative effects on growth and development	2	3
Rejection of bank loans		0
Lowering of credit rating		0
Problem related to the issue of stocks or bonds		0
Ability to service debt		0
Other		3
Anticipated negative effects of imports	2	3

Note: ***.

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

Table VI-10
PTY: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2017

Item / Firm	Narrative
Cancellation, postponement, or rejection of expansion projects:	
***	***
***	***
Return on specific investments negatively impacted:	
***	***
Other negative effects on investments:	
***	***
***	***
***	***
Other effects on growth and development:	
***	***
***	***
***	***
Anticipated effects of imports:	
***	***
***	***
***	***

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

Part VII: Threat considerations and information on nonsubject countries

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

> *In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors*[1]*--*
>
> *(I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
>
> *(II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
>
> *(III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
>
> *(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
>
> *(V) inventories of the subject merchandise,*

---

[1] Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that "The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition."

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

(VII) in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),

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

(IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).[2]

Information on the volume and pricing of imports of the subject merchandise is presented in *Parts IV* and *V*; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in *Part VI*. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

[2] Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

The industry in Indonesia

The Commission issued foreign producers' or exporters' questionnaires to ten firms believed to produce and/or export PTY from Indonesia.[3] Usable responses to the Commission's questionnaire were received from six firms: PT Asia Pacific Fibers Tbk ("Asia Pacific"), PT Indorama Polychem Indonesia ("Indorama Polychem"), PT Mutu Gading Tekstil ("Mutu"), PT Polyfin Canggih ("Polyfin"), PT Indo-Rama Synthetics Tbk ("Indo-Rama Synthetics"), and PT Susilia Indah Synthetic Fibers Industries ("Sulindafin"). These firms' exports to the United States accounted for the vast majority of U.S. imports of PTY from Indonesia in 2019. According to estimates requested of the responding Indonesian producers, the production of PTY in Indonesia reported in questionnaires accounts for approximately *** percent of overall production of PTY in Indonesia. Table VII- 1 presents information on the PTY operations of the responding producers and exporters in Indonesia.

Table VII-1
PTY: Summary data for producers in Indonesia, 2019

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Asia Pacific	***	***	***	***	***	***
Indorama Polychem	***	***	***	***	***	***
Indo-Rama Synthetics	***	***	***	***	***	***
Mutu	***	***	***	***	***	***
Polyfin	***	***	***	***	***	***
Sulindafin	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

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

[3] These firms were identified through a review of information submitted in the petition and contained in *** records.

Changes in operations

As presented in table VII-2 producers in Indonesia reported several operational and organizational changes since January 1, 2017.

Table VII-2
PTY: Indonesia producers' reported changes in operations, since January 1, 2017

Item / Firm	Reported changed in operations
Plant closings:	
***	***
Expansions:	
***	***
Prolonged shutdowns or curtailments:	
***	***
***	***
***	***
***	***

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

Operations on PTY

Table VII-3 presents information on the PTY operations of the responding producers and exporters in Indonesia. Aggregate capacity for the responding producers in Indonesia decreased by *** percent between 2017 and 2019, and was *** percent lower during January-June 2020 compared to January-June 2019, but is projected to be *** percent higher in 2021 compared to 2020.

Aggregate production decreased by *** percent between 2017 and 2019, and was *** percent lower during January-June 2020 compared to January-June 2019, but is projected to be *** percent higher in 2021 compared to 2020.

Aggregate exports to the United States by responding producers in Indonesia increased by *** percent between 2017 and 2019, were *** percent higher during January-June 2020 compared to January-June 2019, and are projected to be *** percent higher in 2021 compared to 2020. All responding Indonesian producers reported exporting to the United States between 2017 and 2019. *** and *** share of aggregate exports to the United States from Indonesian producers was *** percent and *** percent respectively.

Table VII-3
PTY: Data for producers in Indonesia, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Quantity (1,000 pounds)						
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
	Ratios and shares (percent)						
Capacity utilization	***	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***	***
Share of shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

Alternative products

Table VII-4 presents the overall capacity and production on the same equipment as in-scope production by Indonesian producers. One responding firm produces products other than PTY on the same equipment or using the same employees, namely POY and chips.

Table VII-4
PTY: Indonesian producers' overall capacity and production on the same equipment as subject production, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Quantity (1,000 pounds)				
Overall capacity	***	***	***	***	***
Production:					
Polyester textured yarn	***	***	***	***	***
Nylon yarns	***	***	***	***	***
Other products	***	***	***	***	***
Out-of-scope production	***	***	***	***	***
Total production on same machinery	***	***	***	***	***
	Ratios and shares (percent)				
Overall capacity utilization	***	***	***	***	***
Share of production:					
Polyester textured yarn	***	***	***	***	***
Nylon yarns	***	***	***	***	***
Other products	***	***	***	***	***
Out-of-scope production	***	***	***	***	***
Total production on same machinery	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.

Exports

According to GTA, the leading export markets in 2019 for synthetic filament yarns, including PTY, from Indonesia are Turkey, Vietnam and the United States (table VII-5). During 2019, the United States was the third largest export market for synthetic filament yarns from Indonesia, accounting for 7.4 percent of exports, followed by Japan which accounted for 6.2 percent of exports.

Table VII-5
Synthetic filament yarn: Exports from Indonesia, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Quantity (1,000 pounds)		
United States	7,274	9,290	15,404
Turkey	84,618	58,700	65,171
Vietnam	27,854	25,031	30,737
Japan	12,386	12,785	12,903
Argentina	6,357	5,583	9,660
Italy	11,994	11,367	8,329
Germany	7,865	7,560	8,258
Brazil	9,904	8,455	6,231
Spain	5,019	3,587	3,813
All other destination markets	47,531	45,805	46,914
All destination markets	220,801	188,162	207,420
	Value (1,000 dollars)		
United States	5,391	8,062	11,998
Turkey	60,834	47,909	44,758
Vietnam	16,340	17,613	18,221
Japan	12,170	14,257	13,389
Argentina	5,190	5,010	6,701
Italy	9,047	9,790	6,656
Germany	6,051	6,482	6,772
Brazil	6,841	6,888	4,752
Spain	3,648	3,009	2,930
All other destination markets	36,243	41,076	37,953
All destination markets	161,755	160,097	154,130
	Unit value (dollars per pound)		
United States	0.74	0.87	0.78
Turkey	0.72	0.82	0.69
Vietnam	0.59	0.70	0.59
Japan	0.98	1.12	1.04
Argentina	0.82	0.90	0.69
Italy	0.75	0.86	0.80
Germany	0.77	0.86	0.82
Brazil	0.69	0.81	0.76
Spain	0.73	0.84	0.77
All other destination markets	0.76	0.90	0.81
All destination markets	0.73	0.85	0.74

Table continued on next page.

Table VII-5—Continued
Synthetic filament yarn: Exports from Indonesia, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Share of quantity (percent)		
United States	3.3	4.9	7.4
Turkey	38.3	31.2	31.4
Vietnam	12.6	13.3	14.8
Japan	5.6	6.8	6.2
Argentina	2.9	3.0	4.7
Italy	5.4	6.0	4.0
Germany	3.6	4.0	4.0
Brazil	4.5	4.5	3.0
Spain	2.3	1.9	1.8
All other destination markets	21.5	24.3	22.6
All destination markets	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. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data. HS subheading 5402.33 contain products outside the scope of these investigations and therefore potentially overstate the volume of exports of subject merchandise.

Source: Official exports statistics under HS subheading 5402.33 in the Global Trade Atlas database, accessed November 10, 2020.

The industry in Malaysia

The Commission issued foreign producers' or exporters' questionnaires to four firms believed to produce and/or export PTY from Malaysia.[4] Usable responses to the Commission's questionnaire were received from one firm: Recron. This firm's exports to the United States accounted for approximately *** percent of U.S. imports of PTY from Malaysia in 2019. According to estimates requested of the responding Malaysian producer, the production of PTY in Malaysia reported in questionnaires accounts for approximately *** percent of overall production of PTY in Malaysia. Table VII- 6 presents information on the PTY operations of the responding producer/exporter in Malaysia.

[4] These firms were identified through a review of information submitted in the petition and contained in *** records.

Table VII-6
PTY: Summary data for producers in Malaysia, 2019

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Recron	***	100.0	***	100.0	***	***
All firms	***	100.0	***	100.0	***	***

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

Changes in operations

Recron reported no operational and organizational changes since January 1, 2017

Operations on PTY

Table VII-7 presents information on the PTY operations of the sole responding producer in Malaysia, Recron. Recron's capacity *** between 2017 and 2019, and is projected to *** in 2021 compared to 2020. Recron's production decreased by *** percent between 2017 and 2019, was *** percent lower during January-June 2020 compared to January-June 2019, and is projected to increase by *** percent in 2021 compared to 2020.

Recron's export shipments to the United States increased by *** percent between 2017 and 2019, were *** percent higher during January-June 2020 compared to January-June 2019, and are projected to increase by *** percent during 2021 compared to 2020.

Table VII-7
PTY: Data for producers in Malaysia, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Quantity (1,000 pounds)						
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued on next page.

Table VII-7—Continued
PTY: Data for producers in Malaysia, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Ratios and shares (percent)						
Capacity utilization	***	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***	***
Share of shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	100.0	100.0	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.

Alternative products

Recron did not produce any other products on the same equipment and machinery used to produce PTY.

Exports

According to GTA, the leading export markets for synthetic filament yarns from Malaysia are Turkey, Vietnam, and the United States (table VII-8). During 2019, the United States was the third largest export market for synthetic filament yarns from Malaysia, accounting for 10.0 percent of exports, followed by the Japan, accounting for 8.0 percent of exports.

Table VII-8
Synthetic filament yarn: Exports from Malaysia, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Quantity (1,000 pounds)		
United States	7,641	8,675	12,818
Turkey	33,923	23,804	21,324
Vietnam	22,974	19,827	17,863
Japan	8,874	9,804	10,224
Germany	10,019	8,935	9,878
Indonesia	8,268	13,463	9,185
Egypt	10,165	6,680	8,104
Pakistan	11,427	6,695	7,684
Mexico	5,461	4,095	4,902
All other destination markets	45,990	35,965	25,949
All destination markets	164,743	137,944	127,930
	Value (1,000 dollars)		
United States	5,236	5,771	7,801
Turkey	20,439	16,496	13,058
Vietnam	13,175	13,052	10,104
Japan	6,502	7,964	7,845
Germany	7,290	7,039	6,889
Indonesia	5,024	9,349	5,215
Egypt	5,593	3,438	3,393
Pakistan	6,469	4,207	4,418
Mexico	3,388	3,071	2,938
All other destination markets	29,980	26,630	17,704
All destination markets	103,095	97,017	79,363
	Unit value (dollars per pound)		
United States	0.69	0.67	0.61
Turkey	0.60	0.69	0.61
Vietnam	0.57	0.66	0.57
Japan	0.73	0.81	0.77
Germany	0.73	0.79	0.70
Indonesia	0.61	0.69	0.57
Egypt	0.55	0.51	0.42
Pakistan	0.57	0.63	0.57
Mexico	0.62	0.75	0.60
All other destination markets	0.65	0.74	0.68
All destination markets	0.63	0.70	0.62

Table continued on next page.

Table VII-8—Continued
Synthetic filament yarn: Exports from Malaysia, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Share of quantity (percent)		
United States	4.6	6.3	10.0
Turkey	20.6	17.3	16.7
Vietnam	13.9	14.4	14.0
Japan	5.4	7.1	8.0
Germany	6.1	6.5	7.7
Indonesia	5.0	9.8	7.2
Egypt	6.2	4.8	6.3
Pakistan	6.9	4.9	6.0
Mexico	3.3	3.0	3.8
All other destination markets	27.9	26.1	20.3
All destination markets	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. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data. HS subheading 5402.33 contain products outside the scope of these investigations.

Source: Official exports statistics under HS subheading 5402.33 in the Global Trade Atlas database, accessed November 10, 2020.

The industry in Thailand

The Commission issued foreign producers' or exporters' questionnaires to ten firms believed to produce and/or export PTY from Thailand.[5] Usable responses to the Commission's questionnaire were received from two firms: Indorama Polyester Industries Public Company, Ltd. ("Indorama Polyester"), and Sunflag (Thailand) Ltd. ("Sunflag"). These firms' exports to the United States accounted for approximately *** percent of U.S. imports of PTY from Thailand in 2019. According to estimates requested of the responding Thai producers, the production of PTY in Thailand reported in questionnaires accounts for approximately *** percent of overall production of PTY in Thailand. Table VII- 9 presents information on the PTY operations of the responding producers and exporters in Thailand.

[5] These firms were identified through a review of information submitted in the petition and contained in *** records.

Table VII-9
PTY: Summary data for producers in Thailand, 2019

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Indorama Polyester	***	***	***	***	***	***
Sunflag	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

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

Changes in operations

As presented in table VII-2 producers in Thailand reported several operational and organizational changes since January 1, 2017.

Table VII-10
PTY: Thai producers' reported changes in operations, since January 1, 2017

Item / Firm	Reported changed in operations
Plant closings:	
***	***
Expansions:	
***	***
Prolonged shutdowns or curtailments:	
***	***
***	***
Revised labor agreements:	
***	***
***	***

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

Operations on PTY

Table VII-11 presents information on the PTY operations of the responding producers and exporters in Thailand. Indorama Polyester and Sunflag's aggregate capacity increased by *** percent between 2017 and 2019, was *** percent lower during January-June 2020 compared to January-June 2019, and is projected to increase by *** percent in 2021 compared to 2020. Aggregate production increased by *** percent between 2017 and 2019, was *** percent lower during January-June 2020 compared to January-June 2019, and is projected to increase by *** percent in 2021 compared to 2020.

Indorama Polyester and Sunflag's aggregate export shipments to the United States increased by *** percent during 2017-2019 and were *** percent higher during January-June 2020 compared to January-June 2019.These firms combined exports to the United States are projected to *** in 2021 compared to 2020.

Table VII-11
PTY: Data for producers in Thailand, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Quantity (1,000 pounds)						
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued on next page.

Table VII-11—Continued
PTY: Data for producers in Thailand, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

	Ratios and shares (percent)						
Capacity utilization	***	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***	***
Share of shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	100.0	100.0	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.

Alternative products

Responding Thai firms did not produce any other products on the same equipment and machinery used to produce PTY.

Exports

According to GTA, the leading export markets for synthetic filament yarns from Thailand are Pakistan, Turkey, and Bangladesh (table VII-12). During 2019, the United States was the seventh largest export market for synthetic filament yarns from Thailand, accounting for 4.6 percent, followed by Indonesia, accounting for 4.6 percent.

Table VII-12
Synthetic filament yarn: Exports from Thailand, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Quantity (1,000 pounds)		
United States	2,336	1,352	8,422
Pakistan	36,443	29,689	36,056
Turkey	30,632	28,064	26,917
Bangladesh	23,081	22,145	26,602
Italy	11,088	10,779	10,455
Japan	10,819	10,515	9,446
Vietnam	11,664	8,434	9,439
Indonesia	4,441	12,404	8,287
Canada	1,667	2,327	4,168
All other destination markets	54,101	52,748	42,398
All destination markets	186,272	178,456	182,192
	Value (1,000 dollars)		
United States	1,819	1,140	5,880
Pakistan	21,870	21,365	22,256
Turkey	21,552	21,766	18,925
Bangladesh	14,971	18,727	22,943
Italy	9,936	10,757	9,453
Japan	11,859	12,271	11,414
Vietnam	8,043	7,423	7,349
Indonesia	3,875	10,333	6,544
Canada	1,001	1,605	2,594
All other destination markets	43,043	48,534	43,685
All destination markets	137,969	153,923	151,044
	Unit value (dollars per pound)		
United States	0.78	0.84	0.70
Pakistan	0.60	0.72	0.62
Turkey	0.70	0.78	0.70
Bangladesh	0.65	0.85	0.86
Italy	0.90	1.00	0.90
Japan	1.10	1.17	1.21
Vietnam	0.69	0.88	0.78
Indonesia	0.87	0.83	0.79
Canada	0.60	0.69	0.62
All other destination markets	0.80	0.92	1.03
All destination markets	0.74	0.86	0.83

Table continued on next page.

Table VII-12—Continued
Synthetic filament yarn: Exports from Thailand, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Share of quantity (percent)		
United States	1.3	0.8	4.6
Pakistan	19.6	16.6	19.8
Turkey	16.4	15.7	14.8
Bangladesh	12.4	12.4	14.6
Italy	6.0	6.0	5.7
Japan	5.8	5.9	5.2
Vietnam	6.3	4.7	5.2
Indonesia	2.4	7.0	4.5
Canada	0.9	1.3	2.3
All other destination markets	29.0	29.6	23.3
All destination markets	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. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data. HS subheading 5402.33 contain products outside the scope of these investigations.

Source: Official exports statistics under HS subheading 5402.33 in the Global Trade Atlas database, accessed November 10, 2020.

The industry in Vietnam

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export PTY from Vietnam.[6] Usable responses to the Commission's questionnaire were received from three firms: Century Synthetic Fiber Corporation ("Century"), Hualon Corporation Vietnam ("Hualon"), and Nam Viet Produce Polyester Co, Ltd. ("Nam Viet"). These firms' exports to the United States accounted for *** U.S. imports of PTY from Vietnam in 2019.[7] According to estimates requested of the responding Vietnamese producers, the production of PTY in Vietnam reported in questionnaires accounts for approximately *** percent of overall production of PTY in Vietnam. Table VII- 13 presents information on the PTY operations of the responding producers and exporters in Vietnam.

[6] These firms were identified through a review of information submitted in the petition and contained in *** records.

[7] Based off of responding Vietnamese producers reported exports to the United States relative to Commerce's official import statistics.

Table VII-13
Vietnam: Summary data for producers in Vietnam, 2019

Firm	Production (1,000 pounds)	Share of reported production (percent)	Exports to the United States (1,000 pounds)	Share of reported exports to the United States (percent)	Total shipments (1,000 pounds)	Share of firm's total shipments exported to the United States (percent)
Century	***	***	***	***	***	***
Hualon	***	***	***	***	***	***
Nam Viet	***	***	***	***	***	***
All firms	***	100.0	***	100.0	***	***

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

Changes in operations

As presented in table VII-14 producers in Vietnam reported several operational and organizational changes since January 1, 2017

Table VII-14
PTY: Vietnam producers' reported changes in operations, since January 1, 2017

Item / Firm	Reported changed in operations
Expansions:	
***	***

Table continued on next page.

Table VII-14 –Continued
PTY: Vietnam producers' reported changes in operations, since January 1, 2017

Item / Firm	Reported changed in operations
Expansions (continued):	
***	***
Prolonged shutdowns or curtailments:	
***	***
Other:	
***	***

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

Operations on PTY

Table VII-15 presents information on the PTY operations of the responding producers and exporters in Vietnam. Century, Hualon, and Nam Viet's aggregate capacity increased by *** percent between 2017 and 2019 and *** during January-June 2020 compared to January-June 2019. Aggregate production increased by *** percent between 2017 and 2019, was *** percent lower during January-June 2020 compared to January-June 2019, and is projected to increase by *** percent in 2021 compared to 2020.

Aggregate exports to the United States by responding producers in Vietnam increased by *** percent between 2017 and 2018, and by *** percent between 2018 and 2019. While *** exported to the United States in each period, *** only reported export shipments to the United States in 2019 and *** only reported export shipments to the United States in 2018 and 2019. *** export shipments to the United States increased by *** percent (*** pounds) during 2017-19. *** export shipments to the United States increased by *** percent (*** pounds) during 2018-19. Aggregate export shipments were *** percent higher during January-June 2020 compared to January-June 2019. While *** projects export shipments to the United States to *** in 2021, *** projects it to decline by approximately ***, and Nam Viet projects a *** decline, resulting an aggregated decline of *** percent in 2021 compared to 2020.

Table VII-15
PTY: Data for producers in Vietnam, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Quantity (1,000 pounds)						
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued on next page.

Table VII-15—Continued
PTY: Data for producers in Vietnam, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Ratios and shares (percent)						
Capacity utilization	***	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***	***
Share of shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	100.0	100.0	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.

Alternative products

Responding Vietnamese firms did not produce other products on the same equipment and machinery used to produce PTY.

Exports

According to GTA, the leading export markets for synthetic filament yarns from Vietnam are Thailand, Korea, and Pakistan (table VII-16). During 2019, the United States was the fifth largest export market for synthetic filament yarn from Vietnam, accounting for 3.5 percent of exports, followed by the Philippines, accounting for 2.7 percent of exports.

Table VII-16
Synthetic filament yarn: Exports from Vietnam, 2017-19

Destination market	Calendar year		
	2017	2018	2019
	Quantity (1,000 pounds)		
United States	665	919	5,401
Thailand	56,813	56,902	53,517
Korea	59,791	59,161	36,504
Pakistan	34,878	22,814	19,874
Japan	8,822	14,729	19,754
Philippines	46	293	4,163
China	1,425	1,489	3,675
Taiwan	355	2,830	3,192
Indonesia	1,630	2,985	2,369
All other destination markets	10,730	4,952	4,545
All destination markets	175,154	167,073	152,995
	Value (1,000 dollars)		
United States	490	778	4,519
Thailand	48,616	55,257	51,528
Korea	45,470	51,688	27,030
Pakistan	20,934	14,534	12,998
Japan	8,137	14,474	18,314
Philippines	85	88	1,657
China	953	1,139	3,595
Taiwan	378	2,802	2,517
Indonesia	1,513	3,011	2,650
All other destination markets	10,261	4,627	4,063
All destination markets	136,836	148,399	128,870
	Unit value (dollars per pound)		
United States	0.74	0.85	0.84
Thailand	0.86	0.97	0.96
Korea	0.76	0.87	0.74
Pakistan	0.60	0.64	0.65
Japan	0.92	0.98	0.93
Philippines	1.82	0.30	0.40
China	0.67	0.76	0.98
Taiwan	1.06	0.99	0.79
Indonesia	0.93	1.01	1.12
All other destination markets	0.96	0.93	0.89
All destination markets	0.78	0.89	0.84

Table continued on next page.

Table VII-16—Continued
Synthetic filament yarn: Exports from Vietnam, 2017-19

Destination market	Calendar year		
	2016	2017	2018
	Share of quantity (percent)		
United States	0.4	0.6	3.5
Thailand	32.4	34.1	35.0
Korea	34.1	35.4	23.9
Pakistan	19.9	13.7	13.0
Japan	5.0	8.8	12.9
Philippines	0.0	0.2	2.7
China	0.8	0.9	2.4
Taiwan	0.2	1.7	2.1
Indonesia	0.9	1.8	1.5
All other destination markets	6.1	3.0	3.0
All destination markets	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. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data. HS subheading 5402.33 contain products outside the scope of these investigations.

Source: Official exports statistics under HS subheading 5402.33 in the Global Trade Atlas database, accessed November 10, 2020.

Subject countries combined

Table VII-17 presents summary data on PTY operations of the reporting subject producers in the subject countries.

Table VII-17
PTY: Data on the industry in subject countries, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Quantity (1,000 pounds)						
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued on next page.

Table VII-17—Continued
PTY: Data on the industry in subject countries, 2017-19, January to June 2019, and January to June 2020 and projection calendar years 2020 and 2021

Item	Actual experience					Projections	
	Calendar year			January to June		Calendar year	
	2017	2018	2019	2019	2020	2020	2021
	Ratios and shares (percent)						
Capacity utilization	***	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***	***
Share of shipments:							
Home market shipments:							
Internal consumption/ transfers	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***	***
Export shipments to:							
United States	***	***	***	***	***	***	***
USMCA or CAFTA-DR	***	***	***	***	***	***	***
All other markets	***	***	***	***	***	***	***
Total exports	***	***	***	***	***	***	***
Total shipments	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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

U.S. inventories of imported merchandise

Table VII-18 presents data on U.S. importers' reported inventories of PTY. Inventories of imports from ***, ***, and *** increased during 2017-19 and were higher in interim 2020 compared with interim 2019. For each subject source, except ***, the ratios of inventories to U.S. imports, U.S. shipment of imports, and total shipments of imports were higher in 2019 than in 2017.

Table VII-18
PTY: U.S. importers' inventories, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Inventories (1,000 pounds); Ratios (percent)				
Imports from Indonesia					
Inventories	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***
Imports from Malaysia:					
Inventories	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***
Imports from all Thailand:					
Inventories	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***
Imports from Vietnam:					
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 nonsubject sources:					
Inventories	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***

Table continued on next page.

Table VII-18 –Continued
PTY: U.S. importers' inventories, 2017-19, January to June 2019, and January to June 2020

Item	Calendar year			January to June	
	2017	2018	2019	2019	2020
	Inventories (1,000 pounds); Ratios (percent)				
Imports from all import sources: Inventories	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***

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. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of PTY from Indonesia, Malaysia, Thailand, Vietnam, or other sources after July 2020. Fourteen of 22 importers indicated that they had arranged such imports. Arranged imports from subject sources constituted *** percent of total arranged imports for this time period, with *** percent from Indonesia, *** percent from Malaysia, *** percent from Thailand, and *** percent from Vietnam.

Table VII-19
PTY: Arranged imports, July 2020 through June 2021

Item	Period				
	Jul-Sept 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Total
	Quantity (1,000 pounds)				
Arranged U.S. imports from.-- Indonesia	***	***	***	***	***
Malaysia	***	***	***	***	***
Thailand	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Antidumping or countervailing duty orders in third-country markets

According to petitioners, there are currently two countries with antidumping duty orders in place on PTY from the subject countries. Turkey placed antidumping orders against PTY imports from Indonesia, Malaysia, and Thailand in 2008 and then imposed an antidumping order on Vietnam in 2016.[8] The duty rates Turkey has placed on Indonesia range from 0.00 to 0.40 percent per kilogram, on Malaysia $276.00 per ton, on Thailand 6.88 to 36.79 percent, and on Vietnam 35.97 to 72.56 percent.[9] Pakistan has an antidumping duty order placed against PTY imports from Malaysia that was imposed in 2017 with a duty rate of 6.36 percent.[10]

Information on nonsubject countries

Table VII-20 presents global exports of synthetic filament yarn by value. Global exports increased 15.6 percent by value from 2017-18, then decreased 5 percent by value during 2018–19. In 2019, the four leading country exporters, China, India, Taiwan, and Indonesia, accounted for 71.9 percent of global exports of synthetic filament yarn, by value. [11]

[8] Petitioner's postconference brief, p. 47-48
[9] Ibid.
[10] Conference transcript, p. 56 (Brewer); Petitioner's postconference brief, p. 48; Global Trade Alert, "Pakistan: Definitive antidumping duty on imports of polyester filament yarn," accessed December 3, 2020
[11] Indonesia is a subject country in this investigation.

Table VII-20
Synthetic filament yarn: Global exports by exporter, 2017-19

Exporter	Calendar year		
	2017	2018	2019
	Value (1,000 dollars)		
United States	143,498	124,387	117,448
Indonesia	161,755	160,097	154,130
Malaysia	103,095	97,017	79,363
Thailand	137,969	153,923	151,044
Vietnam	136,849	148,399	128,870
Subject exporters	539,668	559,435	513,407
China	1,390,199	1,856,455	1,885,577
India	786,793	865,482	734,960
Taiwan	276,695	326,205	302,328
Italy	111,846	117,079	96,019
Turkey	56,929	81,735	94,098
Spain	78,608	72,151	66,639
South Korea	41,920	49,531	62,546
Hong Kong	79,290	68,798	55,873
All other exporters	356,622	370,533	329,368
All reporting exporters	3,862,069	4,491,793	4,258,262
	Share of value (percent)		
United States	3.7	2.8	2.8
Indonesia	4.2	3.6	3.6
Malaysia	2.7	2.2	1.9
Thailand	3.6	3.4	3.5
Vietnam	3.5	3.3	3.0
Subject exporters	14.0	12.5	12.1
China	36.0	41.3	44.3
India	20.4	19.3	17.3
Taiwan	7.2	7.3	7.1
Italy	2.9	2.6	2.3
Turkey	1.5	1.8	2.2
Spain	2.0	1.6	1.6
South Korea	1.1	1.1	1.5
Hong Kong	2.1	1.5	1.3
All other exporters	9.2	8.2	7.7
All reporting exporters	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. United States and subject countries are shown at the top, all remaining top export destinations shown in descending order of 2019 data. Global exports of PTY by quantity are not provided in the table due to countries' different reporting units. HS subheading 5402.33 contain products outside the scope of these investigations.

Source: Official exports statistics under HS subheading 5402.33 in the Global Trade Atlas database, accessed November 10, 2020.

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
85 FR 69643, November 3, 2020	*Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam: Institution of Anti-Dumping Duty Investigations and Scheduling of Preliminary Phase Investigations*	https://www.govinfo.gov/content/pkg/FR-2020-11-03/pdf/2020-24282.pdf
85 FR 74680, November 23, 2020	*Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair Value Investigations*	https://www.govinfo.gov/content/pkg/FR-2020-11-23/pdf/2020-25855.pdf

APPENDIX B

LIST OF STAFF CONFERENCE WITNESSES

CALENDAR OF PUBLIC PRELIMINARY CONFERENCE

Those listed below appeared in the United States International Trade Commission's preliminary conference via videoconference:

Subject: Polyester Textured Yarn from Indonesia, Malaysia, Thailand, and Vietnam

Inv. Nos.: 731-TA-1550-1553 (Preliminary)

Date and Time: November 18, 2020 - 9:30 a.m.

EMBASSY WITNESSES:

Embassy of the Republic of Indonesia
Washington, DC

Mr. Wijayanto, Commercial Attaché

OPENING REMARKS:

In Support of Imposition (Paul C. Rosenthal, **Kelley Drye & Warren LLP**)

In Support of the Imposition of Antidumping Duty Orders:

Kelley Drye & Warren LLP
Washington, DC
on behalf of

Unifi Manufacturing, Inc.
Nan Ya Plastics Corporation, America

Eddie Ingle, Director and Chief Executive Officer, Unifi Manufacturing, Inc.

Brad Nations, Vice President of Manufacturing, Unifi Manufacturing, Inc.

Sohan Mangaldas, Senior Vice President of Strategy, Procurement, and Supply Chain, Unifi Manufacturing, Inc.

Jane L. Johnson, Manager, Government Relations, Unifi Manufacturing, Inc.

In Support of the Imposition of
Antidumping Duty Orders (continued):

John Freeman, Assistant Sales Director, Nan Ya Plastics Corporation, America

Paul Elliot, Senior Business Manager, Sales, Nan Ya Plastics Corporation, America

Michael T. Kerwin, Assistant Director, Georgetown Economic Services, LLC

Gina E. Beck, Senior Trade Analyst, Georgetown Economic Services, LLC

Paul C. Rosenthal)
Kathleen W. Cannon)
) – OF COUNSEL
Melissa M. Brewer)
Julia A. Kuelzow)

CLOSING REMARKS:

In Support of Imposition (**Paul C. Rosenthal**, Kelley Drye & Warren LLP)

-END-

APPENDIX C

SUMMARY DATA

Total market

Table C-1

PTY: Summary data concerning the U.S. total market, 2017-19, January to June 2019, and January to June 2020

(Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to June		Comparison years			Jan-Jun
	2017	2018	2019	2019	2020	2017-19	2017-18	2018-19	2019-20
U.S. total market consumption quantity:									
Amount	***	***	***	***	***	▼***	▲***	▼***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▲***	▲***
Importers' share (fn1):									
Indonesia	***	***	***	***	***	▲***	▼***	▲***	▲***
Malaysia	***	***	***	***	***	▲***	▲***	▲***	▼***
Thailand	***	***	***	***	***	▲***	▼***	▲***	▲***
Vietnam	***	***	***	***	***	▲***	▲***	▲***	▲***
Subject sources	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▼***
All import sources	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. total market consumption value:									
Amount	***	***	***	***	***	▼***	▲***	▼***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▲***	▲***
Importers' share (fn1):									
Indonesia	***	***	***	***	***	▲***	▼***	▲***	▲***
Malaysia	***	***	***	***	***	▲***	▲***	▲***	▼***
Thailand	***	***	***	***	***	▲***	▼***	▲***	▲***
Vietnam	***	***	***	***	***	▲***	▲***	▲***	▲***
Subject sources	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▼***
All import sources	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. imports from:									
Indonesia:									
Quantity	10,086	8,989	15,197	5,998	10,069	▲50.7	▼(10.9)	▲69.1	▲67.9
Value	9,511	9,083	14,387	5,952	8,331	▲51.3	▼(4.5)	▲58.4	▲40.0
Unit value	$0.94	$1.01	$0.95	$0.99	$0.83	▲0.4	▲7.2	▼(6.3)	▼(16.6)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▲***
Malaysia									
Quantity	8,877	9,052	12,720	5,870	4,989	▲43.3	▲2.0	▲40.5	▼(15.0)
Value	7,164	8,128	10,208	4,987	3,944	▲42.5	▲13.5	▲25.6	▼(20.9)
Unit value	$0.81	$0.90	$0.80	$0.85	$0.79	▼(0.6)	▲11.3	▼(10.6)	▼(7.0)
Ending inventory quantity	***	***	***	***	***	▲***	▼***	▲***	▲***
Thailand									
Quantity	4,184	2,679	9,953	2,656	8,792	▲137.9	▼(36.0)	▲271.6	▲231.0
Value	3,902	2,618	8,581	2,440	6,918	▲119.9	▼(32.9)	▲227.8	▲183.5
Unit value	$0.93	$0.98	$0.86	$0.92	$0.79	▼(7.6)	▲4.8	▼(11.8)	▼(14.3)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▲***
Vietnam									
Quantity	665	919	5,401	1,051	4,088	▲711.9	▲38.2	▲487.5	▲289.0
Value	583	914	5,213	1,061	3,520	▲794.0	▲56.8	▲470.2	▲231.8
Unit value	$0.88	$0.99	$0.97	$1.01	$0.86	▲10.1	▲13.4	▼(2.9)	▼(14.7)
Ending inventory quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Subject sources									
Quantity	23,812	21,639	43,272	15,575	27,938	▲81.7	▼(9.1)	▲100.0	▲79.4
Value	21,160	20,742	38,388	14,440	22,714	▲81.4	▼(2.0)	▲85.1	▲57.3
Unit value	$0.89	$0.96	$0.89	$0.93	$0.81	▼(0.2)	▲7.9	▼(7.5)	▼(12.3)
Ending inventory quantity	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources									
Quantity	106,800	122,149	83,490	48,284	25,722	▼(21.8)	▲14.4	▼(31.6)	▼(46.7)
Value	111,285	136,309	103,281	57,888	34,497	▼(7.2)	▲22.5	▼(24.2)	▼(40.4)
Unit value	$1.04	$1.12	$1.24	$1.20	$1.34	▲18.7	▲7.1	▲10.9	▲11.9
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▼***
All imports sources									
Quantity	130,612	143,788	126,762	63,859	53,660	▼(2.9)	▲10.1	▼(11.8)	▼(16.0)
Value	132,444	157,051	141,669	72,328	57,211	▲7.0	▲18.6	▼(9.8)	▼(20.9)
Unit value	$1.01	$1.09	$1.12	$1.13	$1.07	▲10.2	▲7.7	▲2.3	▼(5.9)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▼***	▲***

Table continued on next page.

Table C-1--Continued

PTY: Summary data concerning the U.S. total market, 2017-19, January to June 2019, and January to June 2020

(Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to June		Comparison years			Jan-Jun
	2017	2018	2019	2019	2020	2017-19	2017-18	2018-19	2019-20
U.S. producers':									
Average capacity quantity	***	***	***	***	***	▼***	▼***	***	***
Production quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Capacity utilization (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***
U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Value	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▼***	▼***
Export shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Value	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▼***
Inventories/total shipments (fn1)	***	***	***	***	***	▲***	▲***	▼***	▼***
Production workers	***	***	***	***	***	▲***	▼***	▲***	▼***
Hours worked (1,000s)	***	***	***	***	***	▲***	▲***	▲***	▼***
Wages paid ($1,000)	***	***	***	***	***	▲***	▲***	▲***	▼***
Hourly wages (dollars per hour)	***	***	***	***	***	▼***	▼***	▼***	▲***
Productivity (pounds per hour)	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit labor costs	***	***	***	***	***	▲***	▲***	▲***	▲***
Net sales:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Value	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Cost of goods sold (COGS)	***	***	***	***	***	▼***	▼***	▼***	▼***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
SG&A expenses	***	***	***	***	***	▼***	▼***	▼***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Capital expenditures	***	***	***	***	***	▼***	▼***	▼***	▼***
R&D expenses	***	***	***	***	***	▲***	▼***	▲***	▼***
Net assets	***	***	***	***	***	▼***	▲***	▼***	***
Unit COGS	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit SG&A expenses	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
COGS/sales (fn1)	***	***	***	***	***	▲***	▲***	▲***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.

Merchant market

Table C-2

PTY: Summary data concerning the U.S. merchant market, 2017-19, January to June 2019, and January to June 2020

(Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to June		Comparison years			Jan-Jun
	2017	2018	2019	2019	2020	2017-19	2017-18	2018-19	2019-20
U.S. merchant market consumption quantity:									
Amount	***	***	***	***	***	▼***	▲***	▼***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▲***	▲***
Importers' share (fn1):									
Indonesia	***	***	***	***	***	▲***	▼***	▲***	▲***
Malaysia	***	***	***	***	***	▲***	▼***	▲***	▼***
Thailand	***	***	***	***	***	▲***	▼***	▲***	▲***
Vietnam	***	***	***	***	***	▲***	▲***	▲***	▲***
Subject sources	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▼***
All import sources	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. merchant market consumption value:									
Amount	***	***	***	***	***	▼***	▲***	▼***	▼***
Producers' share (fn1)	***	***	***	***	***	▼***	▼***	▲***	▲***
Importers' share (fn1):									
Indonesia	***	***	***	***	***	▲***	▼***	▲***	▲***
Malaysia	***	***	***	***	***	▲***	▲***	▲***	▼***
Thailand	***	***	***	***	***	▲***	▼***	▲***	▲***
Vietnam	***	***	***	***	***	▲***	▲***	▲***	▲***
Subject sources	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▼***
All import sources	***	***	***	***	***	▲***	▲***	▼***	▼***
U.S. imports from:									
Indonesia:									
Quantity	10,086	8,989	15,197	5,998	10,069	▲50.7	▼(10.9)	▲69.1	▲67.9
Value	9,511	9,083	14,387	5,952	8,331	▲51.3	▼(4.5)	▲58.4	▲40.0
Unit value	$0.94	$1.01	$0.95	$0.99	$0.83	▲0.4	▲7.2	▼(6.3)	▼(16.6)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▲***
Malaysia									
Quantity	8,877	9,052	12,720	5,870	4,989	▲43.3	▲2.0	▲40.5	▼(15.0)
Value	7,164	8,128	10,208	4,987	3,944	▲42.5	▲13.5	▲25.6	▼(20.9)
Unit value	$0.81	$0.90	$0.80	$0.85	$0.79	▼(0.6)	▲11.3	▼(10.6)	▼(7.0)
Ending inventory quantity	***	***	***	***	***	▲***	▼***	▲***	▲***
Thailand									
Quantity	4,184	2,679	9,953	2,656	8,792	▲137.9	▼(36.0)	▲271.6	▲231.0
Value	3,902	2,618	8,581	2,440	6,918	▲119.9	▼(32.9)	▲227.8	▲183.5
Unit value	$0.93	$0.98	$0.86	$0.92	$0.79	▼(7.6)	▲4.8	▼(11.8)	▼(14.3)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▲***
Vietnam									
Quantity	665	919	5,401	1,051	4,088	▲711.9	▲38.2	▲487.5	▲289.0
Value	583	914	5,213	1,061	3,520	▲794.0	▲56.8	▲470.2	▲231.8
Unit value	$0.88	$0.99	$0.97	$1.01	$0.86	▲10.1	▲13.4	▼(2.9)	▼(14.7)
Ending inventory quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Subject sources									
Quantity	23,812	21,639	43,272	15,575	27,938	▲81.7	▼(9.1)	▲100.0	▲79.4
Value	21,160	20,742	38,388	14,440	22,714	▲81.4	▼(2.0)	▲85.1	▲57.3
Unit value	$0.89	$0.96	$0.89	$0.93	$0.81	▼(0.2)	▲7.9	▼(7.5)	▼(12.3)
Ending inventory quantity	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources									
Quantity	106,800	122,149	83,490	48,284	25,722	▼(21.8)	▲14.4	▼(31.6)	▼(46.7)
Value	111,285	136,309	103,281	57,888	34,497	▼(7.2)	▲22.5	▼(24.2)	▼(40.4)
Unit value	$1.04	$1.12	$1.24	$1.20	$1.34	▲18.7	▲7.1	▲10.9	▲11.9
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▼***
All imports sources									
Quantity	130,612	143,788	126,762	63,859	53,660	▼(2.9)	▲10.1	▼(11.8)	▼(16.0)
Value	132,444	157,051	141,669	72,328	57,211	▲7.0	▲18.6	▼(9.8)	▼(20.9)
Unit value	$1.01	$1.09	$1.12	$1.13	$1.07	▲10.2	▲7.7	▲2.3	▼(5.9)
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▼***	▲***

Table C-2--Continued

PTY: Summary data concerning the U.S. merchant market, 2017-19, January to June 2019, and January to June 2020

(Quantity=1,000 pounds; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data					Period changes			
	Calendar year			January to June		Comparison years			Jan-Jun
	2017	2018	2019	2019	2020	2017-19	2017-18	2018-19	2019-20
U.S. producers':									
Commercial U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Value	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▼***	▼***
Commercial sales:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▼***
Value	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value	***	***	***	***	***	▲***	▲***	▲***	▼***
Cost of goods sold (COGS)	***	***	***	***	***	▼***	▲***	▼***	▼***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
SG&A expenses	***	***	***	***	***	▼***	▲***	▼***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit COGS	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit SG&A expenses	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
COGS/sales (fn1)	***	***	***	***	***	▲***	▲***	▲***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▼***

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 5402.33.3000 and 5402.33.6000, accessed November 17, 2020.