

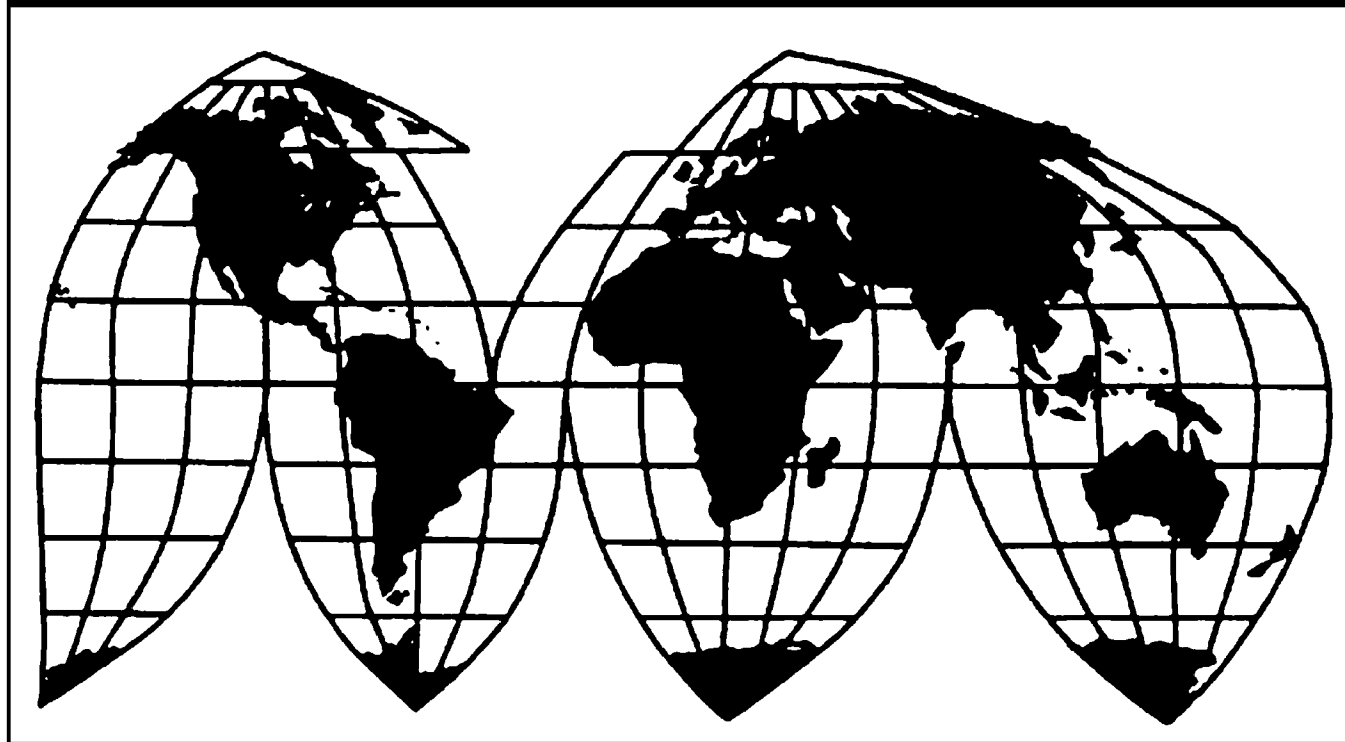
Raw Honey from Argentina, Brazil, India, Ukraine, and Vietnam

Investigation Nos. 731-TA-1560-1564 (Preliminary)

Publication 5204

June 2021

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-1560-1564 (Preliminary)

Raw Honey from Argentina, Brazil, India, Ukraine, and Vietnam

DETERMINATIONS

On the basis of the record¹ 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 raw honey from Argentina, Brazil, India, Ukraine, and Vietnam, provided for in subheading 0409.00.00 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 INVESTIGATIONS

Pursuant to section 207.18 of the Commission’s rules, the Commission also gives notice of the commencement of the final phase of its investigations. 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.

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

² 86 FR 26897, May 18, 2021.

BACKGROUND

On April 21, 2021, American Honey Producers Association, Bruce, South Dakota, and the Sioux Honey Association, Sioux City, Iowa filed petitions with the Commission and Commerce, alleging that an industry in the United States is materially injured by reason of LTFV imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam. Accordingly, effective April 21, 2021, the Commission instituted antidumping duty investigation Nos. 731-TA-1560-1564 (Preliminary).

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of April 27, 2021 (86 FR 22265). 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 raw honey from Argentina, Brazil, India, Ukraine, and Vietnam that are allegedly sold in the United States at less-than-fair-value (“LTFV”).

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

These investigations resulted from petitions filed on April 21, 2021, alleging that an industry in the United States is materially injured and threatened with material injury by reason of LTFV imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam. Petitioners are the American Honey Producers Association and the Sioux Honey Association

¹ 19 U.S.C. §§ 1671b(a), 1673b(a); see also *American Lamb Co. v. United States*, 785 F.2d 994, 1001-04 (Fed. Cir. 1986); *Aristech Chem. Corp. v. United States*, 20 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).

("Petitioners").³ They submitted written witness testimony and a postconference brief. Witnesses from Petitioners appeared at the staff conference.⁴

Three respondents participated in the preliminary phase of these investigations by submitting postconference briefs:

- National Honey Packers & Dealers Association ("NHPDA");⁵
- Nexco S.A., Compañía Inversora Platense S.A., Industrial Haedo S.A., Asociación de Coop. Argentinas C.L., Patagonik Food S.A., Azul Agronegocios S.A., Villamora S.A., D'Ambros María de los Angeles and D'Ambros María Daniela S.H. d.b.a. Apícola Danangie, Promiel S.R.L., Geomiel S.A., and Gasrroni S.R.L., producers and exporters of subject merchandise in Argentina, (collectively, "Argentine Respondents"); and
- Apiário Diamante Supermel ("Supermel") a producer and exporter of subject merchandise in Brazil.

In addition, the Argentine Respondents and the NHPDA submitted testimony and presented witnesses at the staff conference. A representative of the Argentine government also appeared at the staff conference.⁶

The Commission collected questionnaire data for a period of investigation ("POI") covering 2018-2020. U.S. industry data are based on questionnaire responses of 65 producers, accounting for 26.1 percent of U.S. production of raw honey during 2020. The Commission also is relying on production, shipment, and other data from the U.S. Department of Agriculture

³ Both American Honey Producers Association and the Sioux Honey Association are trade associations, the majority of whose members produce raw honey in the United States; Sioux Honey Association is also operated as a cooperative that processes, packs, and markets honey for its beekeeper members. Petition at 2.

⁴ In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its staff conference by videoconference and written witness testimony as set forth in procedures provided to the parties.

⁵ NHPDA is an interested party by virtue of being an association, a majority of the members of which are importers of subject merchandise. See 19 U.S.C. § 1677(9)(A).

⁶ The Honey Exporters Association of India also provided written testimony. See NHPDA and Honey Exporters Association of India Written Testimony (May 11, 2021) Attachment B.

("USDA").⁷ U.S. import data are based on official import statistics.⁸ The Commission received a response to its foreign producer questionnaire from 62 firms that reported exports to the United States equivalent to 95.3 percent of U.S. imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam during 2020 (based on official U.S. import statistics).⁹

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."¹⁰ Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Tariff Act"), defines the relevant domestic industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."¹¹ In turn, the Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation."¹²

By statute, the Commission's "domestic like product" analysis begins with the "article subject to an investigation," *i.e.*, the subject merchandise as determined by Commerce.¹³ Therefore, Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is "necessarily the starting point of the Commission's like product analysis."¹⁴ The Commission then defines the domestic like product

⁷ Confidential Report, INV-TT-071 (May 28, 2021) ("CR"); Public Report ("PR") at I-4. Sixty firms provided usable financial data. CR/PR at VI-1.

⁸ CR/PR at I-4. The Commission received usable questionnaire responses from 23 U.S. importers that reported quantities for each of the five subject countries equivalent to more than 90 percent of the reported imports in the official statistics in 2020. CR/PR at IV-1.

⁹ See CR/PR at I-4 to I-5.

¹⁰ 19 U.S.C. § 1677(4)(A).

¹¹ 19 U.S.C. § 1677(4)(A).

¹² 19 U.S.C. § 1677(10).

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

¹⁴ *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); see also *Hitachi Metals, Ltd. v. United States*, 949 F.3d 710, 717 (Fed. Cir. 2020) (the statute requires the Commission to start with Commerce's subject merchandise in reaching its own like product determination).

in light of the imported articles Commerce has identified.¹⁵ 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.¹⁶ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹⁷ The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹⁸

A. Scope Definition

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

{R}aw honey. Raw honey is honey as it exists in the beehive or as obtained by extraction, settling and skimming, or coarse straining. Raw honey has not been filtered to a level that results in the removal of most or all of the pollen, *e.g.*, a level that removes pollen to below 25 microns. The subject products include all grades, floral sources and colors of raw honey and also include organic raw honey.

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

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

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

¹⁸ *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.”).

Excluded from the scope is any honey that is packaged for retail sale (*e.g.*, in bottles or other retail containers of five (5) lbs. or less).

The merchandise subject to these investigations is currently classifiable under statistical subheading 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065 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 scope of these investigations is dispositive.¹⁹

Raw honey is derived from the nectar of flowers and collected by bees, and it is characterized by its floral source, color, and flavor.²⁰ Processing raw honey filters out most or all of the pollen in addition to air bubbles and other materials normally found in suspension.²¹ Once processed, the honey is packaged for retail, food service, industrial food manufacturing, and other industrial uses, such as cosmetics.²² Excluded from the scope is raw honey bottled for retail sale in containers of five pounds or less.

B. Arguments of the Parties

1. Petitioners

Petitioners argue that the Commission should define a single domestic like product that is coextensive with the scope of the investigations, which includes only raw honey. They argue that the Commission generally does not expand the definition of the domestic like product to include downstream out-of-scope merchandise because the purchasers or processors of the raw product have different interests than the producers of the raw product.²³ In addition,

¹⁹ *Raw Honey from Argentina, Brazil, India, Ukraine, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 86 Fed. Reg. 26897, 26902 (May 18, 2021).

²⁰ CR/PR at I-13-14.

²¹ CR/PR at I-11 to I-12.

²² CR/PR at I-3. Retail honey is often labeled “raw and unfiltered” even though it has in fact been processed to some extent. Petitioners’ Postconference Brief at 11; Conf. Tr. at 119 (Blumenthal).

²³ Petitioners’ Postconference Brief at 5 (*citing Certain Frozen or Canned Warmwater Shrimp and Prawns from Brazil, China, Ecuador, India, Thailand, and Vietnam*, Inv. Nos. 731-TA-1063-1068 (Preliminary) USITC Pub. 3672 at 14-15). Petitioners claim that the packers, as purchasers and processors of raw honey, have different interests from beekeepers because while beekeepers seek higher prices for the raw honey they produce, packers want lower raw honey prices and would naturally oppose the petitions. Petitioners’ Postconference Brief at 5.

Petitioners observe that while raw and processed honey were included in a single domestic like product in the Commission's 2001 investigations involving honey (*Honey from Argentina and China*),²⁴ the subject merchandise in those investigations included all natural honey. Petitioners contend that the 2001 investigations have little bearing on these investigations, which concern only raw honey.²⁵

Petitioners also assert that both the Commission's six-factor like product analysis and the semi-finished products analysis support defining the domestic like product as only raw honey, coextensive with the scope of the investigations. They assert that raw honey contains pollen and other matter and is not suitable for use as a sweetener like processed honey. Further, according to Petitioners, even when sold by packers as "raw and unfiltered," the retail honey goes through extensive processing, including heating, straining, and grading and is not used in its raw form as a sweetener. As a result, Petitioners assert that raw honey as defined by the scope language is not at all interchangeable with processed honey.²⁶

Petitioners additionally argue that raw honey is perceived differently from processed honey. They claim purchasers view it as a raw agricultural or farm product that is largely intended for use in producing a processed food product suitable for human consumption. On the other hand, they maintain that processed and packaged honey is perceived to be a food product and premium sweetener that has been put in a clear liquid form to meet the expectations of end users.²⁷

Petitioners argue that raw and processed honey have distinct channels of distribution as virtually all raw honey is sold to processors/packers while processed or packaged honey is sold by honey packers to retailers, industrial food companies, and food service companies. Regarding the production processes, facilities, and employees producing raw and processed honey, they note that there is little or no overlap given that beekeeping is a distinct process from that of processing and packaging honey. Finally, according to Petitioners, the price of raw honey averaged \$1.68 per pound in 2020, while processed honey sold at wholesale for roughly \$5.00 per pound and at retail for \$8.00 per pound.²⁸

²⁴ Inv. Nos. 701-TA-402 and 731-TA-892-893 (Final), USITC Pub. 3470 (Final) (Nov. 2001) ("*Honey from Argentina and China*").

²⁵ Petitioners' Postconference Brief at 5.

²⁶ Petitioners' Postconference Brief at 6-7.

²⁷ Petitioners' Postconference Brief at 8.

²⁸ Petitioners' Postconference Brief at 8-9.

2. Respondents

Respondents argue that the domestic like product definition should be expanded to include all forms and packaging of honey, specifically regarding two product expansions. First, they argue that processed or packaged honey, a downstream out-of-scope product, should be part of a single domestic like product with raw honey. Second, they contend that raw honey packaged for retail sale should be part of the domestic like product with other raw honey despite the exclusion in the scope of honey packaged for retail sale.²⁹

The NHPDA argues that application of the Commission's semi-finished product analysis demonstrates that both raw and processed honey should be included in the same domestic like product.³⁰ Respondents also assert that defining a single like product would be consistent with the 2001 *Honey from Argentina and China* investigations in which the Commission rejected an argument to treat raw (or bulk) honey as a separate like product from bottled honey.³¹ Supermel also argues that the Commission already found in the 2001 investigations that raw and processed honey constitute a single domestic like product, and it categorizes that decision as precedent that should be followed absent changes in the products or facts adduced in the investigations.³²

The Argentine Respondents and the NHPDA also contend that raw honey packaged for retail sale (expressly excluded from the scope) should be included in the definition of the domestic like product as it is physically identical to other raw honey, is generally produced in the same manner and by the same producers, and is completely interchangeable with bulk raw honey. They acknowledge that retail packaged raw honey is higher priced than bulk raw honey and there exist differences in channels of distribution and production that result from differences in packaging, but they maintain that all raw honey shares the same physical characteristics and uses and can be used interchangeably.³³

²⁹ Argentine Respondent's Postconference Brief at 7-10, NHPDA's Postconference Brief at 3-9; Supermel's Postconference Brief at 3-7.

³⁰ NHPDA's Postconference Brief at 6-9.

³¹ Argentine Respondents' Postconference Brief at 8 (citing *Honey from Argentina and China*, USITC Pub. 3470 at 5); NHPDA's Postconference Brief at 3-4.

³² Supermel's Postconference Brief at 6-7 (citing *Hitachi Metals, Ltd. v. United States*, 350 F. Supp. 3d at 1325, 1338-39 (CIT 2018)).

³³ Argentine Respondents' Postconference Brief at 9-10; NHPDA's Postconference Brief at 3-6.

C. Analysis

We analyze below whether the domestic like product should be defined more broadly than the scope definition to include out-of-scope products, either downstream processed honey or raw honey packaged for retail sale. Based on the available record evidence, we define a single domestic like product consisting of raw honey, coextensive with the scope of the investigations for purposes of these preliminary determinations.

1. Processed Honey

Respondents argue that the Commission should define the domestic like product to include a downstream product (processed honey) not within the scope defined by Commerce. As a general practice, however, the Commission does not expand the domestic like product definition beyond the scope to include downstream products.³⁴ ³⁵ While respondents have suggested that the Commission apply the semi-finished product factors to analyze the issue, that analysis is applied to determine whether to define a single domestic like product encompassing both in-scope upstream and downstream products; it is not applied to determine whether the domestic like product should include downstream articles that are not included in the scope.³⁶ By statute, the Commission defines the “domestic like product” as “a product

³⁴ See, e.g., *Aluminum Foil from China*, Inv. Nos. 701-TA-570 and 731-TA-1346 (Final), USITC Pub. 4771 (Apr. 2018) at 15; *Sodium Hexametaphosphate from China*, Inv. No. 731-TA-1110 (Preliminary), USITC Pub. 3912 (Apr. 2007) at 7, n.36; *Certain Frozen or Canned Warmwater Shrimp from Brazil, China, Ecuador, India, Thailand, and Vietnam*, Inv. Nos. 731-TA-1063-1068 (Preliminary), USITC Pub. 3672 (Feb. 2004) at 14-15; *Low Enriched Uranium from France, Germany, the Netherlands, and the United Kingdom*, Inv. Nos. 701-TA-409-412, 731-TA-909-912 (Preliminary), USITC Pub. 3388 (Jan. 2001) at 6; *Beryllium Metal and High-Beryllium Alloys from Kazakstan*, Inv. No. 731-TA-746 (Final), USITC Pub. 3019 at 5 (Feb. 1997) at 5; *Fresh Garlic from the People’s Republic of China*, Inv. No. 731-TA-683 (Final), USITC Pub. 2825 at I-14 & n.65 (Nov. 1994).

³⁵ This is to avoid including in the domestic industry firms whose interests, as customers for products within the scope, are contrary to those of domestic producers of those articles within the scope. See *Certain Wax and Wax/Resin Thermal Transfer Ribbons From France and Japan*, Inv. Nos. 731-TA-1039-1040 (Final) (Remand), USITC Pub. 3854 (Apr. 2006) at 3-4; see also *Aluminum Foil from China*, Inv. Nos. 701-TA-570 and 731-TA-1346 (Final), USITC Pub. 4771 (Apr. 2018) at 15-16; *Low Enriched Uranium*, USITC Pub. 3388 at 6; S. Rep. No. 249, 96th Cong. 1st Sess. at 83 (1979) (“***or 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 investigation.”).

³⁶ *Certain Wax and Wax/Resin Thermal Transfer Ribbons From France and Japan*, Inv. Nos. 731-TA-1039-1040 (Final) (Remand), USITC Pub. 3854 (Apr. 2006) at 3, 5, 3 n.20 (describing a “general practice” of not applying the semi-finished product test to downstream out-of-scope merchandise).

which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”³⁷ The semi-finished product analysis considers whether articles subject to an investigation at different stages of processing should be included in a definition of the same domestic like product. In general, a downstream product not included in the scope is at a different stage of processing and would not be like the article subject to investigation.^{38 39}

³⁷ 19 U.S.C. § 1677(10).

³⁸ Application of the Commission’s traditional six factor analysis confirms that downstream processed honey is not like upstream raw honey and that there are numerous distinctions between the two products. While raw and processed honey appear to have similar physical characteristics, unlike raw honey, processed honey has most of the pollen removed. CR/PR at I-11. Moreover, raw honey and processed honey have different uses. Raw honey is almost exclusively sold to packers for the production of processed honey while processed honey is used as a sweetener by consumers and in food products. CR/PR at I-11, I-14, II-1, Table II-1. Raw honey and processed honey are not used interchangeably as raw honey contains small pieces of wax, propolis, parts of bees and other matter that customers do not want to consume. Conf. Tr. at 28 (Mammen).

Raw and processed honey are produced through very different production processes, often by different producers. Beekeepers produce raw honey in a beehive by a colony of honeybees while processed honey is produced by packers/processors through a heating and filtration process. CR/PR at I-15, I-17. The channels of distribution also differ as raw honey is almost exclusively sold to packers/processors while processed honey is sold to industrial users, food service distributors, and retail. CR/PR at II-1. Most domestic producers also reported that raw and processed honey are never comparable in terms of perceptions in the marketplace. CR/PR at Table D-1. Finally, the record indicates processed honey is substantially higher priced than raw honey. Domestic raw honey averages only \$1.68 per pound in 2020 while wholesale processed honey prices in 2020 were far higher at about \$5.00 per pound and retail prices were about \$8.00 per pound. Petitioners’ Postconference Brief at 9.

The Commission also asked domestic producers and importers in the questionnaires to comment on the comparability of raw honey and processed honey with respect to the domestic like product factors. Domestic producers’ responses overwhelmingly indicated that they are never comparable. See CR/PR at Table D-1. Importers’ responses indicated that raw honey and processed honey are mostly comparable in terms of physical characteristics as well as being mostly interchangeable. See CR/PR at Table D-1. However, a majority of importers reported that raw honey and processed honey were only somewhat or never comparable for the other four like product factors: manufacturing, channels, perception and price. See CR/PR at Table D-1. Analysis of the domestic like product factors therefore does not support defining the domestic like product more broadly than the scope definition to include processed honey.

³⁹ Respondents rely heavily on the Commission’s findings in *Honey from Argentina and China*, but those earlier investigations concerning honey involved a different scope definition and record. Argentine Respondents’ Postconference Brief at 8; NHPDA’s Postconference Brief at 3-4; Supermel’s Postconference Brief at 6-7. As noted above, the scope of subject merchandise subject to investigation as defined by Commerce is the starting point of the Commission’s like product analysis. The Commission
(footnote continued on next page)

We therefore do not include processed honey in our definition of the domestic like product for the preliminary phase of these investigations.

2. Raw Honey Packaged for Retail Sale

As noted above, respondents further argue that raw honey packaged for retail sale in containers of five pounds or less— a product excluded from the scope – should be included in the definition of the domestic like product.⁴⁰ The record in the preliminary phase of these investigations is limited concerning differences between raw honey packaged for retail sale and bulk raw honey. The Commission did not gather data concerning sales of raw honey in retail packaging and Petitioners did not address the issue in their submissions. We analyze below whether the Commission should define the domestic like product to include raw honey packaged for retail sale.

Physical Characteristics and Uses. The record in the preliminary phase of these investigations provides evidence indicating that raw honey packaged for retail sale may be processed to some extent to remove pollen and other matter.⁴¹ Other than this distinction, the current record does not contain further information that raw honey packaged for retail sale has different physical characteristics as compared to bulk raw honey, with the exception of packaging. Raw honey packaged for retail sale is presumably used by end users, while bulk raw honey, generally sold in 55-gallon drums is used to produce processed honey.⁴²

Interchangeability. To the extent raw honey packaged for retail sale has the same physical characteristics as bulk raw honey other than packaging, the products can theoretically

then defines the domestic like product in light of the imported articles Commerce has identified. The Commission’s domestic like product definition that included raw and processed honey as a single domestic like product in *Honey from Argentina and China* reflected, *inter alia*, the broader scope of those investigations. *Honey from Argentina and China*, USITC Pub. 3470 at 4-5. *See also Hitachi Metals*, 949 F.3d at 718 (finding that prior investigations not involving “the same subject merchandise” did not render a like product definition legally erroneous).

⁴⁰ While Petitioners do not address this like product issue, they acknowledge that there are some limited sales of raw honey sold roadside, at farm stands, and local markets. Petitioners’ Postconference Brief at 7, Exhibit 1 at 11.

⁴¹ Petitioners’ Postconference Brief at 11; Conf. Tr. at 119 (Blumenthal).

⁴² CR/PR at II-1.

be used interchangeably, although to do so may not be practical because of the different size containers and pricing.⁴³

Manufacturing Facilities, Production Processes and Employees. The NHPDA states that the production of raw honey often involves the same or similar facilities and employees as the packaging of raw honey for retail sale because beekeepers frequently package raw honey in the same facilities as those used for extracting honey and rely on the same employees for both processes.⁴⁴

Channels of Distribution. The channels of distribution differ for raw honey packaged for retail sale and raw honey sold in bulk in 55-gallon drums for further processing.⁴⁵ Raw honey packaged for retail sale is presumably directly sold to consumers or distributors, while bulk raw honey is sold to packers.⁴⁶

Producer and Customer Perceptions. The record contains very little information on this factor. The Argentine Respondents assert that customers do not perceive differences in the raw honey based on its packaging.⁴⁷

Price. The record contains very little information on this factor. The NHPDA states that raw honey packaged for retail sale is sold at higher prices than even processed honey sold at retail, so raw honey packaged for retail sale would necessarily be higher-priced than bulk raw honey.⁴⁸

Conclusion. Based on the limited record in the preliminary phase of these investigations, we do not define the domestic like product more broadly to include out-of-scope raw honey packaged for retail sale. Although raw honey in bulk and raw honey packaged for retail sale may share some physical characteristics other than packaging and may sometimes be produced in the same facilities and with the same employees, differences in packaging and price appear to potentially limit interchangeability and raw honey in bulk and

⁴³ NHPDA argues that “the interchangeability of raw honey with packaged raw honey is limited only by the economic considerations of purchasing honey in quantities of 5 lbs. or less.” NHPDA’s Postconference Brief at 4.

⁴⁴ NHPDA’s Postconference Brief at 5.

⁴⁵ CR/PR at II-1. *See also* NHPDA’s Postconference Brief at 4 (“Beekeepers package raw honey in containers of five pounds or less for direct sale to households and restaurants, or sell the raw honey in bulk to packers, which package the raw honey in containers of five pounds or less for sale to Retail and Food Service customers.”).

⁴⁶ CR/PR at II-1.

⁴⁷ *See* Argentine Respondents’ Postconference Brief at 9.

⁴⁸ NHPDA’s Postconference Brief at 6.

packaged for retail sale are sold in different channels of distribution. However, in any final phase of these investigations we intend to gather additional information relevant to this analysis.

IV. Domestic Industry

The domestic industry is defined as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”⁴⁹ In defining the domestic industry, the Commission’s general practice has been to include the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

- Two domestic producers are related parties in these investigations, and we consider whether appropriate circumstances exist to exclude either firm from the domestic industry pursuant to the related parties provision. This provision of the statute 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 The parties did not address the potential exclusion of related parties.

***. Domestic producer ***, an importer of subject merchandise during the POI.⁵¹ *** accounted for *** percent of reported U.S. production in 2020, and *** the petition.⁵² ***

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. U.S. Int’l Trade Comm’n*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int’l Trade 2015), *aff’d*, 879 F.3d 1377 (Fed. Cir. 2018); *see also Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int’l Trade 1992).

⁵¹ CR/PR at Table III-2. It is therefore a related party, pursuant to 19 U.S.C. § 1677(4)(B)(ii)(II).

⁵² CR/PR at Table III-1. ***.

imported *** pounds of subject merchandise from Brazil in 2018 and *** pounds from Brazil in 2019; it did not import subject merchandise in 2020.⁵³ The ratio of the affiliated importer's subject imports to *** U.S. production was *** percent in 2018 and *** percent in 2019.⁵⁴ *** indicated that it imported raw organic honey during the POI due to the firm's inability to "****."⁵⁵ *** reported *** the POI.⁵⁶

The ratio of *** imports to affiliated *** domestic production was *** for two years of the POI. *** did not import during 2020. Further, ***.⁵⁷ Additionally, *** made ***.⁵⁸ While ***, the current record at the preliminary phase of these investigations is insufficient to conclude that *** is importing in a manner that would shield *** from the effects and impact of subject imports. We therefore decline to exclude *** from the domestic industry for purposes of these preliminary determinations.

***. We also consider whether domestic producer ***, another company that is related to importer ***, should be excluded as a related party.⁵⁹ *** accounted for *** percent of reported U.S. production in 2020, and *** the petition.⁶⁰ The related importer, ***, imported *** pounds of subject merchandise from Brazil in 2018, and *** pounds from Brazil in 2019; it did not import subject merchandise in 2020.⁶¹ The ratio of the affiliated importer's subject imports to *** U.S. production was *** percent in 2018 and *** percent in 2019.⁶² ***

⁵³ CR/PR at Table III-16. It also did not report any arranged imports for 2021. *** Importer Questionnaire at II-3a.

⁵⁴ CR/PR at Table III-16.

⁵⁵ CR/PR at III-27 and Table III-17.

⁵⁶ See U.S. Producer Questionnaire at III-9a. See U.S. Producer Questionnaire at III-9a. *** also reported capital expenditures of \$*** in 2018, \$*** in 2019, and \$*** in 2020. The investments in ***. *** U.S. Producer Questionnaire at III-13a and III-13b.

⁵⁷ *** explained that it "****" *** Importer Questionnaire at II-2a; see also *** U.S. Producer Questionnaire at III-13a and III-13b.

⁵⁸ *** in 2018, \$*** in 2019, and \$*** in 2020. *** U.S. Producer Questionnaire at III-13a and III-13b.

⁵⁹ ***. See Importer Questionnaire of *** at 1, 5; U.S. Producer Questionnaire of *** at 1. Because the two firms are controlled by the same individual, *** is as related party. 19 U.S.C. § 1677(4)(B)(ii)(III). As noted, ***.

⁶⁰ CR/PR at Table III-1. ***.

⁶¹ CR/PR at Table III-16.

⁶² Calculated from *** U.S. Producer Questionnaire at II-5a and *** U.S. Importer Questionnaire at II-6a.

explained that it imported raw organic honey during the POI due to the firm's inability to "****." ⁶³ **** reported **** during **** of the POI and **** years. ⁶⁴

As was the case with ****, the ratios of **** imports to affiliated **** domestic production were **** for two years of the POI. ⁶⁵ However, like ****, it is unclear how **** did not import subject merchandise directly, and the related importer, ****, only imported during the first two years of the POI. While **** the current record at the preliminary phase of these investigations does not indicate that **** is importing in a manner that would shield **** from the effects and impact of subject imports. For purposes of the preliminary phase of these investigations, we decline to exclude **** from the domestic industry. ⁶⁶

We therefore define the domestic industry to include all domestic producers of raw honey for purposes of the preliminary phase of the investigations. ⁶⁷

V. Cumulation ⁶⁸

For purposes of evaluating the volume and effects for a determination 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

⁶³ CR/PR at III-27 and Table III-17. It also did not report any arranged imports for 2021. **** Importer Questionnaire at II-3a. As noted above it ****. **** Importer Questionnaire at II-2a.

⁶⁴ See **** U.S. Producer Questionnaire at III-9a.

⁶⁵ ****.

⁶⁶ We will gather additional information concerning these firms and reexamine their inclusion in the definition of the domestic industry in any final phase investigations.

⁶⁷ One other domestic producer is related to an importer of subject merchandise. ****. See U.S. Producer Questionnaire at I-5. However, the record does not indicate that this interest confers operational or legal control over the domestic producer. 19 U.S.C. § 1677(4)(B). Accordingly, we do not find that **** is a related party.

⁶⁸ Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product shall be deemed negligible if they account for less than three percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition. See 19 U.S.C. §§ 1673b(a), 1677(24)(A)(i).

Based on official import statistics, imports from Argentina, Brazil, India, Ukraine, and Vietnam accounted for 20.3 percent, 19.3 percent, 19.2 percent, 6.1 percent, and 26.1 percent of total imports of subject merchandise, respectively, during the twelve months preceding the filing of the petitions, April 2020 through March 2021. CR/PR at Table IV-3. Because these percentages exceed the applicable statutory threshold, we find that subject imports from Argentina, Brazil, India, Ukraine, and Vietnam are not negligible.

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.⁶⁹

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.⁷⁰ Only a “reasonable overlap” of competition is required.⁷¹

A. Arguments of the Parties

Petitioners’ Arguments. Petitioners argue that the Commission should cumulatively assess imports from all subject countries. They contend that the petition for all five countries was filed on the same day and that a reasonable overlap in competition exists among raw honey produced in the subject countries and between raw honey from each subject country and the domestic product, and that cumulation is therefore mandatory.⁷²

⁶⁹ See *Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan*, Inv. Nos. 731-TA-278-280 (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).

⁷⁰ See, e.g., *Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

⁷¹ The Statement of Administrative Action (SAA) to the Uruguay Round Agreements Act (URAA), 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, S.A. v. United States*, 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.”)).

⁷² Petitioners’ Postconference Brief at 12-13.

Petitioners assert that raw honey from all subject countries and the domestic like product are fungible. As support, they observe that the great majority of producers' responses to the questionnaires indicated that the subject imports and the domestic like product are "always" or "frequently" interchangeable and importers' questionnaires indicated that raw honey from subject sources and domestic sources is at least "sometimes" interchangeable. They also highlight the overlap in different colors of raw honey from the subject countries and domestic producers. Petitioners note that raw honey is mostly sold to packers by beekeepers and that importers sell the subject imports primarily to packers as well. Finally, they contend that imports from the five subject countries competed with each other and with the domestic like product throughout the United States and that imports of raw honey from each subject country were sold in the U.S. market during each year of the POI.⁷³

Respondents' Arguments. Respondents do not address cumulation for purposes of present material injury.

B. Analysis and Conclusion

The initial statutory requirement is satisfied because the Petitioners filed the antidumping duty petitions with respect to Argentina, Brazil, India, Ukraine, and Vietnam on the same day, April 21, 2021. As discussed below, we find that there is a reasonable overlap of competition between subject imports from each of the subject countries and between subject imports from each source and the domestic like product.

Fungibility. The record reflects that that imports from each subject country are reasonably fungible with the domestic like product and each other. The vast majority of U.S. producers reported that the domestic like product and subject imports from Argentina, Brazil, India, Ukraine, and Vietnam were always interchangeable in all comparisons between sources.⁷⁴ Importers' responses indicated less interchangeability when comparing raw honey from different sources, although in six of the 10 comparisons between raw honey from two subject sources, a majority of importers indicated that the raw honey from the two subject countries was at least sometimes interchangeable.⁷⁵ Factors reported by importers that limit

⁷³ Petitioners' Postconference Brief at 12-15.

⁷⁴ CR/PR at Table II-6.

⁷⁵ CR/PR at Table II-6. Specifically, in comparisons between the domestic like product and raw honey from Brazil, India, and Vietnam, a majority of importers indicated that the raw honey from the (footnote continued on next page)

interchangeability include organic versus non-organic designations, end use, flavor profile, and “eat local” campaigns.⁷⁶

Despite some differences in the types of raw honey available from different sources, there is substantial overlap in the colors and flavors⁷⁷ of raw honey for shipments of the domestic like product and imports from subject countries. More specifically, extra light amber honey comprised *** percent of U.S. shipments of domestically produced raw honey, *** percent of U.S shipments of honey from Argentina, *** percent of U.S shipments of honey from Brazil, *** percent of U.S shipments of honey from India, and *** percent of U.S shipments of honey from Ukraine.⁷⁸ While there were few U.S. shipments of extra light amber raw honey from Vietnam, there was overlap in light amber honey from Vietnam with other sources. *** U.S. shipments of raw honey from Vietnam were light amber as were *** percent of U.S. shipments of domestically produced raw honey, *** percent of U.S shipments of honey from Brazil, and *** percent of U.S shipments of raw honey from India.⁷⁹

In response to questions concerning the prevalence of non-price differences, the vast majority of domestic producers indicated that there were never non-price differences between the domestic product and subject imports from Argentina, Brazil, India, Ukraine, and Vietnam, and between subject imports from different subject countries.⁸⁰ U.S. importers reported more non-price differences, and in all but 2 of 15 comparisons a majority indicated that there were always or frequently non-price differences in the comparisons.⁸¹

two sources was never interchangeable. *Id.* Additional majorities of importers reported that raw honey from Vietnam was never interchangeable with raw honey from Argentina, Brazil, and Ukraine, and a majority of importers also reported that raw honey from Brazil and Ukraine were never interchangeable. *Id.* More interchangeability was reported for raw honey from Argentina when compared with raw honey from United States, Brazil, India, and Ukraine, with a majority of importers reported that the product from Argentina was at least sometimes interchangeable with product from those sources. *Id.*

⁷⁶ CR/PR at II-13.

⁷⁷ Lighter-colored honeys, such as clover, possess a milder flavor, while darker-colored honeys possess a stronger flavor. CR/PR at I-14. *See also* Conf. Tr. at 67-68 (Mammen, Blumenthal) (flavor correlates with floral source and color).

⁷⁸ CR/PR at Table IV-4.

⁷⁹ CR/PR at Table IV-4.

⁸⁰ CR/PR at Table II-7.

⁸¹ CR/PR at Table II-7. When comparing subject imports from India with those from Ukraine and Vietnam, a majority of importers reported that there were sometimes or never non-price differences. *Id.*

Channels of Distribution. There is significant overlap in the channels of distribution reported for the domestic like product and imports from each subject source. The vast majority of shipments of raw honey from each subject country as well as domestic producers' shipments were to packers/processors.⁸²

Geographic Overlap. There is significant geographic overlap between the domestic like product and imports from each subject source. Domestic producers reported shipping the domestic product to all six regions of the contiguous United States.⁸³ Importers reported shipping imports from each subject country to all six regions as well.⁸⁴ Imports from each subject country also entered through ports located in the East, North, South, and West.⁸⁵

Simultaneous Presence in Market. Imports from each subject country have been present in the U.S. market during every month of the three-year POI.⁸⁶ Although raw honey production is seasonal, occurring mostly in summer and early fall, the U.S. producers ship throughout the year.⁸⁷ There were generally lower levels of shipments in the winter months, but U.S. producers reported shipments every month of the POI.⁸⁸

Conclusion. Although there are potentially some limitations on interchangeability among raw honey from different sources, the record demonstrates that imports from each subject country are reasonably fungible with the domestic like product and each other, and imports from each of the subject countries and the domestic like product are sold in similar channels of distribution, similar geographic markets, and have been simultaneously present in the U.S. market. In light of the foregoing, we find that there is a reasonable overlap of competition between the domestic like product and imports from each subject country and among imports from each subject country. Therefore, we cumulatively assess the volume and effects of subject imports from Argentina, Brazil, India, Ukraine, and Vietnam for purposes of analyzing present material injury in the preliminary phase of these investigations.

⁸² CR/PR at Table II-1.

⁸³ CR/PR at Table II-2.

⁸⁴ CR/PR at Table II-2.

⁸⁵ See CR/PR at Table IV-6.

⁸⁶ See CR/PR at Table IV-7.

⁸⁷ See CR/PR at III-23, Table III-13. U.S. producers reported that most of their shipments were from inventories. CR/PR at II-12.

⁸⁸ CR/PR at III-24.

VI. 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.⁸⁹ In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.⁹⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁹¹ 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.⁹² 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.”⁹³

Although the statute requires the Commission to determine whether there is a reasonable indication that the domestic industry is “materially injured by reason of” unfairly traded imports,⁹⁴ 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.⁹⁵ 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

⁸⁹ 19 U.S.C. §§ 1671b(a), 1673b(a). The Trade Preferences Extension Act (“TPEA”) of 2015, Pub. L. 114-27, amended the provisions of the Tariff Act pertaining to Commission determinations of reasonable indication of material injury and threat of material injury by reason of subject imports in certain respects.

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

⁹¹ 19 U.S.C. § 1677(7)(A).

⁹² 19 U.S.C. § 1677(7)(C)(iii).

⁹³ 19 U.S.C. § 1677(7)(C)(iii).

⁹⁴ 19 U.S.C. §§ 1671b(a), 1673b(a).

⁹⁵ *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.⁹⁶

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.⁹⁷ In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.⁹⁸ Nor does

⁹⁶ The Federal Circuit, in addressing the causation standard of the statute, has observed that “{a}s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. U.S. Int’l Trade Comm’n*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was re-affirmed in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), in which the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” See also *Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. U.S. Int’l Trade Comm’n*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

⁹⁷ SAA, H.R. Rep. 103-316, Vol. I at 851-52 (1994) (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the Petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); accord *Mittal Steel*, 542 F.3d at 877.

⁹⁸ 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* (footnote continued on next page)

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.⁹⁹ It is clear that the existence of injury caused by other factors does not compel a negative determination.¹⁰⁰

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.”¹⁰¹ The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other

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.”).

⁹⁹ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

¹⁰⁰ *See Nippon*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

¹⁰¹ *Mittal Steel*, 542 F.3d at 876, 878; *see also id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”), *citing United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swiff-Train v. United States*, 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*.

sources to the subject imports.”¹⁰² The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”¹⁰³

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.¹⁰⁴ Congress has delegated this factual finding to the Commission because of the agency’s institutional expertise in resolving injury issues.¹⁰⁵

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 cumulated subject imports.

1. Captive Production Provision

The domestic industry captively consumes much of its production of raw honey in the manufacture of processed honey. Accordingly, we have considered whether the statutory captive production provision requires us to focus our analysis primarily on the merchant market when assessing market share and the factors affecting the financial performance of the domestic industry.¹⁰⁶ The parties have not addressed whether the captive production provision should be applied in these investigations.

¹⁰² *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.

¹⁰³ *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.”).

¹⁰⁴ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

¹⁰⁵ *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.”).

¹⁰⁶ The captive production provision, 19 U.S.C. § 1677(7)(C)(iv), provides:

(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 –

(footnote continued on next page)

Threshold Criterion. The captive production provision is to 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 2020, 30.3 percent of U.S. producers' U.S. shipments were reported as commercial shipments, and 69.7 percent were reported as internal consumption and transfers to related firms by quantity.¹⁰⁷ We find based on these data that both portions of the market are significant.¹⁰⁸

First Statutory Criterion. The first criterion tests whether the domestic like product that is internally transferred for processing into downstream articles does not enter the merchant market for the domestic like product.¹⁰⁹ No domestic producers in these investigations reported diverting raw honey that was to be internally consumed to the merchant market.¹¹⁰ This criterion is therefore satisfied.

(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;
then the Commission, in determining market share and the factors affecting financial performance set forth in clause (iii), shall focus primarily on the merchant market for the domestic like product.

The TPEA of 2015 eliminated what was the third statutory criterion of the captive production provision. Pub. L. 114-27, § 503(c).

¹⁰⁷ CR/PR at III-25, Table III-12. The data in large part reflect the shipments of the Sioux Honey Association ("SHA"), a cooperative that requires its members to ship the vast majority of their shipments to the cooperative for processing. CR/PR at III-22. Twenty-nine responding U.S. producers reported being members of a cooperative in their questionnaire response and 22 of those producers specified being members of the SHA. SHA members, however, were not consistent in the classification of their shipments, although most characterized their shipments as being non-commercial. CR/PR at III-22, VI-3 n.9.

¹⁰⁸ We observe that the USDA data indicate that a substantially smaller portion of the domestic industry's shipments is internally consumed than what is reflected in the Commission's questionnaire data. See CR/PR at Tables IV-8 and IV-9 (118.6 million pounds of raw honey sold on merchant market compared to 141.7 million pounds of total industry U.S. shipments). In any final phase of these investigations, we will reexamine whether the questionnaire data are representative of the industry and whether the captive production provision should be applied in these investigations.

¹⁰⁹ See *Raw Flexible Magnets from China and Taiwan*, Inv. Nos. 701-TA-452 and 731-TA-1129-1130 (Preliminary), USITC Pub. 3961 at 13 (Nov. 2007) ("No producer reported diverting raw flexible magnets intended for internal consumption to the merchant market.").

¹¹⁰ CR/PR at III-24.

Second Statutory Criterion. 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.¹¹¹ In these investigations, reporting domestic producers indicated that raw honey accounted for 94.4 percent of the cost of the downstream products produced from raw honey, *i.e.*, downstream processed/package retail honey.¹¹² Thus, this criterion is also satisfied in these investigations.

Conclusion. We conclude, for the purposes of these preliminary determinations, that the criteria for application of the captive production provision are satisfied. Accordingly, we focus primarily on the merchant market in analyzing the market share and financial performance of the domestic industry. We also have considered the market as a whole.

2. Demand Conditions

Virtually all raw honey is used to produce processed honey.¹¹³ Demand for raw honey, therefore, depends on the uses for processed honey.¹¹⁴ Processed honey is sold at retail to consumers, to food manufacturers, and to the food service industry.¹¹⁵ Manufactured products using processed honey as a sweetener include cereal, baked goods, candy, alcoholic beverages, and soft drinks.¹¹⁶ Respondents argue that demand for different colors/flavors of raw honey reflects the ultimate downstream use of the honey.¹¹⁷

U.S. producers and importers reported an increase in U.S. demand for raw honey during the POI.¹¹⁸ Apparent U.S. consumption of raw honey increased by 1.9 percent in the merchant market over the POI.¹¹⁹ Apparent U.S. consumption in the merchant market initially declined

¹¹¹ See 19 U.S.C. § 1677(7)(C)(iv)(II).

¹¹² CR/PR at Table III-14.

¹¹³ CR/PR at II-2.

¹¹⁴ CR/PR at II-8.

¹¹⁵ CR/PR at I-14.

¹¹⁶ CR/PR at I-14; Petitioners' Postconference Brief at 15.

¹¹⁷ See CR/PR at II-1 n.3.

¹¹⁸ CR/PR at Table II-4.

¹¹⁹ CR/PR at Table C-2. The increase in apparent U.S. consumption was 1.8 percent in the total market over the POI. CR/PR at Table C-1.

from 524.2 million pounds in 2018 to 510.0 million pounds in 2019 and then increased to 534.2 million pounds in 2020.¹²⁰

3. Supply Conditions

Beekeepers and colonies of bees are the producers of raw honey. Domestic raw honey production increased from 154.0 million pounds in 2018 to 156.9 million pounds in 2019 before decreasing to 147.6 million pounds in 2020.¹²¹ Beekeepers' bee colonies for raw honey production declined from 2.8 million colonies in 2018 to 2.7 million colonies in 2020.¹²² Beekeepers' production per colony fluctuated year-to-year, but was unchanged overall during the POI.¹²³ Raw honey production is primarily located in Midwestern states such as North Dakota and South Dakota, but beekeepers are located across the United States.¹²⁴

As noted above, virtually all raw honey is processed and packaged. Some beekeepers package their own honey and some sell to independent packers or a honey cooperative.¹²⁵ Petitioner SHA is a cooperative that processes, packages, and markets honey for its beekeeper members. Members are required to sell virtually all of their production to the cooperative and are paid a share of the proceeds at the end of the year.¹²⁶ SHA reported *** pounds of production by its members in 2020.¹²⁷

¹²⁰ CR/PR at Tables IV-9 and C-2. Apparent U.S. consumption in the total market fell from 547.4 million pounds in 2018 to 531.1 million pounds in 2019 and then increased to 557.2 million pounds in 2020. CR/PR at Tables IV-8 and C-1.

¹²¹ CR/PR at Table III-4.

¹²² CR/PR at Table III-6.

¹²³ CR/PR at Table III-9.

¹²⁴ CR/PR at Tables III-4 and III-5. Over 40 percent of beekeepers' colonies were located in the Midwest throughout the POI. *Id.* at Table III-7. However, "{b}eekeepers are often migratory moving their hives as needed to areas in need of bees' pollination services or areas rich in certain flora to promote production of a distinct type of honey." CR/PR at I-15. About two-thirds of colonies are subject to migration. *Id.* "The migration is generally from north in the summer to south in the winter, as well as to California during almond season and several other states for pollination of crops such as melons." *Id.* at I-15 to I-16.

¹²⁵ As noted, the Commission's questionnaire data reflect a higher proportion of captive production than the USDA data. See CR/PR at Tables IV-8 and IV-9.

¹²⁶ CR/PR at II-1.

¹²⁷ Petition at 4, Exhibit GEN-1. Approximately half of the reporting beekeepers were members of SHA. CR/PR at VI-7.

Raw honey typically is shipped by beekeepers and importers in 55-gallon drums to packers/processors. Packers, in turn, sell processed honey to retailers, the food service industry, and industrial customers for bulk food ingredients.¹²⁸

Beekeepers reported significant difficulty maintaining their hives during the POI; beekeepers reported having to replace up to 60 percent of their hives each year, although losses averaged 40 percent.¹²⁹ Colony collapse disorder (“CCD”) and Varroa mites, which carry bee viruses, were often cited as major challenges, and both remain major problems for the industry.¹³⁰

Weather is another major factor affecting yield. Beekeepers cited weather events such as hurricanes, fires, heat, drought, excessive rain/flooding, cold/freeze, thunderstorms, and hail as reducing yield during the POI.¹³¹ There is seasonality in raw honey production, but it can be held in inventory and sold throughout year.¹³²

Beekeepers also reported that labor costs have risen because they have had difficulty in finding enough labor, and some beekeepers thus increased reliance on temporary agricultural foreign workers through the H2A visa program.¹³³

Beekeepers also earn income from their bee colonies by offering pollination services; this happens on a large scale during February for the California almond crop.¹³⁴ Beekeepers load their bee colonies onto pallets for transportation by truck to California.¹³⁵ In addition to transporting their bees for pollination services, beekeepers often move their colonies south for the winter from colder climates.¹³⁶

¹²⁸ CR/PR at II-1.

¹²⁹ CR/PR at III-7; Conf. Tr. at 38 (Hiatt).

¹³⁰ See CR/PR at Table III-3 and III-7. See also *id.* at II-3. CCD became a significant problem in 2005. Conf. Tr. at 77 (Hiatt). As a result of the disorder, U.S. producers *** *E.g.*, CR/PR at III-8 to III-11, Table III-3. Varroa mites were introduced to the U.S. bee population in the 1980s. *Honey from China*, Inv. No. TA-406-13, USITC Pub. 2715 (Jan. 1994) at II-7 n.12.

¹³¹ CR/PR at III-7.

¹³² CR/PR at II-23.

¹³³ CR/PR at III-27, Table III-3.

¹³⁴ CR/PR at III-2, III-23. Most reporting beekeepers (50 of 65 or 76.9 percent) offered pollination services and they reported obtaining roughly half their revenue from pollination services in 2018 and 57.1 percent of total revenue in 2020. CR/PR at VI-8. The parties dispute how pollination income and expenses should be treated, with respondents suggesting it cannot be separated from income and expenses for raw honey production. Petitioners’ Postconference Brief at 34-35; NHPDA’s Postconference Brief at 43-44.

¹³⁵ Conf. Tr. at 145-146 (Stickevers).

¹³⁶ Conf. Tr. at 71 (Hiatt); see also CR/PR at I-15 to I-16.

The domestic industry was the second largest source of supply to the U.S. market over the POI. It supplied 24.3 percent of the merchant market by quantity in 2018, 25.9 percent in 2019, and 22.2 percent in 2020.¹³⁷ In the total market, the domestic industry accounted for 27.5 percent of U.S shipments in 2018, 28.9 percent in 2019, and 25.4 percent in 2020 by quantity.¹³⁸

Subject imports supplied the majority of apparent U.S. consumption over the POI. In the merchant market, subject imports supplied 63.4 percent of U.S. shipments by quantity in 2018, 67.2 percent in 2019, and 71.4 percent in 2020.¹³⁹ In the overall market, subject imports supplied 60.8 percent of U.S. shipments by quantity in 2018, 64.6 percent in 2019, and 68.4 percent in 2020.¹⁴⁰

Nonsubject imports were the smallest source of supply during the POI. Nonsubject imports supplied 13.3 percent of shipments by quantity in 2018 in the merchant market, 8.3 percent in 2019, 7.6 percent in 2020.¹⁴¹ In the total market, nonsubject imports supplied 12.8 percent of shipments by quantity in 2018, 7.9 percent in 2019 and 7.2 percent in 2020.¹⁴² Honey from China remains subject to an antidumping duty order.¹⁴³

4. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between domestically produced raw honey and raw honey imported from subject countries for purposes of the preliminary phase of these investigations. The vast majority of U.S. producers reported that the domestic like product and subject imports from Argentina, Brazil, India, Ukraine, and Vietnam were “always” interchangeable with the domestic product,¹⁴⁴ although U.S. importers reported less interchangeability when raw honey from subject countries was compared to the

¹³⁷ CR/PR at Tables IV-11 and C-2.

¹³⁸ CR/PR at Tables IV-10 and C-1.

¹³⁹ CR/PR at Tables IV-11 and C-2.

¹⁴⁰ CR/PR at Tables IV-10 and C-1.

¹⁴¹ CR/PR at Tables IV-11 and C-2.

¹⁴² CR/PR at Tables IV-10 and C-1.

¹⁴³ CR/PR at I-8; Honey From the People’s Republic of China: Continuation of Antidumping Duty Order, 83 Fed. Reg. 18277 (Apr. 26, 2018).

¹⁴⁴ CR/PR at Table II-6.

domestic product.¹⁴⁵ Factors reported by importers as limiting interchangeability include organic versus non-organic designations, end use, flavor profile, and “eat local” campaigns.¹⁴⁶

Respondents also claim that the different end uses for processed honey substantially limit the substitutability of raw honey from different sources and that the U.S. market consists of a retail segment, an ingredient segment, and a food service segment.¹⁴⁷ They argue that retail users prefer local honey and lighter colored mild honey, while ingredient/industrial users prefer darker, stronger flavored honey.¹⁴⁸ Notwithstanding these claims, as previously described, the record reflects that there is substantial overlap in the colors and flavors of shipments of raw honey of the domestic like product and imports from subject countries, even if substitutability across colors and flavor profiles may be limited to some extent.¹⁴⁹ Moreover, record evidence indicates that packers blend raw honey from multiple sources to achieve a desired color and flavor profile, suggesting that respondents’ characterization of the market may be incomplete.¹⁵⁰ In any final phase of these investigations, we intend to gather additional information concerning the extent to which substitutability is limited by honey color and flavor and invite parties to comment on the Commission’s draft questionnaires to this end.

The record also indicates that price is an important factor in purchasing decisions for raw honey. In response to the Commission’s lost sales/lost revenue survey, purchasers most frequently cited customer specifications and quality followed by price as the most important factors in purchasing decisions.¹⁵¹ Nine of the 15 purchasers listed price as one of their top

¹⁴⁵ CR/PR at Table III-6.

¹⁴⁶ CR/PR at II-13. Supermel claims that the organic designation substantially limits the interchangeability of raw honey from Brazil with conventional raw honey from other sources. See Supermel’s Postconference Brief at 2. Just under 90 percent of the subject imports from Brazil in 2020 were organic raw honey, while the vast majority of imports from every other subject country was conventional as was domestic production. See CR/PR at Table IV-5; see also *id.* at I-12 to I-13, II-1 to II-2. In any final phase of these investigations, the Commission will seek additional information regarding organic honey, including its role in the U.S. market, standards for the organic designation, and the degree of competition between organic and conventional raw honey.

¹⁴⁷ NHPDA’s Postconference Brief at 11-12, 34-35; Argentine Respondents’ Postconference Brief at 10-13.

¹⁴⁸ Supermel’s Postconference Brief at 1-2; NHPDA’s Postconference Brief at 14-17, 23, 27-28. *But see* Petitioners’ Postconference Brief at 20-21 (asserting that honey from different sources is more substitutable the respondents claim) (*citing* Conf. Tr. at 38, 244 (Hiatt, Wenger)).

¹⁴⁹ CR/PR at Table IV-4.

¹⁵⁰ CR/PR I-14. See also Conf. Tr. at 99 (Blumenthal); 149 (Stickevers); 161 (Sargeantson).

¹⁵¹ CR/PR at Table II-5.

three factors in purchasing decisions.¹⁵² Most U.S. producers reported that differences other than price between sources were never significant in their sales of raw honey whereas a majority of importers reported that such differences were always or frequently significant in their sales.¹⁵³

Twenty five of 47 U.S. responding producers reported that raw material prices increased during the POI.¹⁵⁴ U.S. producers identified rising costs for lumber, bee feed, fuel, and labor as the main factors contributing to increasing raw material prices.¹⁵⁵

Raw honey is primarily sold from inventory. U.S. producers reported that most of their shipments were from U.S. inventories.¹⁵⁶ Beekeepers sold most of their raw honey on the basis of short-term contracts followed by sales on the spot market.¹⁵⁷ U.S. importers sold the subject imports primarily through short-term contracts.¹⁵⁸

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.”¹⁵⁹

The volume of cumulated subject imports increased 14.7 percent over the three-year period 2018-2020.¹⁶⁰ Subject imports increased from 332.6 million pounds in 2018 to 342.9 million pounds in 2019 and 381.3 million pounds in 2020.¹⁶¹ As a share of apparent U.S. consumption in the merchant market, cumulated subject imports increased from 63.4 percent in 2018 to 67.2 percent in 2019 and 71.4 percent in 2020.¹⁶² In the total market, subject imports increased their market share from 60.8 percent in 2018 to 64.6 percent in 2019 and 68.4 percent in 2020.¹⁶³

¹⁵² CR/PR at Table II-5.

¹⁵³ CR/PR at Table II-7.

¹⁵⁴ CR/PR V-1.

¹⁵⁵ CR/PR at V-1.

¹⁵⁶ CR/PR at II-12.

¹⁵⁷ See CR/PR at Table V-2.

¹⁵⁸ See CR/PR at Table V-2.

¹⁵⁹ 19 U.S.C. § 1677(7)(C)(i).

¹⁶⁰ CR/PR at Table C-1.

¹⁶¹ CR/PR at Tables IV-2 and C-1 (based on official statistics).

¹⁶² CR/PR at Tables IV-11 and C-2.

¹⁶³ CR/PR at Tables IV-10 and C-1.

Subject imports also increased relative to domestic production of raw honey. Their ratio increased from 215.9 percent in 2018 to 218.5 percent in 2019 and to 258.3 percent in 2020.¹⁶⁴

For purposes of these preliminary determinations, we find that the volume of cumulated subject imports, and their increase, were significant both in absolute terms and relative to production and 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

(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.¹⁶⁵

As addressed in section VI.B.4 above, the record indicates that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product and that price is an important consideration in purchasing raw honey.

The Commission gathered price data from the National Honey Report (“NHR”) published by USDA’s Agricultural Marketing Service (“AMS”) for sales by beekeepers and importers of four types of raw honey: white, extra light amber, light amber, and amber.¹⁶⁶ Sales data are generally for volumes of 10,000 pounds or greater.¹⁶⁷ The prices are simple averages for each

¹⁶⁴ CR/PR at Table IV-2.

¹⁶⁵ 19 U.S.C. § 1677(7)(C)(ii).

¹⁶⁶ The pricing products were as follows: Product 1 – White honey (0 – 34 mm); Product 2 – Extra light amber honey (35 – 50 mm); Product 3 -- Light amber honey (51 – 85 mm); and Product 4 – Amber honey (greater than 86 mm). CR/PR at V-4. The “mm” specification refers to Pfund grading of honey colors. CR/PR at V-4 n.15.

¹⁶⁷ CR/PR at V-4, V-4 n.13. The prices reflect beekeepers’ sales to packers of unprocessed honey in major producing states by packers, handlers and other large users, cents per pound, f.o.b. or delivered nearby, containers exchanged or returned, prompt delivery and payment unless otherwise stated. Import prices are those paid to importers for bulk honey, duty paid, containers included, cents per pound, ex-dock or point of entry unless otherwise stated. CR/PR at V-4 n.13.

month, by origin and color, calculated by dividing the sum of prices by the number of observations.¹⁶⁸

The price comparison data show pervasive underselling by cumulated subject imports during the POI. Cumulated subject imports undersold the domestic like product in 412 of 422 (97.6 percent) monthly comparisons, and oversold the domestic like product in the remaining 10 instances (2.4 percent).¹⁶⁹ Subject imports' margins of underselling averaged 41.8 percent and ranged up to 66.5 percent; overselling margins averaged 7.0 percent and ranged up to 18.1 percent.¹⁷⁰ There was underselling in the vast majority of monthly comparisons for all four raw honey products.¹⁷¹ Based on this record, we find that there has been significant underselling by the subject imports as compared with the price of the domestic product during the POI for purposes of the preliminary phase of the investigations.¹⁷² The underselling occurred as subject imports gained 2.1 percentage points of market share from domestic producers in the merchant market (and the total market) over the POI.¹⁷³

We have also considered price trends for the domestic like product and subject imports. Although there were fluctuations in domestic prices during the POI, prices for each of the four domestically produced pricing products generally declined over the POI.¹⁷⁴ Domestic price

¹⁶⁸ CR/PR at V-4.

¹⁶⁹ CR/PR at Tables V-8 and V-9. In addition, the Commission compiled monthly high and low prices, by source, as reported by USDA/AMS for 2018-2020. In those comparisons the high price for the five subject import sources was below the low price for U.S. producers in more than 80 percent of comparisons. See CR/PR at tables E-1 through E-4.

¹⁷⁰ CR/PR at Tables V-8 and V-9. Twenty purchasers responded to the Commission's lost sales/lost revenue survey. Of the 20 responding purchasers, five reported that, since 2018, they had purchased imported raw honey from subject countries instead of U.S.-produced product. All five of these purchasers reported that subject import prices were lower than the U.S.-produced product, and one of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than domestic raw honey. CR/PR at V-24. Also, of 14 responding purchasers, 2 reported that U.S. producers had reduced prices in order to compete with lower-priced imports from subject countries; 12 reported that they had not and 6 reported that they did not know. CR/PR at V-27.

¹⁷¹ CR/PR at Tables V-8 and V-9.

¹⁷² Respondents contend that the AMS data are not suitable for conducting a proper analysis of underselling by subject imports. They argue that the sales transactions reflected in the data may not have occurred at the same time or be of comparable size. Argentine Respondents' Postconference Brief at 30-31; NHPDA's Postconference Brief at 36-37. We invite the parties in comments on draft questionnaires in any final phase of the investigations to provide any suggestions, with specificity, about how pricing information should be collected. See 19 C.F.R. § 207.63(b).

¹⁷³ CR/PR at Tables C-1 and C-2.

¹⁷⁴ CR/PR at V-7, Fig. V-5.

decreases ranging from 1.6 percent to 22.5 percent, with the largest decreases for Products 1 and 2, which are the lighter-colored honeys that comprise the majority of the domestic industry's U.S. shipments and 42 percent of U.S. shipments of subject imports.¹⁷⁵

Reflecting the downward trends in prices for domestically produced raw honey, the domestic industry's net sales average unit values declined. In the merchant market, the domestic industry's unit net sales values were 9.3 percent lower in 2020 than in 2018.¹⁷⁶ Notably, the domestic industry's operating expenses increased 9.2 percent over the same period on a per-pound basis.¹⁷⁷ Thus, the domestic industry did not experience cost reductions that might explain the magnitude of the declines in prices and unit net sales values for the domestic like product. Further, the domestic price declines occurred when demand increased overall, as apparent U.S. consumption increased by 1.9 percent in the merchant market over the three-year period.¹⁷⁸ Given this record and the significant underselling, we find that low-priced subject imports depressed prices for domestically produced raw honey to a significant degree.¹⁷⁹

¹⁷⁵ CR/PR at Tables IV-4 and V-6 (total market). Over the POI, domestic prices decreased by 22.5 percent for Product 1, 18.5 percent for Product 2, 5.2 percent for Product 3, and 1.6 percent for Product 4. CR/PR at Table V-7. Subject import prices also generally decreased during the POI. Only Product 2 from Argentina increased. See CR/PR at Table V-7.

¹⁷⁶ CR/PR at Tables VI-3 and C-2. Average net sales values decreased from \$1.85 per pound in 2018 to \$1.63 per pound in 2019 and was \$1.68 per pound in 2020. *Id.* Net sales values followed a similar trend in the total market, declining from \$1.79 per pound in 2018 to \$1.56 per pound in 2019 and \$1.52 per pound in 2020. CR/PR at Tables VI-1 and C-1.

¹⁷⁷ CR/PR at Tables VI-3 and C-2. In the merchant market, the domestic industry's unit operating expenses decreased from \$3.02 per pound in 2018 to \$2.74 per pound in 2019, before increasing to \$3.30 per pound in 2020. *Id.* In the total market, the domestic industry's unit operating expenses increased 3.8 percent over the POI. CR/PR at Table C-1. They increased from \$2.41 per pound in 2018 to \$2.58 per pound in 2019, before decreasing to \$2.50 per pound in 2020. CR/PR at Tables VI-1 and C-1.

¹⁷⁸ CR/PR at Table C-2. Apparent U.S. consumption was 1.8 percent higher over the POI in the total market. CR/PR at Table C-1.

¹⁷⁹ Respondents argue that attenuated competition between the subject imports and domestically produced honey undermines any apparent link between underselling and declining raw honey prices. Respondents contend that the subject imports are ultimately used in different applications, *i.e.*, food service and industrial uses, than the domestic product and that subject imports therefore did not compete with the domestic product for sales. They also contend that prices for raw honey and retail honey prices have recently increased. Argentine Respondents' Postconference Brief at 27-30; NHPDA's Postconference Brief at 37-42. In any final phase of these investigations, we will further
(footnote continued on next page)

We have also considered whether subject imports have prevented price increases that otherwise would have occurred. Because the domestic industry's unit net sales values fell while its unit operating expenses increased, the industry's operating expenses as a ratio to net sales in the merchant market increased from 162.9 percent in 2018 to 168.1 percent in 2019 and 196.3 percent in 2020.¹⁸⁰ On a unit basis, both direct labor and all other operating expenses increased between 2018 and 2020.¹⁸¹ As discussed below, however, we intend to further examine domestic producers' reporting of operating expenses in any final phase of these investigations.

In sum, for the purposes of the preliminary phase of these investigations, we find that there was significant underselling by cumulated subject imports and that subject imports depressed domestic prices to a significant degree. We consequently find that subject imports had significant price effects.

E. Impact of the Subject Imports¹⁸²

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

examine the extent to which factors other than subject imports may be affecting the domestic industry's price of raw honey, including whether raw honey's use in different downstream applications may limit competition between the subject imports and the domestic product.

¹⁸⁰ CR/PR at Tables VI-3 and C-2. The ratio also increased in the overall market, rising from 134.8 percent in 2018 to 164.7 percent in 2019 and then fell to 163.9 percent in 2020. CR/PR at Tables VI-1 and C-1.

¹⁸¹ CR/PR at Table VI-3. On a unit value, direct labor costs were \$0.94 per pound in 2018, \$0.89 per pound in 2019, and \$1.19 per pound in 2020. All other operating expenses were \$2.08 per pound in 2018, \$1.85 per pound in 2019, and \$2.11 per pound in 2020. *Id.*

¹⁸² Commerce initiated its investigations based on estimated dumping margins of 9.75 to 49.44 percent for Argentina, 83.72 percent for Brazil, 27.02 to 88.48 percent for India, 9.49 to 92.94 percent for Ukraine, and 47.56 to 138.23 percent for Vietnam. *Raw Honey from Argentina, Brazil, India, Ukraine, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 86 Fed. Reg. 26897, 26902 (May 18, 2021).

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.”¹⁸³

The domestic industry began the period with operating losses, and by most measures of its output and financial performance, its condition worsened over the POI. It reported decreasing sales and shipments and increasing operating and net losses over the POI.

The number of beekeeper’s colonies declined from 2.8 million in 2018 to 2.7 million in 2020.¹⁸⁴ The domestic industry’s raw honey production decreased by 4.2 percent from 2018 to 2020, first increasing from 154.0 million pounds in 2018 to 156.9 million pounds in 2019, and then decreasing to 147.6 million pounds in 2020.¹⁸⁵ Production yield fluctuated during the POI but was unchanged overall at 54.5 pounds per colony.¹⁸⁶

Commercial U.S. shipments declined by 7.0 percent from 2018 to 2020, falling from 127.6 million pounds in 2018 to 132.1 million pounds in 2019 and 118.6 million pounds in 2020.¹⁸⁷ As U.S. shipments declined, the industry’s ending period inventories rose by 35.5 percent from 2018 to 2020, increasing from 29,303 pounds in 2018 to 40,861 pounds in 2019, and then declining to 39,715 pounds in 2020.¹⁸⁸ The domestic industry’s share of apparent U.S. consumption in the merchant market initially increased from 24.3 percent in 2018 to 25.9 percent in 2019, but it fell to 22.2 percent in 2020.¹⁸⁹

In contrast to its trade indicators, the domestic industry’s employment indicators showed some improvement over the POI. Information from questionnaires showed that employment (measured in production-related workers (“PRWs”)) increased from 890 PRWs in 2018 to 930 PRWs in 2019 and was 895 PRWs in 2020.¹⁹⁰ USDA data also show a 4.3 percent increase from 23,000 apiary workers in 2018 to 24,000 apiary workers in 2020.¹⁹¹ Hours

¹⁸³ 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the TPEA of 2015, Pub. L. 114-27.

¹⁸⁴ CR/PR at Table III-7.

¹⁸⁵ CR/PR at III-13 and Tables III-4 and C-1.

¹⁸⁶ CR/PR at Table III-8.

¹⁸⁷ CR/PR at Tables IV-9 and C-2. The industry’s shipments also declined in the overall market by 6.0 percent. Total U.S. shipments were 150.8 million pounds in 2018, 153.2 million pounds in 2019 and 141.7 million pounds in 2020. CR/PR at Tables IV-8 and C-1.

¹⁸⁸ CR/PR at Table III-15 (USDA data). Questionnaire data show an even larger percentage increase in inventories. *Id.*

¹⁸⁹ CR/PR at Tables IV-11 and C-2. In the total market, the domestic industry’s market share increased from 27.5 percent in 2018 to 28.9 percent in 2019 before falling to 25.4 percent in 2020. CR/PR at Tables IV-10 and C-1.

¹⁹⁰ CR/PR at III-27 and III-28 n. 17 and Tables III-18 and C-1.

¹⁹¹ CR/PR at III-28.

worked by all workers increased by 1.6 percent from 2018 to 2020, increasing from 1.5 million hours in 2018 to 1.6 million hours in 2019 and then falling to 1.5 million hours in 2020.¹⁹² Wages paid increased by 9.4 percent from 2018 to 2020, increasing from \$27.7 million in 2018 to \$29.5 million in 2019 and \$30.3 million in 2020.¹⁹³ Productivity (measured in pounds per 1,000 hours) increased by 4.4 percent from 2018 to 2020, decreasing from 24.9 in 2018 to 22.6 in 2019, and then increasing to 26.0 in 2020.¹⁹⁴ Capital expenditures increased by 64.6 percent from 2018 to 2020; they increased from \$6.3 million in 2018 to \$10.8 million in 2019, and then fell to \$10.4 million in 2020.¹⁹⁵

Revenues on merchant market sales declined by 20.5 percent from 2018 to 2020, first increasing from \$19.5 million in 2018 to \$20.0 million in 2019, and then declining to \$15.5 million in 2020.¹⁹⁶ The industry's operating expenses on merchant market sales declined by 4.2 percent from 2018 to 2020; they increased from \$31.7 million in 2018 to \$33.7 million in 2019, and then fell to \$30.4 million in 2020.¹⁹⁷ The industry's ratio of operating expenses to net sales in the merchant market increased from 162.9 percent in 2018 to 168.1 percent in 2019 and 196.3 percent in 2020.¹⁹⁸

The domestic industry had operating losses of \$12.3 million in 2018, \$13.7 million in 2019, and \$14.9 million in 2020 on its merchant market sales.¹⁹⁹ The industry's operating

¹⁹² CR/PR at Tables III-18 and C-1.

¹⁹³ CR/PR at Tables III-18 and C-1.

¹⁹⁴ CR/PR at Tables III-18 and C-1.

¹⁹⁵ CR/PR at Tables VI-6 and C-1. The domestic industry incurred research and development ("R&D") expenses of \$83,000 in 2018, \$53,000 in 2019 and \$97,000 in 2020. CR/PR at Tables VI-6 and C-1.

¹⁹⁶ CR/PR at Tables VI-3 and C-2. Revenues on total market sales increased from \$58.7 million in 2018 to \$50.2 million in 2019 and then fell to \$47.7 million in 2020. CR/PR at Tables VI-1 and C-1.

¹⁹⁷ CR/PR at Tables VI-3 and C-2. Operating expenses for the industry's total market sales were \$79.1 million in 2018, \$82.6 million in 2019, and \$78.2 million in 2020. CR/PR at Tables VI-1 and C-1.

¹⁹⁸ CR/PR at Tables VI-3 and C-2. The domestic industry's ratio of operating expenses to net sales revenues for the total market was 134.8 percent in 2018, 164.7 percent in 2019 and 163.9 percent in 2020. CR/PR at Tables VI-1 and C-1.

¹⁹⁹ CR/PR at Tables VI-3 and C-2. The industry reported operating losses on its total market sales were \$20.4 million in 2018, \$32.4 million in 2019 and \$30.5 million in 2020. CR/PR at Tables VI-1 and C-1.

income margin was negative 62.9 percent in 2018, negative 68.1 percent in 2019, and negative 96.3 percent in 2020 for its merchant market sales.²⁰⁰

The industry posted net losses of \$10.3 million in 2018, \$13.0 million in 2019 and \$11.9 million in 2020 on its merchant market sales.²⁰¹ The industry's net income margin was negative 52.9 percent in 2018, negative 64.9 percent in 2019, and negative 76.9 percent in 2020 on its merchant market sales.²⁰² Beekeepers also received increasing amounts of assistance from government programs.²⁰³ Total net assets by reporting producers increased, while the industry's negative return on assets worsened during the POI.²⁰⁴

The decline in the domestic industry's performance over the POI occurred as low-priced subject imports increased in volume and the domestic producers lost market share to cumulated subject imports. Cumulated subject imports significantly undersold the domestic product and depressed domestic producers' prices. Because of the significant depression of domestic producers' prices by low-priced subject imports, the industry's revenues were lower than they otherwise would have been. These declines in the domestic industry's sales and revenues as a result of low-priced subject imports led to a sharp decline in the domestic industry's financial performance, which was poor at the beginning of the POI in 2018, but was much weaker in 2020, with the industry reporting large operating and net losses.

The record shows that, despite a modest increase in apparent U.S. consumption, the domestic industry reported declining merchant market sales and total market sales as subject imports increased their already large share of the U.S. market. Further, the domestic industry's

²⁰⁰ CR/PR at Tables VI-3 and C-2. On its total market sales, the industry's operating income margin was negative 34.8 percent in 2018, negative 64.7 percent in 2019, and negative 63.9 percent in 2020. CR/PR at Tables VI-1 and C-1.

²⁰¹ CR/PR at Tables VI-3 and C-2. On its total market sales, the industry had net losses of \$16.5 million in 2018, \$30.0 million in 2019 and \$21.8 million in 2020. CR/PR at Tables VI-1 and C-1. Thirty-eight companies reported net losses in 2018 and forty-two companies reported net losses in 2019 and 2020. CR/PR at Table VI-1.

²⁰² CR/PR at Tables VI-3 and C-2. The industry's net income margin for the total market was negative 28.1 in 2018, negative 59.8 percent in 2019 and negative 45.8 percent in 2020. CR/PR at Tables VI-1 and C-1.

²⁰³ Certain government programs provide assistance to beekeepers. See CR/PR at VI-11 n.22. Income received from these programs increased from \$2.9 million in 2018 to \$3.5 million in 2019 and \$6.7 million in 2020. CR/PR at Table V1-1.

²⁰⁴ See CR/PR at Table VI-6.

merchant market net sales values declined by \$0.17 per pound as its average unit operating expenses increased by \$0.28 per pound,²⁰⁵ resulting in increasing losses.²⁰⁶

Respondents argue that beekeepers earn much of their income from pollination services and that many domestic producers have overallocated operating expenses to raw honey production; they urge the Commission to rely on financial results for both honey production and pollination services or reallocate expenses based on revenue.²⁰⁷ Domestic producers, however, indicated that most expenses associated with pollination, including upkeep of beehives, would be necessary for producing raw honey regardless of pollination activities and that only a subset of expenses, such as transportation, are specific to pollination.²⁰⁸ Further, as discussed above, the domestic industry's revenues and profitability are necessarily lower as a consequence of significantly depressing prices, irrespective of the allocation methods to distinguish between pollination and raw honey production expenses.²⁰⁹ In any final phase of these investigations, however, the Commission will continue to follow up with reporting beekeepers as necessary to accurately allocate expenses, including transportation and operation expenses, between raw honey production and pollination services.

Respondents also contend that the Commission lacks sufficient information to make preliminary determinations because an estimated 26.1 percent of the industry responded to the Commission's U.S. producer questionnaire.²¹⁰ We disagree. Respondents' argument overlooks that this agricultural industry has thousands of producers, making comprehensive questionnaire coverage unlikely, and that the Commission gathered comprehensive USDA data for many industry indicators such as production, shipments, inventories, and prices.²¹¹

Respondents additionally observe that subject imports are needed to serve the U.S. market because apparent U.S. consumption exceeds the domestic industry's production and

²⁰⁵ See CR/PR at Tables VI-3 and C-2.

²⁰⁶ See CR/PR at VI-2. Domestic producers also note the effects of low raw honey prices due to subject imports on the industry's investment, growth and development over the POI. See CR/PR at Table VI-8.

²⁰⁷ NHPDA's Postconference Brief at 45; Argentine Respondents' Postconference Brief at 20-24.

²⁰⁸ CR/PR at VI-9 and VI-10. Domestic producers used a wide range of allocation methods in assigning expenses between raw honey production and pollination. *Id.* Given the limited available time to verify producers' data and make potential adjustments, we rely on the domestic industry data as currently reported for purposes of these preliminary determinations.

²⁰⁹ CR/PR at VI-10.

²¹⁰ Argentine Respondents' Postconference Brief at 26.

²¹¹ CR/PR at I-4 and III-1.

shipments. In addition, as noted, they contend that subject imports served portions of the market not served by the domestic industry.²¹² However, respondents' claim in this argument ignores the fact that the domestic industry experienced declining U.S. shipments and growing domestic inventories of raw honey during the POI.

In our analysis of the impact of cumulated subject imports on the domestic industry, we have taken into account whether there are other factors that may have had an adverse impact on the industry during the POI to ensure that we are not attributing injury from other factors to cumulated subject imports. Accordingly, we have examined the role of nonsubject imports and demand. Nonsubject imports accounted for a substantially smaller share of the market as compared to subject imports and their presence in the U.S. market declined throughout the POI. Nonsubject imports supplied 13.3 percent of shipments in the merchant market in 2018, 8.3 percent in 2019, and 7.6 percent in 2020.²¹³ We also note that the average unit values ("AUVs") for nonsubject imports were far above the AUVs for subject imports throughout the POI and increased overall during the POI while subject import AUVs declined overall.²¹⁴ Thus, the worsening of the domestic industry's condition as a result of pricing cannot be explained by nonsubject imports. Further, as noted above, apparent U.S. consumption for raw honey increased during the POI, both in the merchant market and in the total market, so the deterioration in the domestic industry's condition cannot be explained by declines in apparent U.S. consumption.²¹⁵

For purposes of the preliminary phase of these investigations, we find that the significant volume of low-priced cumulated subject imports, which significantly undersold the domestic like product, depressed the domestic industry's prices, and gained market share from the domestic industry, had a significant impact on the domestic industry.

²¹² See NHPDA's Postconference Brief at 32-36.

²¹³ CR/PR at Tables IV-11 and C-2. In the total market, nonsubject imports supplied 12.8 percent of the market in 2018, 7.9 percent in 2019, and 7.2 percent in 2020. CR/PR at Tables IV-10 and C-1.

²¹⁴ The AUVs for nonsubject imports were \$1.63 per pound in 2018, \$1.85 per pound in 2019, and \$1.84 per pound in 2020. By contrast, the AUVs for subject imports were only \$1.00 per pound in 2018, \$0.87 per pound in 2019, and \$0.84 per pound in 2020. CR/PR at Table C-2.

²¹⁵ CR/PR at Tables C-1 and C-2.

VII. Conclusion

For the reasons stated above, we determine for the preliminary phase of these investigations that there is a reasonable indication that an industry in the United States is materially injured by reason of subject imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam that are allegedly sold in the United States at LTFV.

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 the American Honey Producers Association (“AHPA”), Bruce, South Dakota, and the Sioux Honey Association (“SHA”), Sioux City, Iowa, on April 21, 2021, 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 raw honey¹ from Argentina, Brazil, India, Ukraine, and Vietnam. The following tabulation provides information relating to the background of these investigations.^{2 3}

Effective date	Action
April 21, 2021	Petitions filed with Commerce and the Commission; institution of Commission’s investigations (86 FR 22265, April 27, 2021)
May 11, 2021	Commerce’s notice of initiation (86 FR 26897, May 18, 2021)
May 12, 2021	Commission’s conference
June 4, 2021	Commission’s vote
June 7, 2021	Commission’s determinations
June 14, 2021	Commission’s views

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

Statutory criteria and organization of the report

Statutory criteria

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

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

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

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

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

advanced version of the domestic like product, and (V) in {an antidumping investigation}, the magnitude of the margin of dumping.

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

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

Organization of report

Part I of this report presents information on the subject merchandise, alleged 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

Raw honey as described in the scope of these investigations is generally used as an input to be processed and packaged for retail, food service, industrial food manufacturing, and other industrial uses, such as cosmetics. The largest U.S. producers of raw honey for which questionnaire data were received include ***, ***, ***, and **. Leading exporters of raw honey to the United States include ***, ***, and *** of Argentina; ***, ***, and *** of Brazil; ***, ***,

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

***, and *** of India; ***, ***, and *** of Ukraine; and ***, ***, and *** of Vietnam. The leading U.S. importers of raw honey from subject sources are ***, ***, and ***. Leading importers of raw honey from nonsubject countries (including Canada, Mexico, Thailand, Uruguay, Myanmar, Greece, and Turkey) include ***, ***, and ***. U.S. purchasers of raw honey are firms that process and pack raw honey; leading purchasers include SHA, ***, and ***.

Total market apparent U.S. consumption of raw honey totaled approximately 557.2 million pounds (\$679.9 million) in 2020. U.S. producers' U.S. shipments of raw honey totaled 141.7 million pounds (\$291.3 million) in 2020 and accounted for 25.4 percent of apparent U.S. consumption by quantity and 42.8 percent by value. U.S. imports from subject sources totaled 381.3 million pounds (\$321.4 million) in 2020 and accounted for 68.4 percent of apparent U.S. consumption by quantity and 47.3 percent by value. U.S. imports from nonsubject sources totaled 40.4 million pounds (\$74.5 million) in 2020 and accounted for 7.2 percent of apparent U.S. consumption by quantity and 11.0 percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C. Except as noted, U.S. industry data are based on data reported by the National Agriculture Statistics Services of the U.S. Department of Agriculture ("USDA/NASS") and the questionnaire responses of 65 firms that accounted for the 26.1 percent of U.S. production of raw honey during 2020 as reported by USDA/NASS. U.S. import data are based on U.S. import statistics of the U.S. Department of Commerce provided for in the Harmonized Tariff Schedule of the United States ("HTS") under statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065 and the questionnaire responses of 23 companies that represented 98.5 percent of U.S. imports from subject sources and 56.0 percent of U.S. imports from nonsubject sources in 2020 based on official import statistics. Foreign industry data are based on the questionnaire response of 62 firms that reported exports to the United States

equivalent to 95.3 percent of U.S. imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam during 2020 as reported in official U.S. import statistics.

Previous and related investigations

Section 201 honey investigation

In 1976, the Commission conducted an investigation concerning honey under section 201 of the Trade Act of 1974. At that time, the Commission determined that honey was being imported into the United States in such increased quantities as to be a substantial cause of the threat of serious injury to the domestic industry producing articles like or directly competitive with the imported article. The Commission found that a tariff-rate quota system was necessary to prevent the threatened injury.⁶ On August 28, 1976, President Ford advised Congress that, “import relief for the U.S. industry engaged in the commercial production and extraction of honey is not in the national economic interest.”⁷

Section 406(a) honey investigation

On October 6, 1993, following a request from the U.S. Trade Representative, the Commission instituted an investigation under the provisions of section 406(a) of the Trade Act of 1974. As a result, of the investigation, the Commission determined that imports of honey from China were increasing rapidly so as to be a significant cause of market disruption to a domestic industry in the United States. On January 7, 1994, the Commission reported its determinations and recommendations to the President.⁸ On April 21, 1994, President Clinton determined that import relief for honey was not in the national interest of the United States and directed the U.S. Trade Representative to develop a plan to monitor imports of honey from China.⁹

China AD investigation and suspension agreement

On October 3, 1994, the American Beekeeping Federation (“ABF”) and the AHPA filed a petition alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of honey from China. The Commission

⁶ *Honey, Report to the President on Investigation No. TA-201-14 Under Section 201 of the Trade Act of 1974*, USITC Publication 781, June 1976.

⁷ 41 FR 36787, August 28, 1976.

⁸ *Honey From China*, Investigation No. TA-406-13, USITC Publication 2715, January 1994.

⁹ 59 FR 19627, April 25, 1994.

subsequently made an affirmative preliminary determination,¹⁰ and Commerce issued a preliminary determination finding dumping margins ranging from 127.52 to 157.16 percent ad valorem.¹¹

On August 2, 1995, Commerce and representatives of the government of China concluded an agreement that suspended the investigations being conducted by the Commission and Commerce concerning honey from China. The suspension agreement obligated the government of China to restrict the volume of honey exports to the United States from all Chinese producers/exporters¹² and establish a pricing mechanism for Chinese exports.¹³ Specifically, Chinese honey exported to the United States could not be sold at a price less than a reference price, which the agreement defined to be “92 percent of the weighted-average of the honey unit import values from all other countries for the most recent six months of data available at the time the reference price is calculated.”¹⁴

On July 3, 2000, the Commission and Commerce instituted five-year reviews concerning the suspended investigation on honey from China.¹⁵ The U.S. industry elected not to participate in the sunset review of the suspended investigation because it believed that the reference price mechanism of the suspension agreement was unsuccessful in establishing price stability. Because no domestic interested party expressed a willingness to participate in the five-year sunset review, Commerce published a notice on July 28, 2000, terminating the suspended investigation concerning honey from China.¹⁶

Argentina and China AD/CVD investigations

On September 29, 2000, AHPA and SHA filed petitions with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of honey from Argentina and China and by reason of subsidized imports of honey from Argentina. The Commission completed

¹⁰ *Honey from the People’s Republic of China*, Investigation No. 731-TA-722 (Preliminary), USITC Publication 2832, November 1994.

¹¹ 60 FR 14725, March 20, 1995.

¹² The export limit was set at 43.925 million pounds plus or minus a maximum of 6 percent per year based on changes in the U.S. market for honey. 60 FR 42522, August 16, 1995.

¹³ 60 FR 42521, August 16, 1995.

¹⁴ Following consultation and negotiation between China and the United States, an agreement was reached to change the period for the calculation of the reference price. Beginning on July 1, 1998, the reference price was based on the most recent three months of data.

¹⁵ 65 FR 41053, July 3, 2000 and 56 FR 41085, July 3, 2000.

¹⁶ 65 FR 46426, July 28, 2000.

these investigations on November 19, 2001, determining that an industry in the United States was materially injured by reason of imports of honey from Argentina that were found by Commerce to be subsidized by the Government of Argentina and by reason of imports of honey from Argentina and China that were found by Commerce to be sold at LTFV.¹⁷ On December 10, 2001, Commerce issued its antidumping duty order on China with the final weighted-average dumping margins ranging from 25.88 to 183.80 percent.¹⁸ On December 10, 2001, Commerce issued its antidumping and countervailing duty orders on Argentina with the final weighted-average dumping margins ranging from 27.04 to 55.15 percent and an estimated countervailable subsidy rate of 4.53 percent.¹⁹

In November 2006, the Commission instituted the first five-year reviews on honey from Argentina and China.²⁰ On February 5, 2007, the Commission determined that it would conduct expedited five-year reviews of the antidumping duty orders on honey from Argentina and China and the countervailing duty order on honey from Argentina.²¹ On March 7, 2007, Commerce published its determination that revocation of the antidumping duty orders on honey from Argentina and China and the countervailing duty order on honey from Argentina would be likely to lead to continuation or recurrence of dumping and of a countervailable subsidy.²² On July 18, 2007, the Commission notified Commerce of its determination that material injury would be likely to continue or recur within a reasonably foreseeable time.²³ Following affirmative determinations in the first five-year reviews by Commerce and the Commission, effective August 2, 2007, Commerce issued a continuation of the antidumping duty orders on imports of honey from Argentina and China and the countervailing duty order on imports of honey from Argentina.²⁴

On July 2, 2012, the Commission instituted the second five-year reviews on honey from Argentina and China.²⁵ On September 21, 2012, Commerce published notice that it was revoking the countervailing duty and antidumping duty orders on honey from Argentina

¹⁷ *Honey from Argentina and China: Investigation Nos. 701-TA-402 and 731-TA-892-893 (Final)*, USITC Publication 3470, November 2001, p. 1.

¹⁸ 66 FR 63670, December 10, 2001.

¹⁹ 66 FR 63672, December 10, 2001.

²⁰ 71 FR 64292, November 1, 2006.

²¹ 72 FR 6745, February 13, 2007.

²² 72 FR 10150, March 7, 2007.

²³ 72 FR 39445, July 18, 2007.

²⁴ 72 FR 42384, August 2, 2007.

²⁵ 77 FR 39257, July 2, 2012.

because no domestic interested party responded to the sunset review notice of initiation.²⁶ Subsequently, the Commission terminated the reviews concerning honey from Argentina effective September 27, 2012.²⁷

On October 5, 2012, the Commission determined that it would conduct an expedited review of the antidumping duty order on honey from China.²⁸ On October 1, 2012, Commerce published its determination that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of dumping.²⁹ On November 29, 2012, the Commission notified Commerce of its determination that material injury would be likely to continue or recur within a reasonably foreseeable time.³⁰ Following affirmative determinations in the five-year review by Commerce and the Commission, effective December 13, 2012, Commerce issued a continuation of the antidumping duty order on imports of honey from China.³¹

On November 1, 2017, the Commission instituted a third five-year review of the antidumping duty order on honey from China,³² and on February 5, 2018, the Commission determined that it would conduct an expedited review of the order.³³ On March 9, 2018, Commerce published its determination that revocation of the antidumping duty order on honey from China would be likely to lead to continuation or recurrence of dumping.³⁴ On April 19, 2018, the Commission notified Commerce of its determination that material injury would be likely to continue or recur within a reasonably foreseeable time.³⁵ Following affirmative determinations in the third five-year review by Commerce and the Commission, effective April 26, 2018, Commerce issued a continuation of the antidumping duty order on imports of honey from China.³⁶

²⁶ 77 FR 58524, September 21, 2012.

²⁷ 77 FR 64827, October 23, 2012.

²⁸ 77 FR 65204, October 25, 2012.

²⁹ 77 FR 59896, October 1, 2012.

³⁰ 77 FR 72385, December 5, 2012.

³¹ 77 FR 74173, December 13, 2012.

³² 82 FR 50683, November 1, 2017.

³³ 83 FR 11562, March 15, 2018.

³⁴ 83 FR 10432, March 9, 2018.

³⁵ 83 FR 17445, April 19, 2018.

³⁶ 83 FR 18277, April 26, 2018.

Circumvention and country-of-origin issues

Effective August 21, 2012, Commerce made an affirmative final determination of circumvention of the antidumping duty order on honey from China.³⁷ Additionally, Congress has taken steps to prevent illegal Chinese honey transshipments from entering the United States and facilitating the verification of country of origin markings of imported honey. As part of the Trade Facilitation and Trade Enforcement Act of 2015, Congress directed U.S. Customs and Border Protection (“CBP”) to address concerns that honey is being imported into the United States in violation of the customs and trade laws of the United States. Congress directed CBP to compile a database of the individual characteristics of honey produced in foreign countries, engage with foreign governments, and consult with the U.S. honey industry to facilitate the verification of country of origin markings of imported honey.³⁸

Nature and extent of alleged sales at LTFV

On May 18, 2021, Commerce published a notice in the Federal Register of the initiation of its antidumping duty investigations on raw honey from Argentina, Brazil, India, Ukraine, and Vietnam. Commerce has initiated antidumping duty investigations based on estimated dumping margins for raw honey of 9.75–49.44 percent for Argentina, 83.72 percent for Brazil, 27.02–88.48 percent for India, 9.49–92.94 percent for Ukraine, and 47.56–138.23 percent for Vietnam.³⁹

³⁷ Commerce found that blends of honey and rice syrup, regardless of the percentage of honey they contain, from China are later-developed merchandise, and instructed U.S. Customs and Border Protection to suspend liquidation of all entries of blends of honey and rice syrup, from China that were entered, or withdrawn from warehouse, for consumption on or after December 7, 2011. 77 FR 50464, August 21, 2012.

³⁸ Congress outlines measures to prevent honey transshipment into the United States and to ensure that imported honey meet certain health and safety standards. *Trade Facilitation and Trade Enforcement Act of 2015*, Public Law 114-125, 114th Congress, sec. 608, February 24, 2016.

³⁹ 86 FR 26897, May 18, 2021.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:⁴⁰

The merchandise covered by these investigations is raw honey. Raw honey is honey as it exists in the beehive or as obtained by extraction, settling and skimming, or coarse straining. Raw honey has not been filtered to a level that results in the removal of most or all of the pollen, e.g., a level that removes pollen to below 25 microns. The subject products include all grades, floral sources and colors of raw honey and also include organic raw honey.

Excluded from the scope is any honey that is packaged for retail sale (e.g., in bottles or other retail containers of five (5) lbs. or less).

Tariff treatment

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations are provided for in HTS heading 0409.00.00, natural honey. More specifically, subject raw honey is imported under the following HTS statistical reporting numbers: (1) 0409.00.0005 for certified organic natural honey, (2) 0409.00.0035 for other natural honey that is white or lighter in color, (3) 0409.00.0045 for other natural honey that is extra light amber in color, (4) 0409.00.0056 for other natural honey that is light amber in color, and (5) 0409.00.0065 for other natural honey that is amber or darker in color. The 2021 general rate of duty is 1.9 cents per kilogram for imports classified under HTS subheading 0409.00.00.⁴¹

In addition to the general rate, U.S imports of honey produced in China that are classified under heading 0409.00.00 were included in the modified Section 301 action against China as of September 21, 2018 (List 3).⁴² Items on this list were subject to additional duties of 10 percent *ad velorem* as of September 24, 2018, with this additional duty increasing to 25 percent *ad velorem* as of January 1, 2019.⁴³ The 25 percent additional duties were twice

⁴⁰ 86 FR 26897, May 18, 2021.

⁴¹ None of the subject countries are eligible for special rates of duty for imports classified under HTS 0409.00.00. Furthermore, GSP treatment for heading 0409.00.00 is limited to the least-developed countries.

⁴² 83 FR 47974.

⁴³ 83 FR 47974.

postponed, but eventually implemented as of May 10, 2019.⁴⁴ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

The product

Descriptions and uses⁴⁵

Honey is a sweet viscous fluid derived from the nectar of flowers collected by bees and processed in their honey sacs. Honey is an invert sugar, composed of approximately 39 percent fructose; 33 percent glucose; 11 percent maltose, sucrose and other sugars; and 17 percent water.⁴⁶

USDA standards

The USDA has issued voluntary standards for grades of (1) Comb Honey, and (2) Extracted Honey.⁴⁷ These standards define comb as being the wax-like cellular structure that bees use as storage for honey and pollen describe extracted honey as honey that has been separated from the comb by centrifugal force, gravity, or by other means. The scope of these investigations defines raw honey as including “honey as it exists in the beehive” or comb honey as defined by USDA, and “as obtained by extraction, settling and skimming, or coarse straining” or extracted honey as defined by USDA.

In the extracted honey standards, USDA further describes styles of extracted honey as being filtered or strained. Filtered honey has been filtered to the extent that all or most of pollen grains, air bubbles or other materials normally found in suspension, have been removed. Strained honey has been strained such that most of the comb, propolis, or other defects normally found in honey have been removed. Straining does not normally remove grains of

⁴⁴ 83 FR 65198; 84 FR 7966; 84 FR 20459.

⁴⁵ Unless indicated otherwise the discussion in this section is based on information contained in *Honey from China, Investigation No. 731-TA-893 (Third Review) USITC Publication 4776 (April 2018)*, p. I-7-9; *Honey from Argentina and China, Investigations Nos. 701-TA-402, 731-TA-892-893 (Review); USITC Publication 3929 (June 2007)*; *Honey From China 731-TA-893 (Second Review) USITC Publication 4364, November 2012*, p. I-16-18; and Bradbear, Nicola, *Bees and Their Role in Forest Livelihoods*, FAO, Rome, 2009.

⁴⁶ Honey contains trace amounts of acids, minerals, protein, and enzymes. Bradbear, Nicola, *Bees and Their Role in Forest Livelihoods*, FAO, Rome, 2009, p. 85.

⁴⁷ USDA, AMS, *United States Standards for Grades of Extracted Honey*, May 23, 1985; USDA, AMS, *United States Standards for Grades of Comb Honey*, May 24, 1967.

pollen, small air bubbles, and other very fine particles. These standards do not make a distinction based on the micron level of filtration.

While the scope of honey in this investigation gives 25 microns as an example of the level that removes most or all pollen from honey, this level of filtration does not appear in USDA documents related to honey grading standards or in FDA guidance documents related to the labeling of honey.⁴⁸ USDA references micron level in its Commercial Item Description (CID) for honey, but only in reference to the maximum level of filtration for filtered honey, stating: “Such honey is not filtered to less than 1.0 micron (µm).”⁴⁹ Several commercial honey sites, as well as the *Young Naturalist*, identified 25 microns as the average size of pollen grains without attribution.⁵⁰

Organic honey

Organic honey production in the United States is very limited because specific organic standards for honey have not been adopted by the National Organic Program (“NOP”). For honey sold in the United States to bear the USDA Organic label, producers and handlers must be certified according to NOP standards. However, organic standards for apiculture (bees and honey), originally proposed in 2001 and formally recommended by the National Organic Standards Board (NOAB) in 2010, are still under consideration and have not been adopted.⁵¹ Thus, producers that receive USDA organic certification typically do so by using other standards, e.g., bees meet the definition of livestock and are thus certified organic using the NOP livestock

⁴⁸ USDA, AMS, United States Standards for Grades of Extracted Honey, May 23, 1985; USDA, AMS, United States Standards for Grades of Comb Honey, May 24, 1967; FDA, “Proper Labeling of Honey and Honey Products: Guidance for Industry,” February 2018, <https://www.fda.gov/files/food/published/PDF--Guidance-for-Industry--Proper-Labeling-of-Honey-and-Honey-Products.pdf>, (accessed May 24, 2021).

⁴⁹ Commercial Item Descriptions (CIDs) are product descriptions that concisely describe the most important characteristics of a commercial product. CIDs are official U.S. Government procurement documents that are: (1) uniquely numbered in a Federal series, (2) prominently dated for easy reference; (3) appropriately titled (according to current Federal labeling policies). USDA, “Commercial Item Description, Honey,” A-A-20380, October 23, 2019, <https://www.ams.usda.gov/grades-standards/cids>, (accessed May 24, 2021).

⁵⁰ Foxhound Bee Company, “Does Straining Honey Remove the Pollen?” <https://www.foxhoundbeecompany.com/does-filtering-or-straining-honey-remove-pollen-from-honey/>, (accessed May 24, 2021); Stone’s Farm, “Pollen in Honey,” <http://www.stonefamilyfarms.com/blog/143-pollen-in-honey>, (accessed May 24, 2021); Huney Grams Honey Bee, LLC, “Do we ‘filter’ our honey,” <https://huneygramshoneybees.wordpress.com/2019/01/16/do-we-filter-our-honey/>, (accessed May 24, 2021); Hiller, Ilo, *Young Naturalist*, “Airborne Pollen,”

⁵¹ USDA, need to add proposal and recommendation references; staff email correspondence, Garth Kahl, IOIA Accredited Inspector, Independent Organic Services, Inc.

standards. A search of USDA’s Organic Integrity Database (OID) for certified organic operations that included “bees” certified under NOP livestock standards identified four operations in the United States that held organic certificates for bees based on NOP livestock standards.⁵²

Imported organic honey must also comply with NOP standards. Most of the organic honey in the world is certified to European Union (EU) standards; thus, beekeepers and honey producers in Latin America are believed to be familiar with the EU standards. The primary difference between EU organic and U.S. NOP standards that apply to bees and honey are the use of two pest control products for control of *Varroa* mites. These two products are certified for use under the EU standards but are not certified for use under U.S. NOP standards. Hence, bees and honey that meet EU standards for organic certification are generally certified to meet U.S. NOP standards by confirming that these two methods of *Varroa* mite control have not been applied.⁵³ A search of the USDA OID identified 149 operations in the subject countries with a certification for livestock and handling that included bees or honey; of these, 52 were in Brazil and 89 were in Argentina.⁵⁴

Honey classification

Honey, regardless of its country of origin, is generally classified by its individual characteristics (e.g., floral source, color, season, physical state, and means of preparation).⁵⁵ There are over 300 unique varieties of honey that are produced in the United States, differing in flavor and color.⁵⁶ Honey may be classified as monofloral (i.e., the nectar is primarily extracted

⁵² All four of these operations are based in Hawaii and are also certified as handlers of organic honey. Searching for operations that are certified to handle organic honey is less precise. A search based on “raw honey” identified 86 records, while a search including just “honey” identified 888 records; likely because this includes any certified organic product (e.g. bread) that has honey as an ingredient. USDA, OID, <https://organic.ams.usda.gov/integrity/SAearch.aspx>. Additional internet searches revealed that all four Hawaiian operations generally produce and package their honey for local distribution and online sales. Captain Cook Honey (a.k.a. as Big Island Bees) states on their web site that they operate about 2,500 hives, based on USDA average production during 2018-20 this producer would account for about 14 percent of all honey produced in Hawaii (240,000 of 1.663 million pounds). Big Island Bees, Raw & Organic Honey, <https://bigislandbees.com/> (accessed May 24, 2021); Hawaii Harvest Honey, <https://www.hawaiiharvesthoney.com/> (accessed May 24, 2021); Pu’U O Hoku Ranch, <https://puuohoku.com/> (accessed May 24, 2021); Rare Hawaiian Honey Company (a.k.a., Volcano Island Honey Company), <https://www.rarehawaiianhoney.com/contact-us/> (accessed May 24, 2021).

⁵³ Staff email correspondence, Garth Kahl, IOIA Accredited Inspector, Independent Organic Services, Inc.

⁵⁴ USDA, OID, <https://organic.ams.usda.gov/integrity/SAearch.aspx>.

⁵⁵ *The Hive and the Honey Bee*, Dadant & Sons, Inc., Hamilton, IL, 1992, p. 869.

⁵⁶ National Honey Board, Honey Varietals, <https://honey.com/about-honey/honey-varietals>.

from a specific blossom type) or polyfloral (i.e., the nectar is extracted from multiple botanical sources, with no single predominant floral source). The floral source gives honey its distinctive flavor (e.g., wildflower, orange blossom, alfalfa, clover, and buckwheat) and color (e.g., white and dark amber). Generally, lighter-colored honeys (e.g., clover honey) possess a milder flavor, while darker-colored honeys (e.g., buckwheat honey) possess a stronger flavor.

In bulk applications, honey is primarily valued based on floral source and color, and in the United States the light-colored and milder-tasting honeys are considered to be more valuable based on consumer preferences. While many varieties of honey exist on the market, most honey is blended to achieve a desired color and flavor,⁵⁷ as well as to provide a uniform product throughout a given market and/or to lower costs.

Most natural honey produced in the United States is marketed in liquid form, which is honey that is extracted from the comb by centrifugal force, gravity, or straining. Natural honey is also marketed as cream honey (also called “creamed,” “whipped,” or “spun”), which consists of pure honey in which dextrose crystallization has been encouraged; comb honey, which is honey marketed in the beeswax comb, both of which are edible; cut comb honey, which is liquid honey that has been packaged with chunks of honey comb; and dry honey (also known as “dried” or “powdered”), which is made by removing the water found in liquid honey by drum or spray-drying.⁵⁸ As a sweetener, honey appears in a variety of products such as bread and other baked goods, cereal, condiments, and candy. Non-food applications for honey include use in pharmaceutical products, and non-food processed products including as an input in hair care products. Honey also contains mild antiseptic properties when used on the skin.

Other forms of honey and honey substitutes

The term “artificial honey,” as defined in the explanatory notes to the HTS, applies to mixtures based on sucrose, glucose, or invert sugar, generally flavored or colored and prepared to imitate natural honey. Artificial honey could include a variety of products such as honey mixed with refined sugar, high fructose corn syrup, and other sweeteners. Artificial honey mixtures of natural and artificial honey are not included in the scope of these investigations. Artificial honey exists in relatively small amounts in the U.S. market and is supplied by both foreign and domestic producers.

⁵⁷ National Honey Board, Honey Varietals, <https://honey.com/about-honey/honey-varietals>, (accessed May 24, 2021).

⁵⁸ National Honey Board, “Definition of Honey and Honey Products,” Updated September 27, 2003, <https://honey.com/images/files/Honey-Definitions.pdf> (accessed May 24, 2021).

Flavored honey, like artificial honey, is outside the scope of these investigations. Flavored honey is most likely sold as a specialty product for retail consumption and not for industrial use.

Manufacturing and production processes

Honey is produced in a beehive by a colony of honeybees. A typical colony of commercial honeybees in the United States contains one queen, 500 to 1,000 drones (male bees without stingers whose single purpose is to mate with the queen), and approximately 40,000 to 60,000 workers (female bees that perform the work of the colony including cleaning the nursery, caring for larvae, collecting nectar, making wax, and guarding and cooling the hive). The beehive is a series of combs composed of hexagonal cells that are made from wax produced in the stomach of the worker bees. The wax cells are used for storage. The worker bees naturally construct a core nest where the brood⁵⁹ are stored and then create a layer of insulation above the nest consisting of pollen and honey.

The production of honey begins with the bees gathering nectar from various plants. Bees may forage for several miles from their hive to find nectar.⁶⁰ Each bee may make several trips for nectar per day, weather permitting. Upon returning to the hive, the bee regurgitates the nectar into the mouth of a specialized “house” bee. The house bee adds enzymes and places the unripe honey into the hexagonal cells of the comb. The unripe honey is often spread among several cells to help in moisture evaporation, which the house bees promote by fanning their wings. Cells are then capped with a thin layer of wax, and the honey is allowed to ripen.

U.S. beekeeper operations

Beekeepers maintain bee colonies and extract honey from them. Beekeepers are often migratory, moving their hives as needed to areas in need of bees’ pollination services or areas rich in certain flora to promote production of a distinct type of honey. In the United States, it has been estimated that approximately 66 percent of all colonies are on the road each year to pollinate crops and to produce honey and beeswax.⁶¹ The migration is generally from north in

⁵⁹ The young and immature honeybees are collectively called brood.

⁶⁰ The EU standard for organic honey is based on a 3.0-kilometer radius of the hive. Staff email correspondence, Garth Kahl, IOIA Accredited Inspector, Independent Organic Services, Inc.

⁶¹ Pollination Facts, American Beekeeping Federation, June 14, 2016.

the summer to south in the winter, as well as to California during almond season and several other states for pollination of crops such as melons.⁶²

Beekeepers in the United States keep their bees in constructed wooden hives that are relatively easy to transport. Hives are often placed on wooden pallets for ease of handling by forklifts. Bees live in the core nest of beekeepers' artificially constructed hives, and store the honey, intended to serve as food for the colony, in wooden frames known as "supers." To prevent the queen from laying brood in the supers containing the honey, beekeepers place an "excluder" between the lower core nest and the supers above. Worker bees produce more honey than required for use by the colony, so the excess honey can be harvested without harming the colony.

Honey is harvested by driving the bees out of the super down into the core nest via smoke, chemicals, or low-pressure air. Then the wooden frames contained in the super are removed from the hive. The frames are removed when the honeycomb cells are fully capped with wax, which ensures that the honey is fully ripened and free of excess water. After removal of the frames, almost all honey is extracted from the combs, although some remains in the form of "comb" or "chunk" honey.

The liquid honey is exposed by "uncapping" the combs—removing the wax capping that covers the honeycomb frames. Combs are uncapped using either hot knives or power uncappers. The wax from caps is used for the production of beeswax foundation and the sale of beeswax for candles and other uses. Any remaining honey left in the caps is separated via centrifugal force by a wax spinner or mechanically squeezed out by a cap compressing system. Separation of honey from the uncapped cells is done by an "extractor" (a centrifuge). The uncapped frames are placed in the extractor where the honey is spun out of the comb. As honey flows from the extractor, it contains particles of wax, bees, and other hive matter. The honey may be strained to remove the largest particles of wax, propolis, bees and bee parts and other hive matter.

At this point, the honey is still considered "raw" or "unprocessed." It is then either placed in large drums and transported to an independent packer for further processing; further processed by beekeeper-packers and bottled for local sale; or left in its raw form and bottled by the beekeeper for local sale.

Virtually all U.S. packers of honey are either beekeeper-packers, which are keepers of bee colonies that extract honey from those colonies and then process or pack the honey, or

⁶² "America's Beekeepers: Hives for Hire," National Geographic, May 1993, p. 76.

independent packers that purchase honey and then process or pack that honey. A few packers are both beekeeper-packers and independent packers, but even these firms are predominantly one or the other. In addition, Sioux Honey Association (“SHA”) is operated on a cooperative basis to process, pack, and market honey for its beekeeper members.

Domestic like product issues

The petitioner proposes a single domestic like product coextensive with the scope of these investigations. The scope does not cover processed honey that has been heated, filtered, or otherwise processed and packaged for retail, food service or industrial use by honey packers. Instead, the scope covers raw honey in the form it is produced by beekeepers. The petitioner contends, “an analysis of the Commission’s traditional six-factor like product test supports the finding of a single like product covering raw honey and excluding processed packed honey.”⁶³ The petitioner also argues that the Commission’s semi-finished product test supports a domestic like product that is coextensive with the scope. Petitioners argue that honey packers engage in significant processing to create processed honey from raw honey that includes a substantial capital investment, the employment of significant numbers of production workers, and the use of use significant expertise and production activities to engage in blending the honey, heating to prevent granulation and spoilage, filtering the honey, and processing creamed honey.⁶⁴

In contrast, respondents Nexco S.A. (“Nexco”), Compañía Inversora Platense S.A. (“CIPSA”), Industrial Haedo S.A. (“Industrial Haedo”), Asociación de Coop. Argentinas C.L. (“ACA”), Patagonik Food S.A. (“Patagonik”), Azul Agronegocios S.A. (“Azul Agronegocios”), Villamora S.A. (“Villamora”), D’Ambros María de los Angeles and D’Ambros María Daniela S.H. d.b.a. Apícola Danangie (“Apicola Danangie”), Promiel S.R.L. (“Promiel”), Geomiel S.A. (“Geomiel”), and Gasrroni S.R.L. (“Gasrroni”) (collectively, “Argentine Respondents,”) contend that the Commission should find that there is one domestic like product consisting of all honey, including honey packaged for retail as well as that produced by hobbyists for retail. Accordingly, the Argentine Respondents contend that the Commission should consider the domestic industry to include producers of all honey including honey packaged for retail.⁶⁵ The Argentine respondents also argue that a finding of a single domestic like product would be consistent with

⁶³ Conference transcript, p. 40 (Luberda).

⁶⁴ Petitioner postconference brief, May 17, 2021, pp. 10-11.

⁶⁵ Argentine Respondents’ postconference brief, May 17, 2021, p. 7.

Commission's finding in the earlier *Honey from Argentina and China* investigations where the Commission explicitly rejected an argument to treat raw (or bulk) honey as a separate like product from bottled honey.^{66 67}

Respondent National Honey Packers & Dealers Association ("NHPDA") also argues for a domestic like product broader than the scope and argues that the domestic like product should include raw honey in all forms, regardless of whether it has been packaged for retail sale.⁶⁸ NHPDA contends that honey packaged for retail sale shares the same physical characteristics and uses, is sold through similar retail channels, uses similar facilities and labor in production, and shares the same major cost element as raw honey supplied in bulk.⁶⁹ NHPDA also argues that because raw honey is at an earlier stage of production, the Commission should employ its "semi-finished product" analysis to determine whether processed honey is "like" raw honey.⁷⁰

Respondent Apiário Diamante Supermel ("Supermel") also argues that the Commission should follow its decision in *Honey from Argentina and China* and thereby define the domestic like product as consisting of all honey products and include both raw and processed retail honey. Supermel argues that the Commission's domestic like product analysis in *Honey from Argentina and China* has been repeatedly reaffirmed in subsequent administrative reviews.⁷¹

Appendix D contains numeric and narrative responses summarizing U.S. producers' and U.S. importers' responses to questions about the Commission's six-factor domestic like product analysis as well as the Commission's semifinished product factors comparing raw honey (unprocessed, bulk) to processed honey (which included all forms of honey excluded by the petition's scope: processed retail packaged honey, processed bulk packaged honey, and unprocessed retail packaged honey).

⁶⁶ *Honey from Argentina and China: Investigation Nos. 701-TA-402 and 731-TA-892-893 (Final)*, USITC Publication 3470, November 2001, p. 5.

⁶⁷ Argentine Respondents' postconference brief, May 17, 2021, p. 8.

⁶⁸ NHPDA postconference brief, May 17, 2021, pp. 2-6.

⁶⁹ NHPDA postconference brief, May 17, 2021, pp. 2-6.

⁷⁰ NHPDA postconference brief, May 17, 2021, pp. 7-9.

⁷¹ Supermel postconference brief, May 17, 2021, pp. 4-6.

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

U.S. market characteristics

Raw honey is sold by beekeepers and importers in 55-gallon drums to packers. Packers, in turn, sell processed honey to retailers, to the food service industry, and to industrial customers for bulk food ingredients.¹ Raw honey is typically categorized by color (white, extra light amber, amber, or dark amber), origin, and floral source.² Lighter colored and more mild flavor honey typically receives a higher price than darker and strongly favored honey.³ Shipments from different country sources tended to be concentrated in particular colors, with a majority of U.S. producer and Argentine shipments being white and extra light amber; Indian and Ukrainian shipments being mostly of extra light and light amber; and Brazilian and Vietnamese shipments being mostly of darker colors (see Part IV). In addition, most shipments from Brazil were of organic honey.⁴

Many U.S. beekeepers are members of SHA, which has packing operations in California, Iowa, and North Carolina.⁵ Member beekeepers are required to transfer the vast majority of their honey production to the cooperative and receive a share of the proceeds at the end of the year. The Sioux Honey Association also processes imported honey.⁶ Large independent U.S. packers include ***; these firms source honey from a variety of domestic and import sources.

Fourteen of 46 U.S. producers and 12 of 22 importers reported changes to the product mix or marketing of raw honey since January 1, 2018. Among firms reporting changes, U.S. producers reported lower market prices, more imported product, more blending by packers of less-expensive foreign honey with domestic honey, increased demand for organic and non-GMO honey, and varieties such as orange blossom, and regional preferences (“such as 100

¹ Petition, pp. 10, 17; Conference transcript, pp. 13-14 (Luberda), p. 18 (Kendler), pp. 151-152 (Foott); NHPDA postconference brief, p. 10; Argentine postconference brief, p. 11.

² Petition, p. 10.

³ Petition, p. 9. Respondents stated that darker honeys are preferred for their robust flavors in food ingredients, while lighter colored honeys are preferred by consumers in the retail market. Conference transcript, p. 149 (Stickevers), pp. 154, 159-160 (Foott); NHPDA postconference brief, pp. 21-22. Petitioners stated that honey of different colors may be blended and sold to different end uses. Petitioners’ postconference brief, p. 23.

⁴ See Part IV; Conference transcript, p. 125 (Hiatt). There is minimal production of organic honey in the United States.

⁵ Petition, p. 10.

⁶ Conference transcript, pp. 24-25 (Coy).

percent Texas”). Importers reported increased demand for organic honey and non-GMO honey; growth in demand for locally-produced honey;⁷ marketing of raw and unfiltered honey direct-to-consumers; an emphasis on varieties such as orange blossom, coffee, and clover; and new uses for honey such as in health food products, beers, snacks, and spirits. Several importers reported that the emphasis on local and regional honey has caused large increases in demand for raw honey from highly populated regions of the country and decreased demand for the clover varietal produced in the Dakotas and Montana.

Apparent U.S. consumption of raw honey fluctuated during 2018-20. Overall, apparent U.S. consumption in 2020 was 1.8 percent higher than in 2018.

Channels of distribution

U.S. producers and importers reported selling raw honey almost exclusively to processors and packers, as shown in table II-1.

Table II-1
Raw honey: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent

Channel	Source	2018	2019	2020
Processors and packers	United States	99.7	99.7	99.6
Other firms	United States	0.3	0.3	0.4
Processors and packers	Argentina	100.0	100.0	100.0
Other firms	Argentina	---	---	---
Processors and packers	Brazil	100.0	100.0	100.0
Other firms	Brazil	---	---	---
Processors and packers	India	99.7	99.3	99.6
Other firms	India	0.3	0.7	0.4
Processors and packers	Ukraine	100.0	100.0	100.0
Other firms	Ukraine	---	---	---
Processors and packers	Vietnam	95.0	97.0	97.6
Other firms	Vietnam	5.0	3.0	2.4
Processors and packers	Subject	98.6	99.1	99.2
Other firms	Subject	1.4	0.9	0.8
Processors and packers	Nonsubject	93.4	87.4	91.2
Other firms	Nonsubject	6.6	12.6	8.8
Processors and packers	All imports	97.8	98.2	98.8
Other firms	All imports	2.2	1.8	1.2

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

⁷ Petitioners and respondents stated that demand for local honey is driven by retail end users rather than industrial food product end users. Conference transcript, p. 94 (Blumenthal), p. 154 (Foott).

Geographic distribution

U.S. producers reported selling raw honey to all U.S. regions, with the Midwest the most frequently reported market (table II-2).⁸ Importers reported selling to all markets in the contiguous United States. For U.S. producers, 7.2 percent of sales were within 100 miles of their production facility, 37.3 percent were between 101 and 1,000 miles, and 55.5 percent were over 1,000 miles. Importers sold 60.5 percent within 100 miles of their U.S. point of shipment, 31.6 percent between 101 and 1,000 miles, and 7.9 percent over 1,000 miles.

Table II-2
Raw honey: U.S. producers' and U.S. importers' geographic markets

Number of firms reporting

Region	U.S. producers	Argentina	Brazil	India	Ukraine	Vietnam	Subject sources
Northeast	8	6	7	6	3	6	8
Midwest	40	7	8	7	6	8	11
Southeast	8	6	3	7	1	7	9
Central Southwest	15	6	5	5	5	5	6
Mountains	12	2	4	1	1	1	7
Pacific Coast	16	4	5	4	3	4	5
Other	3	0	0	0	0	0	0
All regions (except Other)	2	1	1	1	1	0	2
Reporting firms	51	9	11	9	6	9	14

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

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

Supply and demand considerations

U.S. supply

Raw honey production is limited by the number of beehives beekeepers use to make honey, by crop and forage areas, and the challenges presented by varroa mites, which carry bee viruses.⁹ Since the nature of beekeeping is to produce as much honey from beehives as possible, beekeepers usually operate at full capacity and cannot increase production without increasing the number of hives they use. Additional capacity in the form of new hives could be

⁸ Half of U.S. raw honey production in 2020 was in the Midwest (see Part III).

⁹ Conference transcript, pp. 152-153 (Foott), p. 183 (Spak); Honey from China, Inv. No. TA-406-13, USITC Publication 2715, January 1994.

added, but it takes time for the bees to build up the hives and the colony.¹⁰ Petitioners noted that extraction equipment is not typically a limiting factor on production because although it is possible to run the equipment non-stop, equipment does not run full-time.¹¹

Table II-3 provides a summary of the supply factors regarding raw honey from U.S. producers and from subject countries. Production in the subject countries combined was much higher than production in the United States. Argentina, Ukraine, and India had the highest production among the individual subject countries in 2017 and 2019. Production yields per colony varied greatly among the countries, with Vietnam and Brazil having the highest yields and India the lowest yield. Information from questionnaire responses indicates that U.S. production was almost entirely consumed in the home market. Data from reporting firms in subject countries generally indicate a small share of shipments to their home market, except for India. Most reporting firms in the United States and subject countries reported that they are unable to shift production between raw honey and other products.

¹⁰ Honey from China, Inv. No. TA-406-13, USITC Publication 2715, January 1994.

¹¹ Conference transcript, p. 124 (Coy).

Table II-3
Raw honey: Supply factors that affect the ability to increase shipments to the U.S. market, by country

Quantity in 1,000 pounds; Yield in pounds per colony; and Ratio in percent

Factor	Measure	United States	Argentina	Brazil	India	Ukraine	Vietnam	Subject suppliers
Production beginning	Quantity	154,008	168,387	91,924	146,905	146,014	41,348	594,577
Production ending	Quantity	147,594	174,004	101,371	148,020	154,185	48,164	625,744
Production yield beginning	Yield	54.5	56.6	92.3	12.2	58.7	151.4	31.6
Production yield ending	Yield	54.5	68.7	101.1	12.1	59.3	171.1	32.7
Ending inventories 2018	Ratio	24.0	20.3	12.5	12.3	8.8	15.4	14.8
Ending inventories 2020	Ratio	52.3	10.3	11.9	7.8	9.9	8.3	9.5
Home market 2020	Ratio	96.0	***	6.0	41.2	***	6.7	14.2
Non-US export markets 2020	Ratio	4.0	***	18.9	3.6	***	5.0	23.4
Ability to shift production	Count	5 of 62	2 of 13	2 of 14	0 of 8	0 of 4	1 of 21	5 of 60

Source: Production and yield data are from USDA for the United States and from FAO for subject countries (see Parts III and VII). All other data are compiled from data submitted in response to Commission questionnaires.

Note: Production and yield beginning and end data are for 2018 and 2020 for the United States and are for 2017 and 2019 for subject countries, based on data availability.

Note: Responding U.S. producers accounted for *** of U.S. production of raw honey in 2020 as reported by NASS. Responding foreign producer/exporter firms accounted for 91.2 percent of U.S. imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam during 2020 as reported in official U.S. import statistics. 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."

Domestic production

Based on available information, U.S. producers of raw honey have the ability to respond to changes in demand with small changes in the quantity of shipments of U.S.-produced raw honey to the U.S. market. The main contributing factor to this degree of responsiveness of supply is increased inventories. Factors mitigating responsiveness of supply include limited capacity and a limited ability to increase capacity in the short-term, a limited ability to shift shipments from alternate markets, and a limited ability to shift production to or from alternate products.

U.S. production declined and production yield did not change between 2018 and 2020. U.S. producers reported exporting a small share of their total shipments. Most firms reported that they were unable to produce other products using the same equipment as raw honey. A few firms reported that they use the same labor as for raw honey production for pollination services, mated queens, and wax.

Imports from subject countries

Based on available information, producers of raw honey in subject countries have the ability to respond to changes in demand with moderate changes in the quantity of shipments of raw honey to the U.S. market. The main contributing factors to this degree of responsiveness of supply are increased production in subject countries and some ability to shift shipments from alternate markets. Factors mitigating responsiveness of supply include a limited ability to shift production to or from alternate products.

Production in each subject country increased between 2017 and 2019, with Vietnam and Brazil having the largest percent increase. All subject countries except for India had increased yields from 2017 to 2019. Responding exporter/foreign producers reported that the U.S. market was their largest country market for most subject countries in 2020. Exports to third-country markets were a small share of shipments for India and Vietnam, a larger share for Argentina and Brazil, and a very large share for Ukraine. Very few responding firms in subject countries reported being able to shift production from raw honey to other products.

Imports from nonsubject sources

Imports of raw honey from nonsubject sources accounted for 9.7 percent of total U.S. imports in 2020, a reduction from 17.6 percent in 2018. The largest sources of imports from nonsubject sources during 2018-20 were Canada, Mexico, and New Zealand. Combined, these countries accounted for 63.1 percent of imports from nonsubject sources in 2020, by customs value.

Supply constraints

Nearly all responding U.S. producers (51 of 52) and most responding importers (18 of 23) reported no supply constraints, although production is limited by certain capacity constraints (see “Domestic production”). Some importers stated that bad weather, poor harvests, and increased input costs can cause constraints. In addition, importer *** stated that an 8-month Customs and Border Protection (CBP) investigation on imported honey in 2018 caused “extreme delays and hold ups” while most imports were stored in bonded warehouses. It added that after the investigation, all of this product in warehouses was released at one time into the market. *** stated that the honey market did not recover until 2020, and that “if this never happened, the market most likely would not have seen the market depression in 2019 and 2020.”

Respondents reported that the COVID-19 pandemic has negatively impacted transportation, with shipping delays occurring in the “last three to four months” and that India is severely impacted by the COVID-19 pandemic currently.¹²

U.S. demand

Based on available information, the overall demand for raw honey and downstream products (processed honey and honey-sweetened food products) is likely to experience small changes in response to changes in price. The main contributing factors to the low degree of responsiveness of demand are the limited substitutability with other sweeteners, the limited substitutability with other sweeteners of processed honey that is sold to the food service or retail sectors, and low-to-moderate end-use cost share for raw honey that is processed and sold as an ingredient or packaged for industrial and food service use.

While U.S. production of honey has remained relatively steady, demand for honey has gradually increased over the past few decades (figure II-1). Petitioners and respondents stated that demand for honey in the retail sector has remained relatively flat but strong, and that demand has been increasing in non-retail sectors.¹³ This trend reflects growing health concerns regarding sugar and artificial sweeteners, resulting in a substitution towards natural sweeteners like honey.¹⁴ Moreover, much of the consumer demand for honey is driven by its perceived health benefits, including its potential to combat local allergens and boost immunity.¹⁵ These health benefits reportedly have contributed to increased demand in raw, local, and organic honey.¹⁶

¹² Conference transcript, p. 242 (Martin).

¹³ Conference transcript, pp. 89-90 (Blumenthal, Mammen); Petitioner postconference brief, pp. 15-16; NHPDA postconference brief, pp. 11-12.

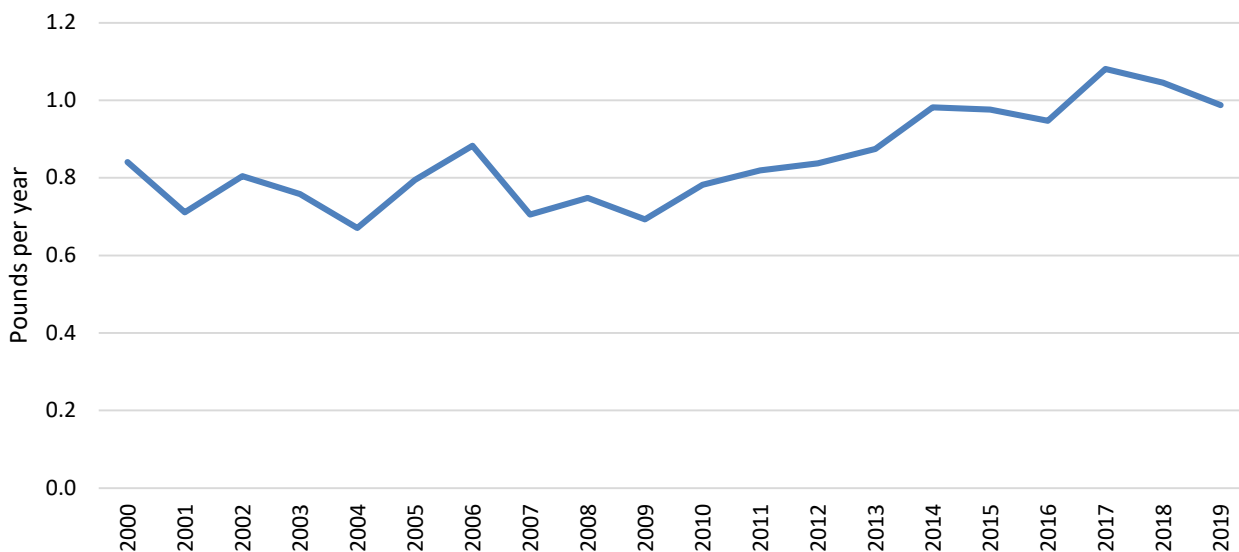
¹⁴ Conference transcript, p. 17 (Kendler); National Honey Board. “Market Research Overview,” <https://honey.com/honey-industry/research/market-research>, accessed May 21, 2021.

¹⁵ Healthline, “Honey for Allergies,” <https://www.healthline.com/health/allergies/honey-remedy>, accessed May 21, 2021.

¹⁶ NHPDA postconference brief, pp. 14-17.

Figure II-1

Honey: Annual per capita availability adjusted for loss, pounds per year, 2000-2019



Source: USDA Economic Research Service, Food Availability (Per Capita) Data System, Sugar and sweeteners (added), <https://www.ers.usda.gov/webdocs/DataFiles/50472/sugar.xls?v=1561.1>, accessed May 24, 2021.

End uses and cost share

U.S. demand for raw honey depends on the demand for U.S.-produced downstream products. Raw honey accounts for almost all of the cost of processed honey but processed honey accounts for a small cost share of end-use products when used as an ingredient. Most U.S. producers reported that raw honey accounts for almost all of the cost of honey packaged for retail. Importers reporting the cost share in retail packaging reported shares of 20 to 100, with most importers reporting shares greater than 70 percent. Firms also reported high cost shares for the cost of honey packaged for industrial and food service uses. Firms did not report end uses or cost shares at the next level of use beyond packaging.

Business cycles

Eighteen of 43 U.S. producers and 20 of 23 importers indicated that the market was subject to business cycles. Specifically, U.S. producers and importers reported that raw honey production is seasonal, with production occurring in summer and is dependent on the weather and the health of the hives and environment, and that the business cycle follows the crop cycles of the floral sources. One U.S. producer reported that there was overproduction in Argentina and Vietnam. Importers reported that tropical countries have a longer production season and that countries in the southern hemisphere have production during the winter whereas U.S. production occurs in the summer with product available in late fall. Some firms

also reported that consumption of honey increases during the winter months. One importer stated that most sales/contracts conclude within several months before or after the harvest of the crop.

Fourteen of 43 U.S. producers and 7 of 23 importers indicated that the market was subject to distinct conditions of competition. One U.S. producer reported that raw honey production is dependent on the weather cycle, health of the bees, and the environment, and that honey producers without processing plants to refine the honey cannot set prices to cover production expenses. Conditions reported by importers include the long shelf life/storability of honey, such that producers can hold onto inventory for long periods of time in anticipation of price changes; varying harvest amounts and weather cycles impact the available supply from each country; lower consumer demand in summer than in winter; lack of “sophisticated price discovery tools like futures markets;” transport challenges due to the COVID-19 pandemic; increased number of exporters; differing floral sources impact customer specifications; and increased demand for organic and non-GMO honey from Argentina, Brazil, and India.

Sixteen of 32 U.S. producers and 12 of 22 importers reported changes in business cycles or conditions of competition since January 1, 2018. U.S. producers reported the following changes: lower prices (one firm reported a 40-50 percent drop in prices); increased domestic freight and logistic costs; more honey imported at cheaper prices; and honey fraud (i.e., illegally labeled honey with no country of origin and honey diluted with fake honey sugars).¹⁷ One producer reported that despite increased demand for honey, packers will drive the price offered to beekeepers down, reasoning that “they expect a ‘surplus’ of U.S. honey for the year.” Importers reported increased demand for honey because more people were staying at home due to the COVID-19 pandemic;¹⁸ increased demand for honey combined with volatile supply related to honey harvests; more demand for local raw honey which has led to high prices in states with large populations and lower prices in states with smaller populations; and increased demand for organic and non-GMO honey from retailers, food service distributors, and industrial food manufacturers has encouraged production in subject countries. Importers also reported increased freight costs, lack of container capacity, and shipping delays; increased

¹⁷ True Source Certified voluntary system of traceability for those participants who wish to demonstrate through an independent 3rd party that their sourcing practices are in full compliance with requirements of the True Source Certified Standard. This system permits honey to be tracked from the consumer back through the supply chain to the country of origin and the Beekeeper that harvested the honey from the beehive. True Source Honey, True Source Certified Standards V6.1, January 1, 2021. <https://truesourcehoney.com/true-source-certified/standards-2021-01-01.pdf>, accessed May 27, 2021.

¹⁸ One importer reported decreased demand for honey due to the COVID-19 pandemic.

government purity testing in India that reduced global supply of Indian honey; and wet conditions delayed the harvest in Vietnam. One importer reported favorable growing conditions over the past three years, which has led to a later buying season as prices for raw materials have been mostly stable and in good supply.

Demand trends

Most responding firms reported an increase in both U.S. demand and foreign demand for raw honey since January 1, 2018 (table II-4). Beyond general population growth, U.S. producers cited two main reasons for increases in both U.S. and foreign demand for honey: perceived health benefits and the desire to “eat local.” U.S. producer *** responded that the demand increase has occurred because people view honey as a healthier and more natural sweetener. Additionally, two U.S. producers – *** and *** – noted that perceived health benefits drove demand even more during 2020 due to the COVID-19 pandemic. Beyond general health benefits, *** responded that the demand for local honey has increased in the United States since 2018, especially in areas with high population density. Petitioners stated that retail sales of honey increased by 20 percent by volume in 2020 due to increased consumption of honey while people were at home due to the COVID-19 pandemic.¹⁹

Importers cited similar reasons for increases in U.S. and foreign demand for honey, including population growth, perceived health / nutrition benefits of honey, and the impact of the COVID-19 pandemic. Importer *** reported that retail purchasing patterns during 2020 shifted as more people ate at home, leading to a significant increase in honey demand during the pandemic. Importer *** reported that demand has increased due to honey’s image as a healthier alternative to more processed sweeteners, a trend which has driven both retail demand, as consumers shift to healthier eating, and food service / ingredient demand as manufacturers shift to formulating products with honey. Importers also noted that consumers’ desire for health benefits has led to an increase in demand for organic and non-GMO honey.

¹⁹ Conference transcript, p. 33 (Mammen).

Table II-4
Raw honey: Count of firms' responses regarding overall domestic and foreign demand

Number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	27	2	5	4
Domestic demand	Importers	19	1	0	3
Foreign demand	U.S. producers	9	3	0	2
Foreign demand	Importers	10	0	0	1

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

Substitute products

Substitutes for raw honey are somewhat limited and can depend on the end use. All responding U.S. producers and all but one responding importer reported that other products cannot be substituted for raw honey in the production of packaged honey. Most U.S. producers (47 of 51) but a minority of importers (7 of 22) reported that that other products cannot be substituted by the consumer for raw honey or packaged honey. Among firms that identified substitutes, products listed included sugar, sweetening syrups (including corn), and artificial sweeteners. Slightly more than half of responding importers reported that changes in the price of substitutes had affected the price for raw honey. Firms noted that substitution can take place among consumers, restaurants, and industrial users, and that when honey prices rise, these users may switch to less expensive sweeteners.

Petitioners stated that substitute products are limited, stating that when an industrial food manufacturer chooses to include honey, it is because they want the label to indicate that the product is sweetened with honey rather than less healthy high-fructose corn syrup or cane sugar.²⁰ Respondents stated that the price for darker honeys sold to the industrial food segment are tied to the customers' ability to use alternative sweeteners, like sugar, agave, or high fructose corn syrup.²¹

Substitutability issues

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

²⁰ Conference transcript, p. 95 (Luberda) and p. 146 (Stickevers).

²¹ Conference transcript, p. 149 (Stickevers), p. 238 (Campbell); NHPDA postconference brief, p. 38.

imported from subject sources. Importers had varied responses on interchangeability depending on the subject country; importers also listed several significant non-price factors that could limit substitutability. The level of substitutability may vary depending on the intensity of customer preferences for particular colors, flavors, or country of origin.²²

Lead times

Raw honey is primarily sold from inventory. U.S. producers reported that most of their shipments (82.9 percent) were from U.S. inventories with an average reported lead time of 20 days, and the remaining 17.1 percent were produced-to-order, with average reported lead time of 60 days. Importers reported that 49.6 percent of their shipments were from U.S. inventories, 28.0 percent were produced-to-order, and 22.4 percent were from foreign inventories. Importers generally reported average lead times of 10 to 20 days from U.S. inventories, 45 to 120 days from foreign inventories, and 60 to 90 days for produced-to-order product.

Factors affecting purchasing decisions

Purchasers responding to lost sales lost revenue allegations²³ were asked to identify the main purchasing factors their firm considered in their purchasing decisions for raw honey (table II-5). The major purchasing factors identified by firms include customer specifications (for color, floral source, country of origin, organic or GMO status), quality / purity of honey, price, and availability/supply. Purchaser *** also reported that the seasonality of honey supply from different countries and True Source Certification²⁴ of honey were factors that affected its purchasing decisions. Purchasers ***, ***, and *** all reported that sourcing efficiency and the ability of certain producers to contract significant volumes of honey for extended periods of time also impacted their purchasing decisions.

Petitioners stated that industrial and customers generally have specifications in regards to color and price, rather than country source and retail customers also may specify country source.²⁵ Respondents stated that customers will specify a range of characteristics, from color to floral source, non-GMO and or organic certification, and country of origin.²⁶

²² NHPDA postconference brief, p. 30.

²³ This information is compiled from responses by purchasers identified by Petitioners to the lost sales lost revenue allegations. See Part V for additional information.

²⁴ True Source Certification is third-party verification of country of origin and required by some retail customers, but SHA and most SHA members do not participate. Conference transcript, pp. 165-166 (Wenger).

²⁵ Conference transcript, pp. 98-99 (Mammen, Blumenthal).

²⁶ Conference transcript, p. 156 (Foott).

Table II-5
Raw honey: Count of ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Number of firms reporting

Factor	First	Second	Third	Total
Customer specification	7	2	6	11
Quality	6	3	0	9
Price / cost	1	2	6	9
Availability / supply	1	4	1	6
All other factors	5	7	5	NA

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

Comparison of U.S.-produced and imported raw honey

In order to determine whether U.S.-produced raw honey can generally be used in the same applications as imports from subject countries, U.S. producers and importers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-6, most responding U.S. producers reported that raw honey from all sources was always interchangeable. Most responding importers reported that domestic raw honey and that from Argentina were always or frequently interchangeable but that raw honey from Brazil, India, Ukraine, and Vietnam was sometimes or never interchangeable with domestic raw honey. Factors reported by importers that limited interchangeability include organic/ non-organic classification, end use, flavor profile, and “eat local” campaigns. U.S. importer *** reported that most of the honey imported from Brazil is organic and that U.S. producers cannot produce organic honey. Importer *** reported that raw honey from all five subject countries is generally interchangeable for food service and industrial uses, but distinct flavor and color profiles for honey from India, Ukraine, and Vietnam make them less suitable for retail use. It added that U.S. consumers prefer lighter and milder honey in retail stores, while honey from India, Ukraine, and Vietnam tends to be darker with bolder flavors. *** also stated that honey from Argentina has a flavor and color profile that is more similar to U.S.-produced honey, but “eat local” campaigns drive consumers toward domestic honey for retail purposes, although this is not a limiting factor for food service and industrial use.

Table II-6

Raw honey: Count of U.S. producers reporting the interchangeability between raw honey produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. Argentina	U.S. producers	40	4	2	0
United States vs. Brazil	U.S. producers	39	4	1	3
United States vs. India	U.S. producers	39	4	3	0
United States vs. Ukraine	U.S. producers	39	4	2	0
United States vs. Vietnam	U.S. producers	39	4	3	0
Argentina vs. Brazil	U.S. producers	36	3	0	3
Argentina vs. India	U.S. producers	36	3	2	1
Argentina vs. Ukraine	U.S. producers	36	4	2	0
Argentina vs. Vietnam	U.S. producers	36	3	2	1
Brazil vs. India	U.S. producers	36	3	0	3
Brazil vs. Ukraine	U.S. producers	36	3	0	3
Brazil vs. Vietnam	U.S. producers	36	3	0	3
India vs. Ukraine	U.S. producers	36	4	2	0
India vs. Vietnam	U.S. producers	37	3	2	0
Ukraine vs. Vietnam	U.S. producers	36	4	2	0
United States vs. Other	U.S. producers	35	3	3	0
Argentina vs. Other	U.S. producers	33	2	3	1
Brazil vs. Other	U.S. producers	33	2	1	3
India vs. Other	U.S. producers	34	2	3	0
Ukraine vs. Other	U.S. producers	33	2	3	1
Vietnam vs. Other	U.S. producers	33	2	3	1

Table continued.

Table II-6 continued**Raw honey: Count of importers reporting the interchangeability between raw honey produced in the United States and in other countries, by country pair**

Number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. Argentina	Importers	4	7	3	3
United States vs. Brazil	Importers	0	0	6	13
United States vs. India	Importers	0	1	7	9
United States vs. Ukraine	Importers	2	3	8	3
United States vs. Vietnam	Importers	0	1	6	9
Argentina vs. Brazil	Importers	0	0	10	8
Argentina vs. India	Importers	0	2	9	5
Argentina vs. Ukraine	Importers	2	4	8	1
Argentina vs. Vietnam	Importers	0	0	7	9
Brazil vs. India	Importers	0	1	13	4
Brazil vs. Ukraine	Importers	0	0	3	13
Brazil vs. Vietnam	Importers	0	0	4	14
India vs. Ukraine	Importers	0	5	9	1
India vs. Vietnam	Importers	1	6	10	1
Ukraine vs. Vietnam	Importers	0	2	4	9
United States vs. Other	Importers	0	0	12	1
Argentina vs. Other	Importers	0	1	10	1
Brazil vs. Other	Importers	0	1	6	6
India vs. Other	Importers	0	2	8	1
Ukraine vs. Other	Importers	0	1	9	1
Vietnam vs. Other	Importers	0	1	9	2

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 raw honey from the United States, subject, or non-subject countries. As seen in tables II-7, most U.S. producers reported that such differences between sources were never significant in their sales whereas a majority of importers reported that such differences were always or frequently significant in their sales. Differences other than price reported by importers include product quality and certification, organic/non-GMO specifications,²⁷ volume and duration of contracts, and flavor profiles. U.S. importer *** noted that imported honey faces more rigorous testing for quality and adulteration parameters than domestic honey, which is not necessarily tested by U.S.

²⁷ Supermel postconference brief, pp. 1-3.

beekeepers.²⁸ Importer *** response also discussed the importance of quality assurance, including True Source Certified sourcing standards. Additionally, it stated that honey from Brazil may be organic, and honey from Brazil, India, or Vietnam may be non-GMO certified. Depending on customer specifications, these differences may be significant. Importer *** responded that the higher transaction volumes and longer contracts for imported honey allow U.S. packers to buy and plan more efficiently. Lastly, darker honey with bolder flavor profiles is sometimes necessary for food ingredients, so purchasers may buy honey from India or Vietnam regardless of price, according to importer ***.

Table II-7
Raw honey: Count of U.S. producers reporting the significance of differences other than price between raw honey produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. Argentina	U.S. producers	3	0	3	41
United States vs. Brazil	U.S. producers	5	0	3	40
United States vs. India	U.S. producers	4	0	4	40
United States vs. Ukraine	U.S. producers	4	0	3	40
United States vs. Vietnam	U.S. producers	5	0	3	40
Argentina vs. Brazil	U.S. producers	1	1	2	37
Argentina vs. India	U.S. producers	2	0	2	37
Argentina vs. Ukraine	U.S. producers	1	0	3	37
Argentina vs. Vietnam	U.S. producers	2	0	3	36
Brazil vs. India	U.S. producers	2	0	2	37
Brazil vs. Ukraine	U.S. producers	2	0	2	37
Brazil vs. Vietnam	U.S. producers	2	0	2	37
India vs. Ukraine	U.S. producers	2	0	2	37
India vs. Vietnam	U.S. producers	1	0	3	37
Ukraine vs. Vietnam	U.S. producers	1	0	3	37
United States vs. Other	U.S. producers	3	0	1	36
Argentina vs. Other	U.S. producers	2	0	1	34
Brazil vs. Other	U.S. producers	2	0	1	34
India vs. Other	U.S. producers	2	0	1	34
Ukraine vs. Other	U.S. producers	2	0	1	34
Vietnam vs. Other	U.S. producers	2	0	1	34

Table continued.

²⁸ U.S. producers are not subject to requirements from Food and Drug Administration or Food Safety Modernization Act, but honey packers are subject to these requirements. Conference transcript, p. 41 (Luberda).

Table II-7 continued**Raw honey: Count of importers reporting the significance of differences between raw honey produced in the United States and in other countries, by country pair**

Number of firms reporting

Country pair	Firm type	Always	Frequently	Sometimes	Never
United States vs. Argentina	Importers	6	3	6	2
United States vs. Brazil	Importers	12	4	3	1
United States vs. India	Importers	9	5	1	3
United States vs. Ukraine	Importers	6	4	5	1
United States vs. Vietnam	Importers	11	4	0	2
Argentina vs. Brazil	Importers	8	3	5	1
Argentina vs. India	Importers	7	3	4	1
Argentina vs. Ukraine	Importers	4	4	6	1
Argentina vs. Vietnam	Importers	7	3	3	2
Brazil vs. India	Importers	5	4	7	1
Brazil vs. Ukraine	Importers	9	1	4	2
Brazil vs. Vietnam	Importers	10	2	3	2
India vs. Ukraine	Importers	4	2	8	1
India vs. Vietnam	Importers	5	3	8	1
Ukraine vs. Vietnam	Importers	7	2	3	3
United States vs. Other	Importers	4	1	3	0
Argentina vs. Other	Importers	2	1	4	1
Brazil vs. Other	Importers	4	1	4	0
India vs. Other	Importers	2	1	5	0
Ukraine vs. Other	Importers	2	1	5	0
Vietnam vs. Other	Importers	0	1	9	2

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 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 data reported by the National Agriculture Statistics Services of the U.S. Department of Agriculture (“USDA/NASS”) and the questionnaire responses of 65 firms with production in 2020 equivalent to 26.1 percent of the U.S. raw honey production volume reported by USDA/NASS.

U.S. producers

Both petitioner organizations (AHPA and SHA) are recognized in the U.S. beekeeping industry as representatives of the interests of commercial honey producers.¹ AHPA classifies its U.S. beekeeper members as hobbyists (1-75 hives), sideliners (76-300 hives), or commercial beekeepers (301+ hives).² According to USDA, hobbyist beekeepers generally keep bees for a hobby or for small-scale pollination of orchard or field crops. Most honey produced by hobbyists is consumed at home, given away, or sold directly by the beekeeper. Part-time or sideliner beekeepers generally market their honey either through direct sales to consumers or retail outlets, or through bulk sales to honey processors.³ Commercial beekeepers are those that rely on beekeeping and honey sales as their primary source of income.

USDA collects data on honey producing operations from a stratified sample of all known operations with at least five honeybee colonies that also meet USDA’s definition of a farm.⁴ In 2016, operations with five or more colonies produced more than 99 percent of honey in the United States. However, the USDA estimates that 44 percent of apiary workers labored on farms with less than five colonies. This proportion includes unpaid workers and hobbyists.⁵

¹ Petition, pp. 2-3.

² AHPA website, <https://www.ahpanet.com/>, accessed May 17, 2021.

³ Canada, Carol and Jasper Womach, CRS Report for Congress, *Farm Commodity Programs: Honey*, October 4, 2006, p. CRS-3.

⁴ National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA) Honey Report, March 18, 2021, p. 5.

⁵ *Honey*, NASS, USDA, Agriculture Statistics Board, March 22, 2017.

In addition to the production of raw honey, beekeepers can provide pollination services to supplement their incomes and to gain access to other sources of nectar for honey production. As such, beekeepers are often migratory, moving their hives as needed to areas in need of bees' pollination services or areas rich in certain flora to promote production of a distinct type of honey.⁶ In addition, some full-time beekeepers specialize in the production of queen bees, packaged bees, nucleus colonies ("nucs"), or may focus on the production of beeswax or propolis to further augment their income.⁷

The Commission issued U.S. producer questionnaires to 327 beekeeping firms based on information contained in the petition and staff research. As noted above, 65 firms provided usable data on their operations.⁸ Table III-1 lists the responding U.S. producers of raw honey, their production locations, positions on the petition, shares of total reported production, and ratios of reported production to USDA/NASS's 2020 production volume. Of the 65 responding U.S. producers, 60 are members of one of the petitioning organizations. Of the five firms that reported not to be a member of one of the petitioning organizations, *** the petition (***), and *** the petition (***).

⁶ Pollination Facts, American Beekeeping Federation, June 14, 2016.

⁷ National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA) Honey Report, March 18, 2021, pp. 1 and 4.

⁸ Additionally, 31 firms submitted questionnaire responses certifying that their firm had not produced raw honey since January 1, 2018. Three firms (**) submitted questionnaire responses that staff found to be unusable. A response was submitted for one firm (**) for which **. Finally, questionnaire responses were submitted for four firms too late to be included in the dataset (**).

Table III-1

Raw honey: U.S. producers, their position on the petition, location of production, share of reported production, and ratio to USDA/NASS overall production, 2020

Firm	Position on petition	Production location(s)	Share of reported production (percent)	Ratio to USDA/NASS overall production (percent)
2J Honey	Petitioner	Blackfoot, ID Powers Lake, ND	***	***
Adee Honey	Petitioner	Bruce, SD Roscoe, SD	***	***
Althoff Honey	Petitioner	Mooreton, ND	***	***
Artesian Honey	***	Artesian, SD	***	***
Barkman Apiaries	***	Blountstown, FL	***	***
Bauer Honey	Petitioner	Fertile, MN	***	***
Belliston Bros Apiaries	Petitioner	Burley, ID	***	***
Bolton Apiaries	Petitioner	Winner, SD	***	***
Brady Bees	Petitioner	Liberty, TX Cayuga, TX Kenmare, ND	***	***
Browns Honey	Petitioner	Bolivar, MO	***	***
California Apiaries	Petitioner	Hughson, CA Selz, ND	***	***
Cary's Honey	Petitioner	Lindsay, CA	***	***
Chaparral	Petitioner	Valley Center, CA	***	***
Chip's Bees	Petitioner	Fillmore, CA Lakota, ND	***	***
Collins Honey	Petitioner	Evadale, TX	***	***
Cox Honey	Petitioner	Lewiston, UT	***	***
Coy's Honey	Petitioner	Jonesboro, AR	***	***
Crockett	Petitioner	Parker, AZ	***	***
Dan's Honey	Petitioner	Perham, MN	***	***
Delta Bee	Petitioner	Kennett, MO	***	***
Desert Creek	Petitioner	Blue Ridge, TX	***	***
Duff Apiaries	Petitioner	Hampton, MN	***	***
Eau Galle Apiaries	Petitioner	Eau Galle, WI	***	***
Fairview Honey	Petitioner	Fairview, MT Westmorland, CA	***	***
Five Star Honey	Petitioner	Minot, ND	***	***
Golden Prairie	Petitioner	Manhattan, KS Riley, KS	***	***
Gunter Honey	Petitioner	Towner, ND	***	***
Harvest Honey	Petitioner	Baldwin, ND	***	***
Hiatt Honey	Petitioner	Bowman, ND Madera, CA	***	***
Honi's Bees	Petitioner	Winthrop, MN	***	***
Horton's Hives	Petitioner	Selah, WA	***	***
Integribees	Petitioner	Danbury, TX	***	***
Jim's Honey	***	Bakersfield, CA Onida, SD	***	***

Table continued on next page.

Table III-1 continued

Raw honey: U.S. producers, their position on the petition, location of production, and share of reported production, 2020

Firm	Position on petition	Production location(s)	Share of reported production (percent)	Ratio to NASS overall production (percent)
J&J Bee	Petitioner	Gobles, MI	***	***
Jubilee Honeybee	Petitioner	Camarillo, CA Montpelier, ID	***	***
Klett Farms	Petitioner	Jamestown, ND	***	***
Larson Apiaries	Petitioner	Billings Montana	***	***
Hauke Honey	Petitioner	Marshfield, WI	***	***
Monda Honey	Petitioner	East Grand Forks, MN	***	***
Morlock Honey	Petitioner	Casselton, ND	***	***
Mountain Avenue	Petitioner	Fontana, CA Garrison, ND Colome, SD Stanford, MT	***	***
MW Maxwell Honey	Petitioner	Turtle Lake, ND Lake City, FL	***	***
Newswander Apiaries	Petitioner	Preston, ID	***	***
Northern Bloom	Petitioner	Wolf Point, MT	***	***
Noyes Apiaries	Petitioner	Turtle Lake, ND Fruitland, ID	***	***
Olsen Honey	Petitioner	Albany, OR	***	***
Puckett Family	Petitioner	Kamahia, ID	***	***
Rick and Terri	Petitioner	Los Banos, CA	***	***
Shoreline Honey	Petitioner	Hudsonville, MI	***	***
Smith Revocable Trust	Petitioner	Eau Galle, WI	***	***
Smoot Honey	Petitioner	Power, MT	***	***
Southern Gold	***	Vidor, TX	***	***
Steve E Park	Petitioner	Harlowton, MT Palo Cedro, CA	***	***
Stroope	Petitioner	Pearland	***	***
Sundberg Apiaries	Petitioner	Fergus Falls, MN	***	***
Sweet Bee Honey	Petitioner	Milton Freewater, OR.	***	***
Sweet River	Petitioner	Driftwood, TX	***	***
Thomas Honey	Petitioner	Liberty, TX Langdon, ND	***	***
Tim Fenston	Petitioner	Madera, CA	***	***
Ubees California	***	Kerman, CA	***	***
Ubees South Dakota	Petitioner	Redfield, SD	***	***
UHB	Petitioner	Minot, ND	***	***
Wee Bee Honey	Petitioner	Cowlesville, NY Vero Beach, FL	***	***
Wilmer	Petitioner	Warroad, MN	***	***
Wooten's Honey Bees	Petitioner	Earlimart, CA	***	***
All firms	NA	NA	100.0	26.1

Source and table notes on next page.

Table III-1 continued

Raw honey: U.S. producers, their position on the petition, location of production, and share of reported production, 2020

Source: Compiled from data submitted in response to Commission questionnaires. Ratio to NASS overall production calculated using data reported by USDA/NASS, accessed May 5, 2021.

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

Table III-2 presents information on U.S. producers' ownership and related or affiliated firms. Eight U.S. producers reported ownership information. *** reported being related to importer/exporter ***, while *** reported being related to importer/exporter ***. The following firms reported common ownership or relationships with each other: ***, ***, and ***. Lastly, *** included the following note in its questionnaire response, "****." Additionally, 22 of the responding producers specified that they are members of the petitioning entity SHA, which operates on a cooperative basis to process, pack, and market honey for its beekeeper members. *** reported being an SHA member and reported SHA as being ***.

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

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

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

Table III-3 presents U.S. producers' reported changes in operations since January 1, 2018. The most commonly cited operations changes were replacement of colonies/hives (cited 29 times), followed by changes in labor availability or costs (cited 19 times), reduction in number of colonies/hives (cited 19 times), disease or pest-related events (cited 19 times), expansion in number of colonies/hives (cited 18 times), and weather related events (cited 10 times). In response to the replacement of colonies/hives and the reduction in number of colonies/hives, responding beekeepers generally noted that colonies need to be continually replaced due to hives dying off or due to colony collapse disorder ("CCD"). Responding beekeepers reported annual hive replacement rates of up to 60 percent. Changes in labor availability or costs were also commonly cited. Beekeepers noted having to hire temporary agricultural foreign workers through the H2A visa program. Several responding firms reported that annual rises in state minimum wages have increased labor costs. Regarding disease or pest-related events, beekeepers commonly cited varroa mites as a major challenge. Regarding weather-related events, beekeepers cited a range of weather-related challenges including hurricanes, fires, heat, drought, excessive rain/flooding, cold/freeze, thunderstorms, and hail.

Additionally, 18 firms responded that their honey producing operations had been impacted by the COVID-19 pandemic in their questionnaire responses. U.S. producers reported supply chain and demand disruptions, an impact on honey prices, difficulty in obtaining foreign H2A workers, and increased costs in connection with worker safety as challenges related to COVID-19.

Table III-3

Raw honey: U.S. producers' reported changes in operations, since January 1, 2018

Item	Firm name and accompanying narrative response
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
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Expansion in number of colonies/ hives	***
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Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***

Table continued on next page.

Table III-3 continued

Raw honey: U.S. producers' reported changes in operations, since January 1, 2018

Item	Firm name and accompanying narrative response
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
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Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Replacement of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***

Table continued on next page.

Table III-3 continued

Raw honey: U.S. producers' reported changes in operations, since January 1, 2018

Item	Firm name and accompanying narrative response
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Reduction in number of colonies/ hives	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Began basic filtering operations	***
Ceased basic filtering operations	***
Ceased basic filtering operations	***
Ceased basic filtering operations	***
Ceased basic filtering operations	***
Ceased basic filtering operations	***
Weather related events	***
Weather related events	***
Weather related events	***

Table continued on next page.

Table III-3 continued

Raw honey: U.S. producers' reported changes in operations, since January 1, 2018

Item	Firm name and accompanying narrative response
Weather related events	***
Weather related events	***
Weather related events	***
Weather related events	***
Weather related events	***
Weather related events	***
Weather related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Disease or pest-related events	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***

Table continued on next page.

Table III-3 continued

Raw honey: U.S. producers' reported changes in operations, since January 1, 2018

Item	Firm name and accompanying narrative response
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Other (e.g., technology)	***
Other (e.g., technology)	***
Other (e.g., technology)	***
Other (e.g., technology)	***
Other (e.g., technology)	***

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

U.S. production, capacity, and capacity utilization

Table III-4 presents U.S. producers' production and production shares, by state and by period as reported by USDA/NASS. Table III-5 presents the same production and production share data but grouped by region.⁹ As reported by USDA/NASS, U.S. honey production totaled 154.0 million pounds in 2018, increased to 156.9 million pounds in 2019 (a 1.9 percent increase), and then declined to 147.6 million pounds in 2020 (resulting in a 4.2 percent net decrease in total production from 2018 to 2020).

More than 36 percent of 2020 honey production occurred in North or South Dakota, and eight states (North Dakota, South Dakota, California, Texas, Montana, Florida, Minnesota, and Michigan) were responsible for more than 70 percent of total 2020 U.S. honey production. As presented in Table III-5, the Midwest region accounted for nearly half of 2020 raw honey production in the United States. The next largest honey producing region was the Pacific Coast (representing 13.6 percent of 2020 production), followed by the Mountains region (11.7 percent) and the Southeast region (11.3 percent).

⁹ The following region definitions are used: Northeast: ME, VT, NH, MA, RI, CT, NY, NJ, PA; Midwest: OH, IN, MI, IL, WI, MN, IA, MO, KS, NE, SD, ND; Southeast: MD, DE, WV, VA, KY, NC, SC, TN, GA, FL, AL, MS; Central Southwest: LA, AR, OK, TX; Mountains: CO, NM, AZ, UT, CO, NV, ID, MT, WY; Pacific Coast: WA, OR, CA; and Other: all other U.S. markets, including AK, HI, PR, and VI.

Table III-4
Raw honey: U.S. producers' production, by state and by period

Production in 1,000 pounds

State	2018	2019	2020
North Dakota	39,600	33,800	38,610
South Dakota	11,985	19,440	14,945
California	13,735	16,080	13,760
Texas	7,392	7,560	8,949
Montana	14,720	14,878	8,910
Florida	10,535	9,225	8,832
Minnesota	7,259	6,962	5,940
Michigan	4,268	4,700	4,465
All other states	44,514	44,277	43,183
All states	154,008	156,922	147,594

Table continued.

Table III-4 continued
Raw honey: U.S. producers' share of production, by state and by period

Share of production in percent

State	2018	2019	2020
North Dakota	25.7	21.5	26.2
South Dakota	7.8	12.4	10.1
California	8.9	10.2	9.3
Texas	4.8	4.8	6.1
Montana	9.6	9.5	6.0
Florida	6.8	5.9	6.0
Minnesota	4.7	4.4	4.0
Michigan	2.8	3.0	3.0
All other states	28.9	28.2	29.3
All states	100.0	100.0	100.0

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Table III-5
Raw honey: U.S. producers' production, by region and by period

Production in 1,000 pounds

Region	2018	2019	2020
Northeast	4,647	5,605	5,176
Midwest	72,194	74,094	73,244
Southeast	17,843	17,104	16,620
Central Southwest	12,527	12,548	12,206
Mountains	23,346	23,174	17,257
Pacific Coast	20,301	21,699	20,141
Other	3,150	2,698	2,950
All Regions	154,008	156,922	147,594

Table continued.

Table III-5 continued
Raw honey: U.S. producers' share of production, by region and by period

Share of production in percent

Region	2018	2019	2020
Northeast	3.0	3.6	3.5
Midwest	46.9	47.2	49.6
Southeast	11.6	10.9	11.3
Central Southwest	8.1	8.0	8.3
Mountains	15.2	14.8	11.7
Pacific Coast	13.2	13.8	13.6
Other	2.0	1.7	2.0
All Regions	100.0	100.0	100.0

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Table III-6 presents U.S. producers' colony numbers and colony shares, by state and by period, as reported by USDA/NASS. Table III-7 presents the same colony and colony share data but by region. U.S. producers' colonies totaled 2.83 million in 2018, decreased slightly to 2.81 million in 2019 (a 0.6 percent decrease), and then declined to 2.71 million colonies in 2020 (representing a 4.3 percent net decrease in colonies from 2018 to 2020). Like the USDA/NASS production data, the USDA/NASS colony data shows a large concentration of colonies located in North and South Dakota (with 27.3 percent of the estimated total 2020 colonies). Additionally, California and Florida also have a large estimated concentration of colonies (11.8 and 7.1 percent of total 2020 colonies, respectively).

Table III-6
Raw honey: U.S. producers' number of colonies, by state and by period

Number of colonies

State	2018	2019	2020
North Dakota	550,000	520,000	495,000
South Dakota	255,000	270,000	245,000
California	335,000	335,000	320,000
Texas	132,000	126,000	157,000
Montana	160,000	173,000	110,000
Florida	215,000	205,000	192,000
Minnesota	119,000	118,000	108,000
Michigan	97,000	94,000	95,000
All other states	965,000	971,000	984,000
All states	2,828,000	2,812,000	2,706,000

Table continued.

Table III-6 continued
Raw honey: U.S. producers' share of colonies, by state and by period

Share of colonies

State	2018	2019	2020
North Dakota	19.4	18.5	18.3
South Dakota	9.0	9.6	9.1
California	11.8	11.9	11.8
Texas	4.7	4.5	5.8
Montana	5.7	6.2	4.1
Florida	7.6	7.3	7.1
Minnesota	4.2	4.2	4.0
Michigan	3.4	3.3	3.5
All other states	34.1	34.5	36.4
All states	100.0	100.0	100.0

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Table III-7 shows that U.S. producers' colonies are heavily concentrated in the Midwest region (with 41.1 percent of total 2020 colonies). The next biggest region by colony concentration is the Pacific Coast (19.0 percent of total 2020 colonies), followed by the Southeast region (14.0 percent of 2020 colonies), and the Mountains region (12.5 percent of 2020 colonies).

Table III-7
Raw honey: U.S. producers' colonies, by region and by period

Colonies in number of

Region	2018	2019	2020
Northeast	107,000	114,000	107,000
Midwest	1,196,000	1,177,000	1,112,000
Southeast	386,000	391,000	378,000
Central Southwest	205,000	200,000	210,000
Mountains	376,000	381,000	338,000
Pacific Coast	505,000	503,000	513,000
Other	53,000	46,000	48,000
All Regions	2,828,000	2,812,000	2,706,000

Table continued.

Table III-7 continued
Raw honey: U.S. producers' share of colonies, by region and by period

Share of number of colonies

Region	2018	2019	2020
Northeast	3.8	4.1	4.0
Midwest	42.3	41.9	41.1
Southeast	13.6	13.9	14.0
Central Southwest	7.2	7.1	7.8
Mountains	13.3	13.5	12.5
Pacific Coast	17.9	17.9	19.0
Other	1.9	1.6	1.8
All Regions	100.0	100.0	100.0

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Table III-8 presents U.S. producers' average production per colony, by state and by period as reported by USDA/NASS. Table III-9 presents the same average production per colony but grouped by region. Figure III-1 shows U.S. producers' total production and production per colony by period as reported by USDA/NASS. Average production per colony remained stable at 54.5 pounds per colony in both 2018 and 2020 (with a slight increase to 55.8 pounds per colony in 2019). Among the states, Montana had the highest reported average production per colony with 81.0 pounds per colony in 2020. The Midwest had the highest reported average production per colony of the regions with 65.9 pounds per colony in 2020.

Table III-8
Raw honey: U.S. producers' average production per colony, by state and by period

Ratio in pounds per colony

State	2018	2019	2020
North Dakota	72.0	65.0	78.0
South Dakota	47.0	72.0	61.0
California	41.0	48.0	43.0
Texas	56.0	60.0	57.0
Montana	92.0	86.0	81.0
Florida	49.0	45.0	46.0
Minnesota	61.0	59.0	55.0
Michigan	44.0	50.0	47.0
All other states	46.1	45.6	43.9
All states	54.5	55.8	54.5

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

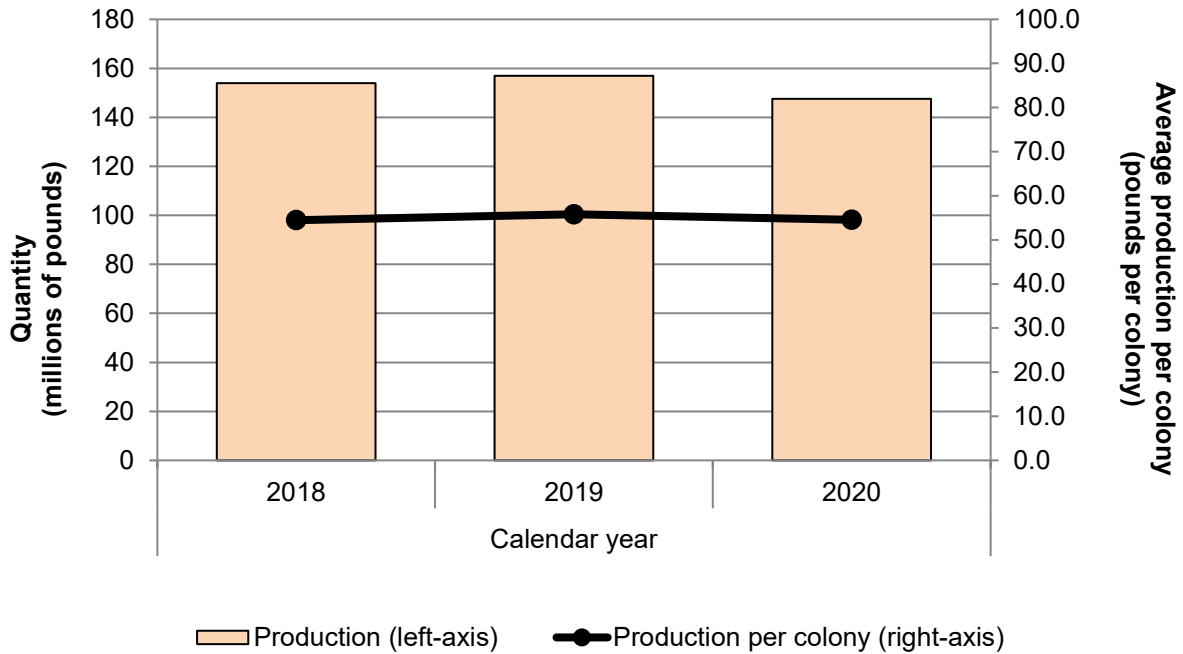
Table III-9
Raw honey: U.S. producers' average production per colony, by region and period

Ratio in pounds per colony

Region	2018	2019	2020
Northeast	43.4	49.2	48.4
Midwest	60.4	63.0	65.9
Southeast	46.2	43.7	44.0
Central Southwest	61.1	62.7	58.1
Mountains	62.1	60.8	51.1
Pacific Coast	40.2	43.1	39.3
Other	59.4	58.7	61.5
All Regions	54.5	55.8	54.5

Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Figure III-1
Raw honey: U.S. producers' total production and production per colony, by period



Source: Compiled from data reported by USDA/NASS, accessed May 5, 2021.

Table III-10 presents U.S. producers’ production, average number of colonies, and yield as measured in pounds per colony of raw honey production based on questionnaire data. The honey production and average number of colonies reported by the responding U.S. producers both increased between 2018 and 2020, by 6.0 and 1.5 percent, respectively. Yield as measured in pounds per colony also increased 4.5 percent across the period (from 75.3 pounds per colony to 78.7 pounds per colony).

Table III-10
Raw honey: U.S. producers' production, average number of colonies, and yield, by period

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

Region	2018	2019	2020
Production (1,000 pounds)	36,282	36,722	38,475
Average number of colonies (1,000 units)	482	479	489
Yield (pounds per colony)	75.3	76.6	78.7

Source: Compiled data submitted in response to Commission questionnaires.

Alternative products

Five responding U.S. producers reported the ability to produce alternative products using the same equipment and/or labor as used to produce raw honey. Two firms (***) cited the ability to use common labor for wax production, and two firms (***) cited common labor for pollination services.¹⁰ *** reported, “***.” *** also noted, “***.”

U.S. producers’ U.S. shipments and exports

Table III-11 presents U.S. producers’ U.S. shipments, export shipments, and total shipments by quantity and value based on USDA/NASS and Census data. U.S. producers’ U.S. shipments decreased irregularly between 2018 and 2020 with U.S. shipments increasing from 150.8 million pounds in 2018 to 153.2 million pounds in 2019 (a 1.6 percent increase) and then decreasing to 141.7 million pounds in 2020 (for a net decline of 6.0 percent from 2018 to 2020). By value, U.S. shipment values decreased from \$335.1 million in 2018, to \$307.2 million in 2019, and to \$291.3 million in 2020 (representing a net decline of 13.1 percent from 2018 to 2020).

Exports shipments increased from 3.2 million pounds in 2018, to 3.7 million pounds in 2019, and to 5.9 million pounds in 2020 (representing an 82.8 percent increase from 2018-20). Export shipment values increased irregularly from \$5.2 million in 2018, then decreasing to \$5.1 million in 2019, and increasing to \$8.4 million in 2020 (representing a 60.0 percent increase from 2018 to 2020).

¹⁰ Additionally, forty-nine of the responding companies reported receiving revenue from commercial pollination services in addition to revenue from the sale of raw honey between 2018 and 2020 in the financial information section of the questionnaires.

U.S. producers' total shipments decreased irregularly between 2018 and 2020 with total shipments increasing from 154.0 million pounds in 2018 to 156.9 million pounds in 2019 (a 1.9 percent increase) and then decreasing to 147.6 million pounds in 2020 (for a total decrease of 4.2 percent from 2018 to 2020). Total shipment values decreased from 2018 to 2020: from \$340.4 million in 2018 to \$312.3 million in 2019 and to \$299.6 million in 2020 (representing a 12.0 percent total decrease in total shipment values from 2018 to 2020).

Unit values for U.S. shipments, export shipments, and total shipments all decreased between 2018 and 2020 (by 7.5, 12.5, and 8.1 percent, respectively). U.S. producers' export shipments as a share of U.S. producers' total shipments was between 2.1 and 4.0 percent by quantity and 1.5 and 2.8 percent by value between 2018 and 2020.

Table III-11
Raw honey: U.S. producers' U.S. shipments, export shipments, and total shipments, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars; Unit values in dollars per pound; Shares in percent

Item	Measure	2018	2019	2020
U.S. shipments	Quantity	150,778	153,222	141,689
Export shipments	Quantity	3,230	3,700	5,905
Total shipments	Quantity	154,008	156,922	147,594
U.S. shipments	Value	335,134	307,192	291,257
Export shipments	Value	5,224	5,083	8,359
Total shipments	Value	340,358	312,275	299,616
U.S. shipments	Unit value	2.22	2.00	2.06
Export shipments	Unit value	1.62	1.37	1.42
Total shipments	Unit value	2.21	1.99	2.03
U.S. shipments	Share of quantity	97.9	97.6	96.0
Export shipments	Share of quantity	2.1	2.4	4.0
Total shipments	Share of quantity	100.0	100.0	100.0
U.S. shipments	Share of value	98.5	98.4	97.2
Export shipments	Share of value	1.5	1.6	2.8
Total shipments	Share of value	100.0	100.0	100.0

Source: Total shipments based on utilized production data reported by USDA/NASS, accessed May 5, 2021, and export shipments based on domestic U.S. exports reported by the Census Bureau of the U.S. Department of Commerce, accessed April 28, 2021.

Table III-12 presents U.S. producers' U.S. shipments by shipment type as reported by the U.S. producers that provided questionnaire responses. As discussed above, 60 of the 65 responding U.S. producers were members of one of the petitioner organizations, one of which (SHA) is operated on a cooperative basis to process, pack, and market honey for its beekeeper members (29 responding U.S. producers reported being members of a cooperative in their questionnaire response and 22 of those producers specified being members of the SHA cooperative). The SHA cooperative requires its members to ship the vast majority of their shipments to the cooperative. Cooperative members generally categorized their U.S. shipments as non-commercial (as internal consumption or transfers to related firms), although some cooperative members may have also categorized their cooperative shipments as being commercial. As such, U.S. producers categorized between 64.4 and 71.6 percent of their U.S. shipments by quantity and between 64.2 and 70.4 percent of their U.S. shipments by value as non-commercial from 2018 to 2020. Comparatively, U.S. producers categorized between 28.4 and 35.6 percent of their U.S. shipments by quantity and between 29.6 and 35.8 percent of their U.S. shipments by value as commercial from 2018 to 2020.

Table III-12
Raw honey: U.S. producers' U.S. shipments by shipment type, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars; Unit values in dollars per pound

Item	Measure	2018	2019	2020
Commercial U.S. shipments	Quantity	9,232	11,657	9,993
Non-commercial U.S. shipments	Quantity	23,221	21,119	23,041
U.S. shipments	Quantity	32,453	32,776	33,034
Commercial U.S. shipments	Value	17,126	18,767	16,580
Non-commercial U.S. shipments	Value	40,762	33,603	33,944
U.S. shipments	Value	57,887	52,370	50,524
Commercial U.S. shipments	Unit value	1.85	1.61	1.66
Non-commercial U.S. shipments	Unit value	1.76	1.59	1.47
U.S. shipments	Unit value	1.78	1.60	1.53
Commercial U.S. shipments	Share of quantity	28.4	35.6	30.3
Non-commercial U.S. shipments	Share of quantity	71.6	64.4	69.7
U.S. shipments	Share of quantity	100.0	100.0	100.0
Commercial U.S. shipments	Share of value	29.6	35.8	32.8
Non-commercial U.S. shipments	Share of value	70.4	64.2	67.2
U.S. shipments	Share of value	100.0	100.0	100.0
Commercial U.S. shipments	Ratio to NASS/Census	6.1	7.6	7.1
Non-commercial U.S. shipments	Ratio to NASS/Census	15.4	13.8	16.3
U.S. shipments	Ratio to NASS/Census	21.5	21.4	23.3

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

Table III-13 shows U.S. producers' U.S. shipments by month for January-December 2020 and January-March 2021. Honey production coincides with floral sources being in bloom. As noted in staff conference testimony, honey is harvested in the summer and early fall.¹¹ Almond pollination is done through the month of February to the first of March, and there is very little to no honey production in the United States during that time as it is still winter.¹² However, it was also noted that honey does not have the same perishable nature as other agricultural commodities and can be shipped year round.¹³ As shown in table III-13, U.S. shipments started to increase sharply starting in July 2020 from around 2.2 million pounds to a peak of around 6.7 million pounds in October 2020 after which U.S. shipments began tapering off sharply. There were generally lower levels of shipments in the winter months, but shipments were reported in every month of the reporting period.

Table III-13
Raw honey: U.S. producers' U.S. shipments by month, January-December 2020 and January-March 2021

Quantity in 1,000 pounds

Year	Month	Quantity
2020	January	802
2020	February	467
2020	March	1,005
2020	April	1,045
2020	May	1,063
2020	June	751
2020	July	2,227
2020	August	4,596
2020	September	4,109
2020	October	6,648
2020	November	3,058
2020	December	1,868
2021	January	2,519
2021	February	1,701
2021	March	1,447

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

Note: Not all responding U.S. producers reported monthly U.S. shipments, so the 2020 data do not correspond to the volume reported in the annual period in the previous table.

¹¹ Conference transcript (Luberda), p. 60 and (Blumenthal), p. 62.

¹² Conference transcript (Coy), p. 84.

¹³ Conference transcript (Luberda), p. 60.

Captive consumption

Section 771(7)(C)(iv) of the Act states that—¹⁴

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-12, U.S. producers categorized between 64.4 and 71.6 percent of their U.S. shipments by quantity and between 64.2 and 70.4 percent of their U.S. shipments by value as non-commercial from 2018 to 2020. As also noted, cooperative members generally categorized their U.S. shipments as being non-commercial (either as internal consumption or transfers to related firms), although some U.S. producers may have also categorized cooperative shipments as commercial shipments.

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. U.S. producers reported internal consumption of raw honey for the production of downstream processed/packed retail honey. No U.S. producer, however, reported diverting raw honey intended for internal consumption to the merchant market.

U.S. producers that classified their U.S. shipments non-commercial (as internal consumption or transfers to related firms) were asked to report if these shipments were then sold as raw honey or were processed or packaged into retail honey. However, many producers

¹⁴ Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

were unable to provide an accurate accounting of the disposition of whether their honey was sold as raw honey or processed into retail honey.¹⁵

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 article resulting from captive production, responding U.S. producers’ estimated the weighted average share of raw honey in the value of the downstream processed/packed retail honey to be 94.4 percent and responding U.S. producers’ estimated the weighted average share of raw honey in the weight of the downstream processed/packed retail honey to be 97.3 percent (table III-14).

Table III-14
Raw honey: U.S. producers' share raw honey accounted for out of all material inputs into retail honey, 2020

Shares in percent

Item	Share of value	Share of weight
Raw honey	94.4	97.3
Other material inputs	5.6	2.7
All material inputs	100.0	100.0

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

¹⁵ In 2020, U.S. producers with non-commercial shipments reported that approximately one quarter of those shipments were subsequently sold as raw honey, approximately one third of those shipments were subsequently processed or packed into retail honey, and the remainder of the non-commercial shipments were unaccounted for in responses (over 40 percent). Additionally, it appeared that many producers may have miscategorized whether their honey was subsequently sold as raw honey or was subsequently processed or packaged into retail honey

U.S. producers' inventories

Table III-15 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments based on questionnaire data as well as end-of-period inventory data and ratios of inventory to production as reported by NASS. Based on questionnaire data, end-of-period inventory quantities increased from 7.8 million pounds at the end of 2018 to 11.8 million pounds at the end of 2019 (an increase of 51.1 percent) followed by another increase to 17.3 million pounds at the end of 2020 (representing a total increase of 121.2 percent from 2018 to 2020). Inventories also increased consistently throughout the period as a ratio of U.S. producers' U.S. production and U.S. and total shipments based on questionnaire data. From 2018 to 2020, inventories as a ratio of U.S. producers' U.S. production increased 23.4 percentage points (21.5 to 44.9 percent), and inventories as a ratio of U.S. producers' U.S. and total shipments increased 28.2 percentage points (from 24.0 to 52.3 percent for both metrics). Based on NASS data, U.S. producers' end-of-period inventories increased from 29.3 million pounds in 2018 to 40.9 million pounds in 2019 (a 39.4 percent increase) and then decreased slightly in 2020 to 39.7 million pounds (for a net increase of 35.5 percent from 2018 to 2020). From 2018 to 2020, inventories as a ratio of U.S. production/total shipments as reported by USDA/NASS increased 7.9 percentage points (from 19.0 to 26.0 percent). Petitioners asserted in conference testimony that U.S. producers' inventories increased during the period in reaction to low prices as it was more attractive for U.S. producers to hold onto their honey production rather than sell at low prices.¹⁶

Table III-15
Raw honey: U.S. producers' inventories, 2018-20

Quantity in pounds; inventory ratios in percent

Firm	Measure	2018	2019	2020
End-of-period inventory, questionnaires	Quantity	7,803	11,793	17,261
Inventory to U.S. production, questionnaires	Ratio	21.5	32.1	44.9
Inventory to U.S. shipments, questionnaires	Ratio	24.0	36.0	52.3
Inventory to total shipments, questionnaires	Ratio	24.0	36.0	52.3
End-of-period inventory, USDA/NASS	Quantity	29,303	40,861	39,715
Inventory to U.S. production/total shipments, USDA/NASS	Ratio	19.0	26.0	26.9
Inventory to U.S. shipments, NASS/Census	Ratio	19.4	26.7	28.0

Source: Compiled from data submitted in response to Commission questionnaires and from data reported by USDA/NASS, accessed May 5, 2021. End-of-period = December 31 for Commission questionnaires and December 15 for NASS data.

¹⁶ Conference testimony (Blumenthal), pp. 92-93.

U.S. producers' imports and purchases

One U.S. producer (***) reported imports from *** due to the firm's inability to "****." *** imports of raw honey are presented in table III-16 and the company's reasons for importing are reported in table III-17. The firm's 2018 imports represented *** percent *** than the firm's 2018 U.S. production, and the firm's 2019 imports represented *** percent *** than the firm's 2019 U.S. production. The firm reported **** imports in 2020.

Table III-16

Raw honey: *'s U.S. production, U.S. imports, and ratio of import to production, 2018-20**

Item	Measure	2018	2019	2020
U.S. production	Quantity	***	***	***
Imports from subject sources (***)	Quantity	***	***	***
Imports from subject sources (***) to U.S. production	Ratio	***	***	***

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

Table III-17

Raw honey: U.S. producers' reasons for imports by firm, 2018-20

Item	Firm's narrative response
***'s reason for importing	***

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

U.S. employment, wages, and productivity

Table III-18 shows U.S. producers' employment-related questionnaire data. As previously noted, several beekeepers commented in their questionnaire response about having to hire temporary agricultural foreign workers through the H2A visa program as the companies had difficulty in finding enough required labor. The total number of compensated workers, total hours worked by compensated workers, hourly wages paid to compensated workers, unit labor costs, total workers (compensated and uncompensated), total hours worked by all workers, hours worked per worker per year, and productivity as measured in pounds per hour reported by responding firms all increased irregularly between 2018 and 2020.¹⁷ The total reported

¹⁷ From 2018 to 2020, the total number of compensated workers increased by 0.8 percent, total hours worked by compensated workers increased by 2.1 percent, hourly wages increased by 7.2

number of non-compensated workers and total hours worked by non-compensated workers, in contrast, decreased from 2018 to 2020.¹⁸

Table III-18
Raw honey: U.S. producers' employment related data, 2018-20

Item	2018	2019	2020
Compensated workers (CWs) (number)	871	911	878
Total hours worked by CWs (1,000 hours)	1,434	1,602	1,464
Wages paid to CWs (\$1,000)	27,668	29,477	30,276
Hourly wages for CWs (dollars per hour)	\$19.30	\$18.40	\$20.69
Unit labor costs (dollars per pound)	\$0.76	\$0.80	\$0.79
Non-compensated workers (NCWs) (number)	19	19	17
Total hours worked by NCWs (1,000 hours)	21	21	14
All workers (number)	890	930	895
Total hours worked by all workers (1,000 hours)	1,455	1,623	1,478
Hours worked per worker per year (hours)	1,635	1,745	1,651
Productivity (pounds per hour)	24.9	22.6	26.0

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

Note: Three U.S. producers (***) did not report employment data in their questionnaire responses. As such, staff estimated employment related data for these three companies based on reported production data.

Additionally, USDA/NASS collects data on number of apiary workers in the United States. According to USDA/NASS, the number of apiary workers increased from 23,000 in 2018 to 25,000 in 2019 (an 8.7 percent increase) and then decreased to 24,000 in 2020 for a net increase of 4.3 percent from 2018 to 2020.¹⁹

percent, unit labor costs increased by 3.2 percent, total workers increased by 0.6 percent, total hours worked by all workers increased by 1.6 percent, hours worked per worker per year increased by 1.0 percent, and productivity increased by 4.4 percent.

¹⁸ Non-compensated workers are self-employed and family farm members. Nine firms reported having non-compensated workers, and all firms reported having the same number of non-compensated workers in 2018, 2019, and 2020 except ***. ***. Thus, the total reported number of non-compensated workers decreased from 19 uncompensated workers in 2018 to 17 uncompensated workers in 2020, a reduction of 10.5 percent. Additionally, total hours worked by non-compensated workers decreased from 21,000 hours in 2018 to 14,000 hours in 2020, a reduction of 32.1 percent.

¹⁹ Data reported by USDA/NASS, accessed May 5, 2021. USDA/NASS apiary worker data represents number of paid and unpaid workers that worked with colonies, regardless of whether honey was harvested.

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

U.S. importers

The Commission issued importer questionnaires to 43 firms believed to import raw honey, as well as to the U.S. producers of raw honey identified in the petition and through staff research.¹ The Commission received usable questionnaire responses from 23 companies that reported quantities for each of the five subject countries equivalent to more than 90 percent of imports in 2020 under HTS statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, as well as quantities equivalent to approximately one half of imports from nonsubject sources. Table IV-1 lists all responding U.S. importers of raw honey from Argentina, Brazil, India, Ukraine, Vietnam and other sources, their locations, and their shares of U.S. imports, in 2020.

¹ The Commission issued questionnaires to those firms identified in the petition, along with firms that, based on a review of data from third-party sources, may have accounted for more than one percent of total imports under HTS statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065 in 2018-20.

Table IV-1
Raw honey: U.S. importers, their headquarters, and share of reported imports within source, by firm, 2020

Shares in percent

Firm	Headquarters	Argentina	Brazil	India	Ukraine	Vietnam
American Honey	El Centro, CA	***	***	***	***	***
Apis Nativa	Ararangua, Brazil, SC	***	***	***	***	***
Barkman	Hillsboro, KS	***	***	***	***	***
Bees Brothers	Coral Gables, FL	***	***	***	***	***
Best Food Supplies	Coral Gables, FL	***	***	***	***	***
Bloom Honey	Westlake Village, CA	***	***	***	***	***
Burleson's	Waxahachie, TX	***	***	***	***	***
CM Goettsche	Basking Ridge, NJ	***	***	***	***	***
Delta Food	Oceanside, CA	***	***	***	***	***
GloryBee	Eugene, OR	***	***	***	***	***
Honey Solutions	Baytown, TX	***	***	***	***	***
HoneyTree	Onsted, MI	***	***	***	***	***
Honeywheel	Gilbert, AZ	***	***	***	***	***
Impex	Tustin, CA	***	***	***	***	***
Lamex	Bloomington, MN	***	***	***	***	***
Odem	Rosemere, QC	***	***	***	***	***
Prairie	Hillsboro, KS	***	***	***	***	***
Pure Sweet Honey	Verona, WI	***	***	***	***	***
Queen of America	Bellevue, FL	***	***	***	***	***
Sarah Impex	Greene Brook, NJ	***	***	***	***	***
Smitty Bee Honey	Defiance, IA	***	***	***	***	***
Sunland Trading	New Canaan, CT	***	***	***	***	***
Sweet Harvest Foods	Cannon Falls, MN	***	***	***	***	***
All firms	Various	100.0	100.0	100.0	100.0	100.0

Table continued on next page.

Table IV-1 continued

Raw honey: U.S. importers, their headquarters, and share of reported imports within source, by firm, 2020

Shares in percent

Firm	Headquarters	Subject sources	Nonsubject sources	All import sources
American Honey	El Centro, CA	***	***	***
Apis Nativa	Ararangua, Brazil, SC	***	***	***
Barkman	Hillsboro, KS	***	***	***
Bees Brothers	Coral Gables, FL	***	***	***
Best Food Supplies	Coral Gables, FL	***	***	***
Bloom Honey	Westlake Village, CA	***	***	***
Burleson's	Waxahachie, TX	***	***	***
CM Goettsche	Basking Ridge, NJ	***	***	***
Delta Food	Oceanside, CA	***	***	***
GloryBee	Eugene, OR	***	***	***
Honey Solutions	Baytown, TX	***	***	***
HoneyTree	Onsted, MI	***	***	***
Honeywheel	Gilbert, AZ	***	***	***
Impex	Tustin, CA	***	***	***
Lamex	Bloomington, MN	***	***	***
Odem	Rosemere, QC	***	***	***
Prairie	Hillsboro, KS	***	***	***
Pure Sweet Honey	Verona, WI	***	***	***
Queen of America	Belleview, FL	***	***	***
Sarah Impex	Grene Brook, NJ	***	***	***
Smitty Bee Honey	Defiance, IA	***	***	***
Sunland Trading	New Canaan, CT	***	***	***
Sweet Harvest Foods	Cannon Falls, MN	***	***	***
All firms	Various	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Data shown as "---" represents an item for which no information was reported, whether that be a true zero, null, or non-response.

U.S. imports

Table IV-2 and figure IV-1 present data for U.S. imports of raw honey from Argentina, Brazil, India, Ukraine, Vietnam and all other sources. U.S. imports by quantity from Argentina, Brazil, Ukraine, and Vietnam increased between 2018 and 2020, while total imports from India decreased. During 2018-20, imports from Argentina, Brazil, and Ukraine increased by 10.0 percent, 44.9 percent, and 33.0 percent, respectively, with most of the growth occurring in 2020. During 2018-19, imports from India increased by 13.6 percent but then decreased by 24.4 percent during 2019-20. During 2018-19, imports from Vietnam decreased by 5.6 percent but then increased by 36.6 percent during 2019-20. U.S. imports from combined subject sources increased by 14.7 percent during 2018-20. In contrast, the quantity of U.S. imports from nonsubject sources decreased by 42.3 percent during 2018-20, reflecting a 73.7 percent decrease in imports from Canada, the largest nonsubject source of imports. U.S. imports from all sources decreased by 4.3 percent during 2018-19 before increasing by 9.5 percent during 2019-20.² The share of imports by quantity from subject sources increased from 83.8 percent in 2018 to 91.8 percent in 2020. The ratio of imports from subject sources to U.S. production increased from 215.9 percent in 2018 to 258.3 percent in 2020.

Unit values for imports from Argentina decreased by 7.2 percent during 2018-19 and then increased by 6.3 percent during 2019-20. During 2018-20, unit values for imports from Brazil, India, Ukraine, and Vietnam decreased by 38.4 percent, 10.0 percent, 11.3 percent, and 14.2 percent respectively. Unit values for combined subject sources decreased by 15.4 percent during 2018-20 while unit values for combined nonsubject sources increased by 13.3 percent during the same time period.

² This total includes re-exports for which the country is not identified. Such re-exports were equivalent to less than two percent of total U.S. imports for consumption in each year between 2018 and 2020.

Table IV-2
Raw Honey: U.S. imports, by source and by period

Quantity in 1,000 pounds; Value in 1,000 dollars

Source	Measure	2018	2019	2020
Argentina	Quantity	79,839	80,382	87,829
Brazil	Quantity	52,009	52,607	75,371
India	Quantity	96,215	109,312	82,586
Ukraine	Quantity	18,168	19,051	24,161
Vietnam	Quantity	86,325	81,526	111,356
Subject sources	Quantity	332,556	342,879	381,303
Canada	Quantity	33,217	17,010	8,732
All other sources	Quantity	36,702	25,143	31,646
Nonsubject sources	Quantity	69,919	42,153	40,378
All import sources	Quantity	402,475	385,033	421,681
Re-exports	Quantity	5,838	7,159	6,127
All import sources, net of re-exports	Quantity	396,637	377,873	415,554
Argentina	Value	89,457	83,588	97,059
Brazil	Value	81,982	58,015	73,220
India	Value	81,013	86,271	62,602
Ukraine	Value	17,067	17,381	20,139
Vietnam	Value	61,769	52,830	68,358
Subject sources	Value	331,287	298,085	321,378
Canada	Value	46,982	24,355	13,098
All other sources	Value	66,793	53,592	61,377
Nonsubject sources	Value	113,775	77,947	74,475
All import sources	Value	445,062	376,032	395,853
Re-exports	Value	7,168	8,880	7,210
All import sources, net of re-exports	Value	437,894	367,152	388,643

Table continued on next page.

Table IV-2 continued
Raw honey: U.S. imports, by source and by period

Unit values in dollars per pound; Shares in percent

Source	Measure	2018	2019	2020
Argentina	Unit value	1.12	1.04	1.11
Brazil	Unit value	1.58	1.10	0.97
India	Unit value	0.84	0.79	0.76
Ukraine	Unit value	0.94	0.91	0.83
Vietnam	Unit value	0.72	0.65	0.61
Subject sources	Unit value	1.00	0.87	0.84
Canada	Unit value	1.41	1.43	1.50
All other sources	Unit value	1.82	2.13	1.94
Nonsubject sources	Unit value	1.63	1.85	1.84
All import sources	Unit value	1.11	0.98	0.94
Re-exports	Unit value	1.23	1.24	1.18
All import sources, net of re-exports	Unit value	1.10	0.97	0.94
Argentina	Share of quantity	20.1	21.3	21.1
Brazil	Share of quantity	13.1	13.9	18.1
India	Share of quantity	24.3	28.9	19.9
Ukraine	Share of quantity	4.6	5.0	5.8
Vietnam	Share of quantity	21.8	21.6	26.8
Subject sources	Share of quantity	83.8	90.7	91.8
Canada	Share of quantity	8.4	4.5	2.1
All other sources	Share of quantity	9.3	6.7	7.6
Nonsubject sources	Share of quantity	17.6	11.2	9.7
All import sources	Share of quantity	101.5	101.9	101.5
Re-exports	Share of quantity	1.5	1.9	1.5
All import sources, net of re-exports	Share of quantity	100.0	100.0	100.0

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Table IV-2 continued
Raw honey: U.S. imports, by source and by period

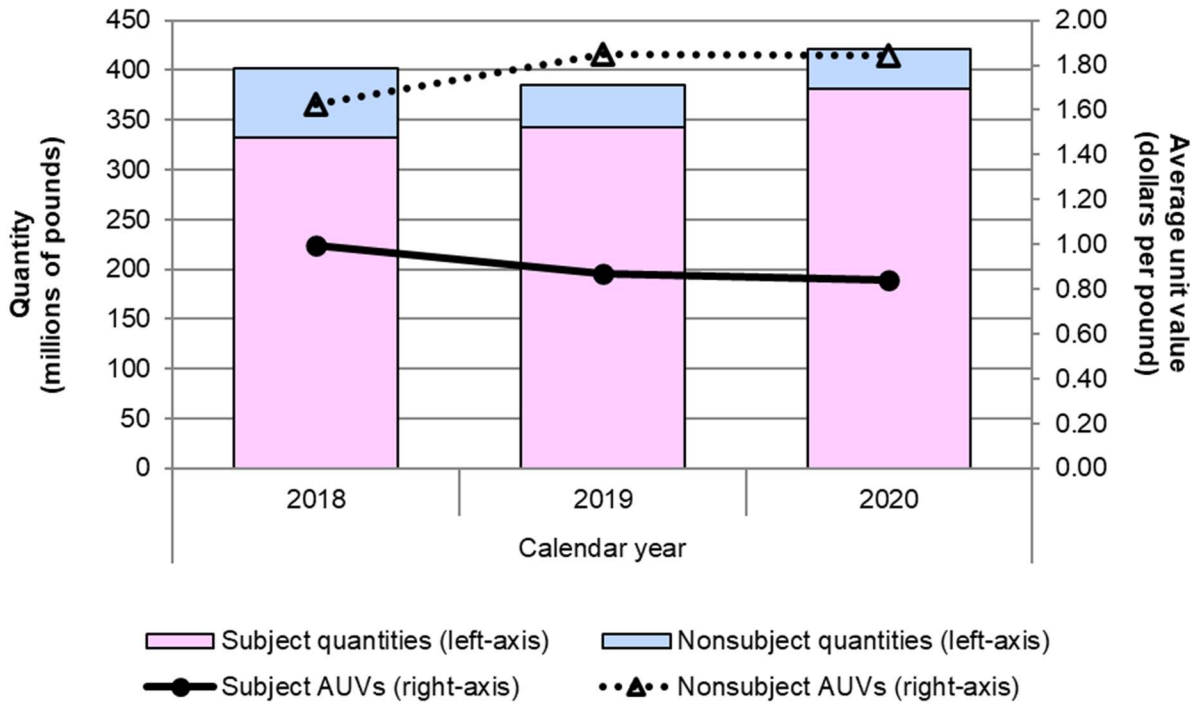
Shares and ratios in percent; Ratios represent ratio of U.S. production

Source	Measure	2018	2019	2020
Argentina	Share of value	20.4	22.8	25.0
Brazil	Share of value	18.7	15.8	18.8
India	Share of value	18.5	23.5	16.1
Ukraine	Share of value	3.9	4.7	5.2
Vietnam	Share of value	14.1	14.4	17.6
Subject sources	Share of value	75.7	81.2	82.7
Canada	Share of value	10.7	6.6	3.4
All other sources	Share of value	15.3	14.6	15.8
Nonsubject sources	Share of value	26.0	21.2	19.2
All import sources	Share of value	101.6	102.4	101.9
Re-exports	Share of value	1.6	2.4	1.9
All import sources, net of re-exports	Share of value	100.0	100.0	100.0
Argentina	Ratio	51.8	51.2	59.5
Brazil	Ratio	33.8	33.5	51.1
India	Ratio	62.5	69.7	56.0
Ukraine	Ratio	11.8	12.1	16.4
Vietnam	Ratio	56.1	52.0	75.4
Subject sources	Ratio	215.9	218.5	258.3
Canada	Ratio	21.6	10.8	5.9
All other sources	Ratio	23.8	16.0	21.4
Nonsubject sources	Ratio	45.4	26.9	27.4
All import sources	Ratio	261.3	245.4	285.7
Re-exports	Ratio	3.8	4.6	4.2
All import sources, net of re-exports	Ratio	257.5	240.8	281.6

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics are based on foreign-origin exports (also known as re-exports).

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Data shown as "---" represents an item for which no information was reported, whether that be a true zero, null, or non-numeric response. Both the share of quantity and value for all import sources are greater than 100.0 due to the adjustment to remove foreign-origin exports (re-exports).

Figure IV-1
Raw honey: U.S. import quantities and average unit values, by period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.³ 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.⁴ Imports from Argentina, Brazil, India, Ukraine, and Vietnam accounted for 91.0 percent of total imports of raw honey by quantity during April 2020 through March 2021, with country specific shares ranging from 6.1 percent (Ukraine) to 26.1 percent (Vietnam).

Table IV-3

Raw honey: U.S. imports in the twelve-month period preceding the filing of the petition, April 2020 through March 2021

Quantity in 1,000 pounds; share of quantity in percent

Source	Quantity	Share of quantity
Argentina	89,288	20.3
Brazil	84,709	19.3
India	84,193	19.2
Ukraine	26,975	6.1
Vietnam	114,560	26.1
All other sources	39,424	9.0
All import sources	439,149	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed May 7, 2021. U.S. import statistics are based on imports for consumption.

³ 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)).

⁴ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

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.

Fungibility

Table IV-4 and figure IV-2 present data for U.S. shipments of raw honey by color and source in 2020. In 2020, U.S. producers reported U.S. shipments of raw honey in all four colors. The largest share of U.S. producers' U.S. shipments was in white or lighter, 14.8 million pounds (54.1 percent), while the smallest share of U.S. producers' U.S. shipments was for amber or darker honey, 474,966 pounds (1.7 percent). U.S. importers reported U.S. shipments in all four colors for imports of raw honey from Argentina, Brazil, and India but reported no U.S. shipments of amber or darker raw honey for imports from Ukraine and no U.S. shipments of white or lighter raw honey for imports from Vietnam. U.S. imports from Vietnam accounted for *** of U.S. shipments of amber or darker raw honey.

Table IV-4
Raw honey: Quantity of U.S. producers' and U.S. importers' U.S. shipments, by color and by source, 2020

Quantity in 1,000 pounds

Source	White or lighter	Extra light amber	Light amber	Amber or darker	All colors
U.S. producers	14,830	5,615	6,498	475	27,418
Argentina	***	***	***	***	***
Brazil	***	***	***	***	***
India	***	***	***	***	***
Ukraine	***	***	***	---	***
Vietnam	---	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	43,146	129,293	185,260	42,390	400,089
All sources	57,976	134,908	191,758	42,865	427,507

Table continued on next page.

Table IV-4 continued

Raw honey: Share of U.S. producers' and U.S. importers' U.S. shipments within sources by color, 2020

Share across in percent

Source	White or lighter	Extra light amber	Light amber	Amber or darker	All colors
U.S. producers	54.1	20.5	23.7	1.7	100.0
Argentina	***	***	***	***	100.0
Brazil	***	***	***	***	100.0
India	***	***	***	***	100.0
Ukraine	***	***	***	---	100.0
Vietnam	---	***	***	***	100.0
Subject sources	***	***	***	***	100.0
Nonsubject sources	***	***	***	***	100.0
All import sources	10.8	32.3	46.3	10.6	100.0
All sources	13.6	31.6	44.9	10.0	100.0

Table IV-4 continued

Raw honey: Share of U.S. producers' and U.S. importers' U.S. shipments within color by source, 2020

Share down in percent

Source	White or lighter	Extra light amber	Light amber	Amber or darker	All colors
U.S. producers	25.6	4.2	3.4	1.1	6.4
Argentina	***	***	***	***	***
Brazil	***	***	***	***	***
India	***	***	***	***	***
Ukraine	***	***	***	---	***
Vietnam	---	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	74.4	95.8	96.6	98.9	93.6
All sources	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Data shown as "---" represents an item for which no useable information was reported, whether that be a true zero, null, or non-numeric response.

Figure IV-2
Raw honey: U.S. producers' and U.S. importers' U.S. shipments, by color and by source, 2020

* * * * *

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

Table IV-5 and figure IV-3 present data for U.S. shipments of raw honey by product type and source in 2020. In 2020, U.S. producers reported U.S. shipments of both organic raw honey, 1.6 million pounds (5.7 percent), and conventional raw honey, 25.8 million pounds (94.3 percent). U.S. importers reported U.S. shipments of both organic and conventional raw honey from all subject sources however the large majority of U.S. shipments of imports from Brazil were organic while the large majority of U.S. shipments of imports from all other subject sources were conventional.

Table IV-5
Raw honey: Quantity of U.S. producers' shipments and U.S. imports, by certification and source, 2020

Quantity in 1,000 pounds

Source	Organic	Conventional	All types
U.S. producers	1,576	25,842	27,418
Argentina	3,854	83,975	87,829
Brazil	65,844	9,528	75,371
India	2,612	79,973	82,586
Ukraine	1,216	22,946	24,161
Vietnam	502	110,854	111,356
Subject sources	74,028	307,276	381,303
Nonsubject sources	6,560	33,817	40,378
All import sources	80,588	341,093	421,681
All sources	82,164	366,935	449,099

Table IV-5 continued
Raw honey: Share of U.S. producers' shipments and U.S. imports, by certification and source, 2020

Share across in percent

Source	Organic	Conventional	All types
U.S. producers	5.7	94.3	100.0
Argentina	4.4	95.6	100.0
Brazil	87.4	12.6	100.0
India	3.2	96.8	100.0
Ukraine	5.0	95.0	100.0
Vietnam	0.5	99.5	100.0
Subject sources	19.4	80.6	100.0
Nonsubject sources	16.2	83.8	100.0
All import sources	19.1	80.9	100.0
All sources	18.3	81.7	100.0

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Table IV-5 continued

Raw honey: Share of U.S. producers' shipments and U.S. imports, by certification and source, 2020

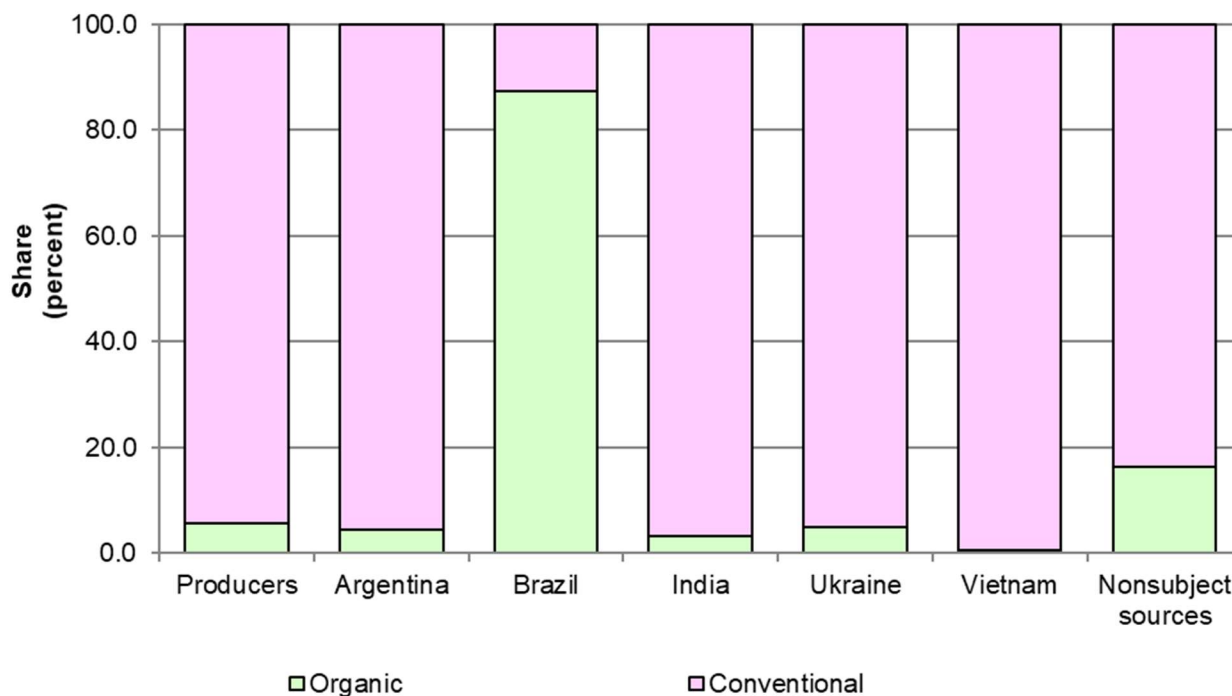
Share down in percent

Source	Organic	Conventional	All types
U.S. producers	1.9	7.0	6.1
Argentina	4.7	22.9	19.6
Brazil	80.1	2.6	16.8
India	3.2	21.8	18.4
Ukraine	1.5	6.3	5.4
Vietnam	0.6	30.2	24.8
Subject sources	90.1	83.7	84.9
Nonsubject sources	8.0	9.2	9.0
All import sources	98.1	93.0	93.9
All sources	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires, and official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Figure IV-3

Raw honey: U.S. producers' shipments and U.S. imports, by certification and source, 2020



Source: Compiled from data submitted in response to Commission questionnaires, and official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Geographical markets

U.S. imports from each subject source entered through all four border entries in 2020. The most common border of entry was through the South for imports from Ukraine and through the East for imports from all other subject sources. The least common border of entry for imports from Argentina, Brazil, and Ukraine was through the North while the least common border of entry for imports from India and Vietnam were through the South and West respectively.

Table IV-6
Raw honey: Quantity of U.S. imports by border of entry, 2020

Quantity in 1,000 pounds

Source	East	North	South	West	All borders
Argentina	56,059	778	29,554	1,438	87,829
Brazil	38,582	3,030	30,402	3,358	75,371
India	35,976	28,105	6,735	11,770	82,586
Ukraine	8,818	2,320	8,991	4,031	24,161
Vietnam	34,403	26,343	26,030	24,579	111,356
Subject sources	173,838	60,575	101,713	45,176	381,303
Canada	656	8,001	---	75	8,732
All other sources	11,962	891	15,239	3,555	31,646
Nonsubject sources	12,617	8,892	15,239	3,629	40,378
All import sources	186,456	69,467	116,952	48,806	421,681

Table IV-6 continued
Raw honey: Quantity of U.S. imports by border of entry, 2020

Share across in percent

Source	East	North	South	West	All borders
Argentina	63.8	0.9	33.6	1.6	100.0
Brazil	51.2	4.0	40.3	4.5	100.0
India	43.6	34.0	8.2	14.3	100.0
Ukraine	36.5	9.6	37.2	16.7	100.0
Vietnam	30.9	23.7	23.4	22.1	100.0
Subject sources	45.6	15.9	26.7	11.8	100.0
Canada	7.5	91.6	---	0.9	100.0
All other sources	37.8	2.8	48.2	11.2	100.0
Nonsubject sources	31.2	22.0	37.7	9.0	100.0
All import sources	44.2	16.5	27.7	11.6	100.0

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Table IV-6 continued
Raw honey: Quantity of U.S. imports by border of entry, 2020

Share down in percent

Source	East	North	South	West	All borders
Argentina	30.1	1.1	25.3	2.9	20.8
Brazil	20.7	4.4	26.0	6.9	17.9
India	19.3	40.5	5.8	24.1	19.6
Ukraine	4.7	3.3	7.7	8.3	5.7
Vietnam	18.5	37.9	22.3	50.4	26.4
Subject sources	93.2	87.2	87.0	92.6	90.4
Canada	0.4	11.5	---	0.2	2.1
All other sources	6.4	1.3	13.0	7.3	7.5
Nonsubject sources	6.8	12.8	13.0	7.4	9.6
All import sources	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Note: Data shown as "---" represents an item for which no information was reported, whether that be a true zero, null, or non-numeric response.

Presence in the market

Table IV-7, figure IV-4 and figure IV-5 present data on the monthly entries of U.S. imports of raw honey by source during January 2018 through March 2021. Imports from all subject sources were present in every month during January 2018 through March 2021

Table IV-7
Raw honey: U.S. imports, by source and by month

Quantity in 1,000 pounds

Year	Month	Argentina	Brazil	India	Ukraine	Vietnam
2018	January	1,894	3,607	2,805	1,959	5,389
2018	February	2,163	3,777	2,895	843	2,908
2018	March	4,211	2,192	5,500	167	3,202
2018	April	5,351	3,757	11,599	875	3,607
2018	May	10,963	5,864	15,516	541	4,987
2018	June	4,614	2,823	11,686	541	6,078
2018	July	9,938	4,611	9,462	888	7,850
2018	August	6,296	6,453	8,479	547	10,157
2018	September	4,774	5,809	5,926	1,422	9,001
2018	October	16,373	4,105	6,611	4,229	12,417
2018	November	9,098	4,635	6,787	2,658	12,859
2018	December	4,165	4,376	8,949	3,498	7,870
2019	January	5,553	4,271	7,021	3,747	7,919
2019	February	3,227	3,325	3,844	2,653	5,300
2019	March	4,667	3,349	7,983	1,180	3,705
2019	April	9,290	3,088	13,545	2,928	4,033
2019	May	8,143	3,424	15,729	2,128	4,251
2019	June	7,866	3,548	8,028	1,050	5,711
2019	July	6,526	6,266	8,087	1,010	8,667
2019	August	5,635	5,203	9,764	928	9,510
2019	September	6,975	5,799	8,370	773	6,573
2019	October	7,588	4,482	8,739	1,601	9,823
2019	November	8,216	5,692	10,179	463	6,537
2019	December	6,696	4,160	8,023	591	9,497
2020	January	6,756	4,695	8,191	684	10,366
2020	February	4,254	3,268	7,048	2,477	5,929
2020	March	7,059	6,545	5,511	1,097	3,719
2020	April	8,404	6,347	6,031	2,940	8,834
2020	May	10,943	6,918	6,023	3,169	11,765
2020	June	8,114	6,396	6,391	3,612	9,610
2020	July	7,909	8,039	5,610	1,752	8,392
2020	August	8,335	7,822	7,211	749	11,718
2020	September	6,621	8,657	13,518	173	10,730
2020	October	7,741	5,878	5,338	1,136	9,475
2020	November	5,912	5,187	4,728	1,388	9,887
2020	December	5,781	5,622	6,985	4,984	10,932
2021	January	4,546	5,977	6,183	2,479	9,308
2021	February	6,490	8,950	4,346	2,057	7,480
2021	March	8,491	8,917	11,829	2,536	6,430

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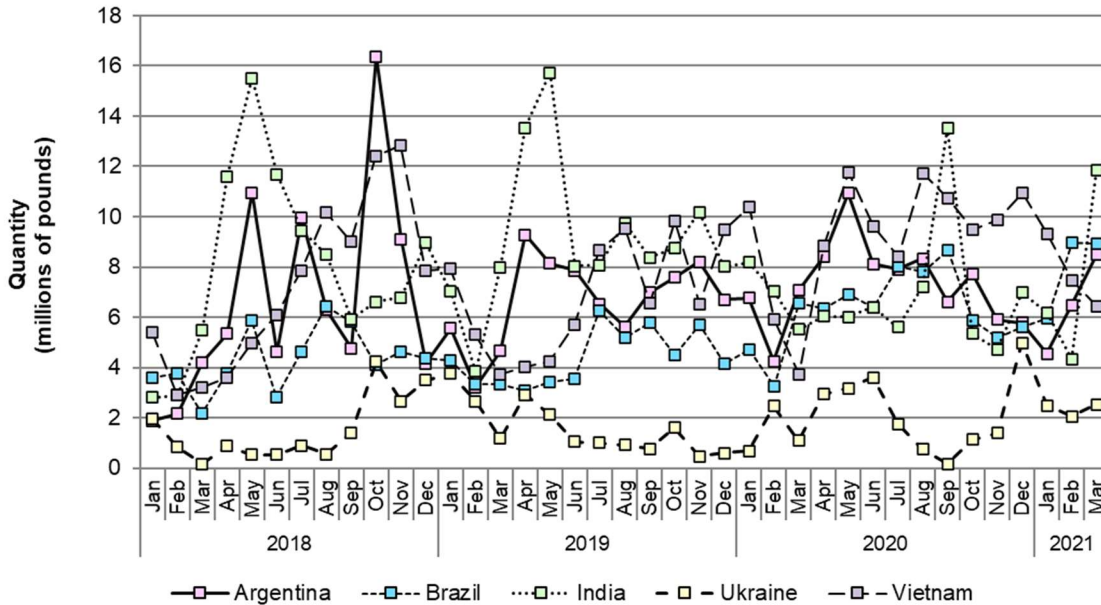
Table IV-7 continued
Raw honey: U.S. imports, by source and by month

Quantity in 1,000 pounds

Year	Month	Subject sources	Canada	All other sources	Nonsubject sources	All import sources
2018	January	15,654	2,049	3,822	5,871	21,525
2018	February	12,586	2,602	2,603	5,205	17,791
2018	March	15,272	4,220	2,903	7,123	22,395
2018	April	25,187	3,137	2,484	5,621	30,809
2018	May	37,870	2,939	3,734	6,674	44,544
2018	June	25,742	2,219	4,647	6,865	32,607
2018	July	32,749	2,837	2,560	5,397	38,146
2018	August	31,932	3,164	2,607	5,772	37,704
2018	September	26,932	1,876	2,600	4,477	31,409
2018	October	43,735	4,272	2,763	7,035	50,770
2018	November	36,037	2,923	2,948	5,871	41,908
2018	December	28,859	978	3,031	4,009	32,868
2019	January	28,510	1,346	1,942	3,287	31,798
2019	February	18,350	2,064	1,897	3,962	22,312
2019	March	20,884	2,185	1,649	3,833	24,717
2019	April	32,884	1,898	2,344	4,242	37,126
2019	May	33,675	1,080	2,524	3,604	37,278
2019	June	26,203	1,279	3,066	4,344	30,548
2019	July	30,555	939	2,359	3,297	33,853
2019	August	31,040	1,865	2,279	4,144	35,184
2019	September	28,491	1,025	1,479	2,504	30,995
2019	October	32,233	1,051	2,096	3,147	35,380
2019	November	31,087	924	1,750	2,675	33,762
2019	December	28,967	1,357	1,757	3,114	32,081
2020	January	30,693	519	2,289	2,808	33,501
2020	February	22,975	826	1,668	2,494	25,470
2020	March	23,930	991	2,498	3,490	27,420
2020	April	32,555	435	2,374	2,809	35,364
2020	May	38,817	506	2,635	3,140	41,958
2020	June	34,123	369	2,565	2,934	37,057
2020	July	31,702	82	3,609	3,691	35,394
2020	August	35,833	1,788	3,342	5,130	40,963
2020	September	39,699	1,375	2,964	4,340	44,038
2020	October	29,568	933	2,721	3,654	33,222
2020	November	27,102	465	3,136	3,601	30,703
2020	December	34,304	443	1,845	2,287	36,592
2021	January	28,493	326	2,325	2,651	31,144
2021	February	29,323	391	1,954	2,345	31,668
2021	March	38,204	172	2,670	2,843	41,046

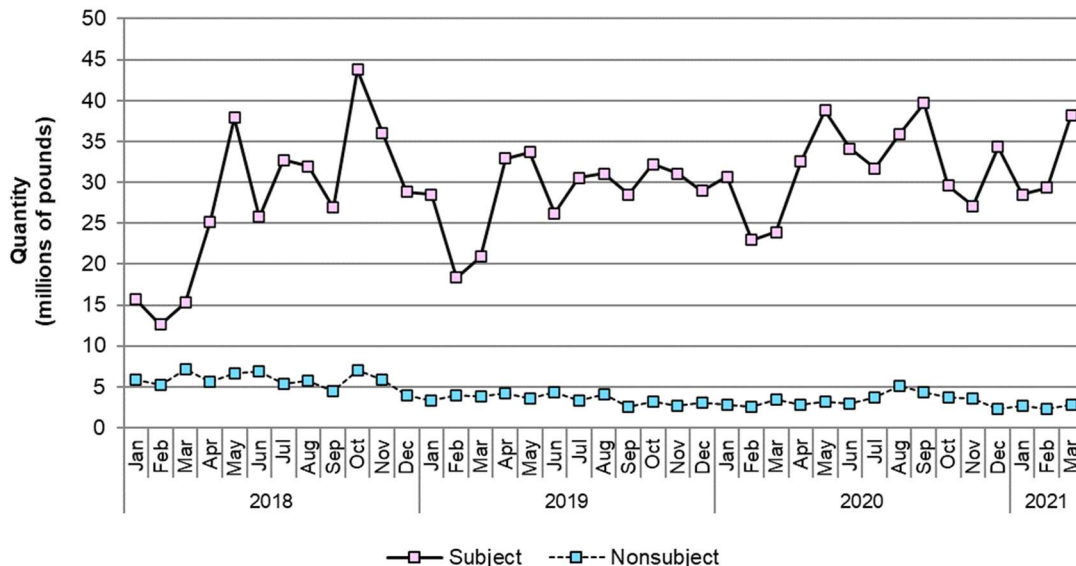
Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Figure IV-4
Raw honey: U.S. imports from individual subject sources, by month



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Figure IV-5
Raw honey: U.S. imports from aggregated subject and nonsubject sources, by month



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021. U.S. import statistics are based on imports for consumption.

Apparent U.S. consumption

Table IV-8 and figure IV-6 present data on apparent U.S. consumption (total market) for raw honey. During 2018-19, apparent U.S. consumption decreased by 16.3 million pounds (3.0 percent) while U.S. producers' U.S. shipments increased by 2.4 million pounds (1.6 percent), U.S. shipments of imports from subject sources increased by 10.3 million pounds (3.1 percent), and U.S. shipments of imports from nonsubject sources decreased by 27.8 million pounds (39.7 percent). During 2019-20, apparent U.S. consumption increased by 26.1 million pounds (4.9 percent) while U.S. producers' U.S. shipments decreased by 11.5 million pounds (7.5 percent), U.S. shipments of imports from subject sources increased by 38.4 million pounds (11.2 percent), and U.S. shipments of imports from nonsubject sources decreased by 1.8 million pounds (4.2 percent).

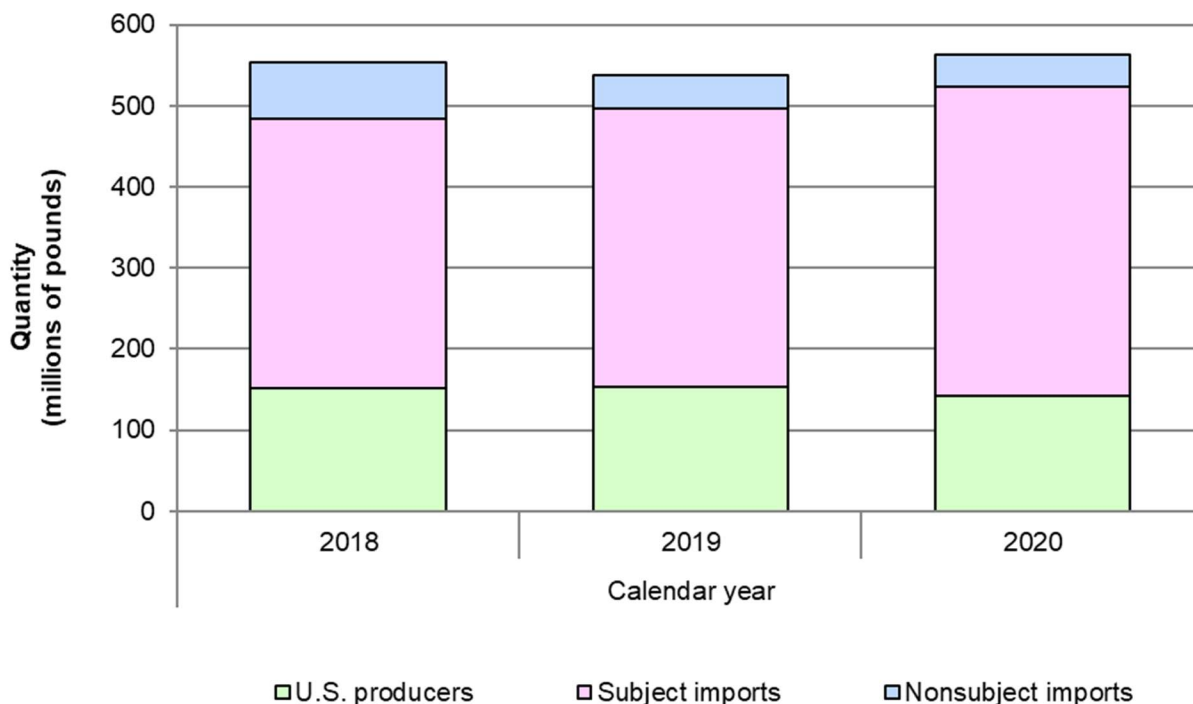
Table IV-8
Raw honey: Apparent U.S. consumption, total market by source and by period

Quantity in 1,000 pounds; Value in 1,000 dollars

Source	Measure	2018	2019	2020
U.S. producers	Quantity	150,778	153,222	141,689
Argentina	Quantity	79,839	80,382	87,829
Brazil	Quantity	52,009	52,607	75,371
India	Quantity	96,215	109,312	82,586
Ukraine	Quantity	18,168	19,051	24,161
Vietnam	Quantity	86,325	81,526	111,356
Subject sources	Quantity	332,556	342,879	381,303
Canada	Quantity	33,217	17,010	8,732
All other sources	Quantity	36,702	25,143	31,646
Nonsubject sources	Quantity	69,919	42,153	40,378
All import sources	Quantity	402,475	385,033	421,681
Re-exports	Quantity	5,838	7,159	6,127
All import sources, net of re-exports	Quantity	396,637	377,873	415,554
All sources	Quantity	547,415	531,096	557,243
U.S. producers	Value	335,134	307,192	291,257
Argentina	Value	89,457	83,588	97,059
Brazil	Value	81,982	58,015	73,220
India	Value	81,013	86,271	62,602
Ukraine	Value	17,067	17,381	20,139
Vietnam	Value	61,769	52,830	68,358
Subject sources	Value	331,287	298,085	321,378
Canada	Value	46,982	24,355	13,098
All other sources	Value	66,793	53,592	61,377
Nonsubject sources	Value	113,775	77,947	74,475
All import sources	Value	445,062	376,032	395,853
Re-exports	Value	7,168	8,880	7,210
All import sources, net of re-exports	Value	437,894	367,152	388,643
All sources	Value	773,028	674,344	679,899

Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics (shown in the table) are based on foreign-origin exports (also known as re-exports). Re-exports are shown separately since those statistics are not broken out by the original country of origin when exported. Domestic exports (not shown separately in the table) are, however, netted out of the NASS data used for U.S. producers.

Figure IV-6
Raw honey: Apparent U.S. consumption, total market by source and by period



Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption. Domestic exports (not shown separately in the figure) are, however, netted out of the NASS data used for U.S. producers.

Note: The figure may overstate the level of overall consumption as re-exports are not netted out of the subject and nonsubject categories. Foreign-origin exports (re-exports) are not reported by the U.S. Department of Commerce broken out by the individual source of original importation.

Table IV-9 and figure IV-7 present data on apparent U.S. consumption (merchant market) for raw honey. During 2018-19, apparent U.S. consumption decreased by 14.2 million pounds (2.7 percent) while U.S. producers' U.S. shipments increased by 4.6 million pounds (3.6 percent), U.S. shipments of imports from subject sources increased by 3.1 million pounds (3.8 percent), and U.S. shipments of imports from nonsubject sources decreased by 27.8 million pounds (39.7 percent). During 2019-20, apparent U.S. consumption increased by 24.2 million pounds (4.8 percent) while U.S. producers' U.S. shipments decreased by 13.5 million pounds (10.2 percent), U.S. shipments of imports from subject sources increased by 38.4 million pounds (11.2 percent), and U.S. shipments of imports from nonsubject sources decreased by 1.8 million pounds (4.2 percent).

Table IV-9
Raw honey: Apparent U.S. consumption, merchant market, by source and by period

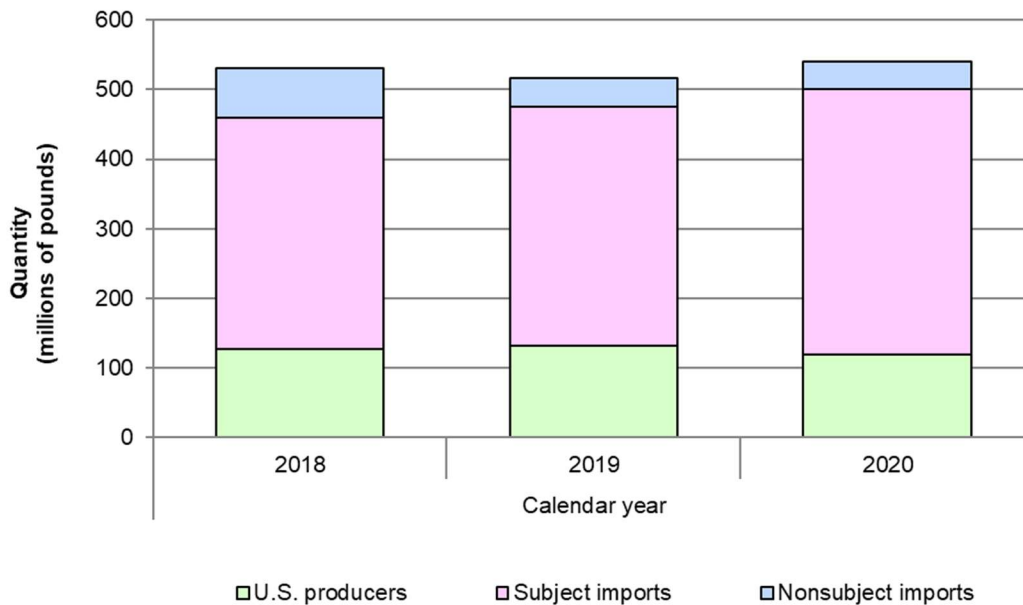
Quantity in 1,000 pounds; Value in 1,000 dollars

Source	Measure	2018	2019	2020
U.S. producers	Quantity	127,557	132,103	118,648
Argentina	Quantity	79,839	80,382	87,829
Brazil	Quantity	52,009	52,607	75,371
India	Quantity	96,215	109,312	82,586
Ukraine	Quantity	18,168	19,051	24,161
Vietnam	Quantity	86,325	81,526	111,356
Subject sources	Quantity	332,556	342,879	381,303
Canada	Quantity	33,217	17,010	8,732
All other sources	Quantity	36,702	25,143	31,646
Nonsubject sources	Quantity	69,919	42,153	40,378
All import sources	Quantity	402,475	385,033	421,681
Re-exports	Quantity	5,838	7,159	6,127
All import sources, net of re-exports	Quantity	396,637	377,873	415,554
All sources	Quantity	524,194	509,977	534,202
U.S. producers	Value	294,372	273,589	257,312
Argentina	Value	89,457	83,588	97,059
Brazil	Value	81,982	58,015	73,220
India	Value	81,013	86,271	62,602
Ukraine	Value	17,067	17,381	20,139
Vietnam	Value	61,769	52,830	68,358
Subject sources	Value	331,287	298,085	321,378
Canada	Value	46,982	24,355	13,098
All other sources	Value	66,793	53,592	61,377
Nonsubject sources	Value	113,775	77,947	74,475
All import sources	Value	445,062	376,032	395,853
Re-exports	Value	7,168	8,880	7,210
All import sources, net of re-exports	Value	437,894	367,152	388,643
All sources	Value	732,266	640,741	645,955

Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics (shown in the table) are based on foreign-origin exports (also known as re-exports). Re-exports are shown separately since those statistics are not broken out by the original country of origin when exported. Domestic exports (not shown separately in the table) are, however, netted out of the NASS data used for U.S. producers.

Note: Commercial U.S. shipments for the merchant market are based on official U.S. agricultural statistics reported by NASS less the confirmed non-commercial U.S. shipment data from Commission questionnaires

Figure IV-7
Raw honey: Apparent U.S. consumption, merchant market, by source and by period



Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption. Domestic exports (not shown separately in the figure) are, however, netted out of the NASS data used for U.S. producers.

Note: Commercial U.S. shipments for the merchant market are based on official U.S. agricultural statistics reported by NASS less the confirmed non-commercial U.S. shipment data from Commission questionnaires

Note: The figure may overstate the level of overall consumption as re-exports are not netted out of the subject and nonsubject categories. Foreign-origin exports (re-exports) are not reported by the U.S. Department of Commerce broken out by the individual source of original importation.

U.S. market shares

U.S. market share (total market) data are presented in table IV-10. During 2018-19, U.S. producers' share of apparent U.S. consumption increased by 1.3 percentage points while subject source imports combined share of apparent U.S. consumption increased by 3.8 percentage points and nonsubject source imports combined share of apparent U.S. consumption decreased by 4.8 percentage points. During 2019-20, U.S. producers' share of apparent U.S. consumption decreased by 3.4 percentage points while subject source imports combined share of apparent U.S. consumption increased by 3.9 percentage points and nonsubject source imports combined share of apparent U.S. consumption decreased by 0.7 percentage points.

Table IV-10
Raw honey: Market shares, total market, by source and by period

Shares in percent

Source	Measure	2018	2019	2020
U.S. producers	Share of quantity	27.5	28.9	25.4
Argentina	Share of quantity	14.6	15.1	15.8
Brazil	Share of quantity	9.5	9.9	13.5
India	Share of quantity	17.6	20.6	14.8
Ukraine	Share of quantity	3.3	3.6	4.3
Vietnam	Share of quantity	15.8	15.4	20.0
Subject sources	Share of quantity	60.8	64.6	68.4
Canada	Share of quantity	6.1	3.2	1.6
All other sources	Share of quantity	6.7	4.7	5.7
Nonsubject sources	Share of quantity	12.8	7.9	7.2
All import sources	Share of quantity	73.5	72.5	75.7
Re-exports	Share of quantity	1.1	1.3	1.1
All import sources, net of re-exports	Share of quantity	72.5	71.1	74.6
All sources	Share of quantity	100.0	100.0	100.0
U.S. producers	Share of value	43.4	45.6	42.8
Argentina	Share of value	11.6	12.4	14.3
Brazil	Share of value	10.6	8.6	10.8
India	Share of value	10.5	12.8	9.2
Ukraine	Share of value	2.2	2.6	3.0
Vietnam	Share of value	8.0	7.8	10.1
Subject sources	Share of value	42.9	44.2	47.3
Canada	Share of value	6.1	3.6	1.9
All other sources	Share of value	8.6	7.9	9.0
Nonsubject sources	Share of value	14.7	11.6	11.0
All import sources	Share of value	57.6	55.8	58.2
Re-exports	Share of value	0.9	1.3	1.1
All import sources, net of re-exports	Share of value	56.6	54.4	57.2
All sources	Share of value	100.0	100.0	100.0

Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics (shown in the table) are based on foreign-origin exports (also known as re-exports). Re-exports are shown separately since those statistics are not broken out by the original country of origin when exported. Domestic exports (not shown separately in the table) are, however, netted out of the NASS data used for U.S. producers.

U.S. market share (merchant market) data are presented in table IV-11. During 2018-19, U.S. producers' share of apparent U.S. consumption increased by 1.6 percentage points while subject source imports combined share of apparent U.S. consumption increased by 3.8 percentage points and nonsubject source imports combined share of apparent U.S. consumption decreased by 5.1 percent. During 2019-20, U.S. producers' share of apparent U.S. consumption decreased by 3.7 percentage points while subject source imports combined share of apparent U.S. consumption increased by 4.1 percentage points and nonsubject source imports combined share of apparent U.S. consumption decreased by 0.7 percentage points.

Table IV-11
Raw honey: Market shares, merchant market, by source and by period

Shares in percent

Source	Measure	2018	2019	2020
U.S. producers	Share of quantity	24.3	25.9	22.2
Argentina	Share of quantity	15.2	15.8	16.4
Brazil	Share of quantity	9.9	10.3	14.1
India	Share of quantity	18.4	21.4	15.5
Ukraine	Share of quantity	3.5	3.7	4.5
Vietnam	Share of quantity	16.5	16.0	20.8
Subject sources	Share of quantity	63.4	67.2	71.4
Canada	Share of quantity	6.3	3.3	1.6
All other sources	Share of quantity	7.0	4.9	5.9
Nonsubject sources	Share of quantity	13.3	8.3	7.6
All import sources	Share of quantity	76.8	75.5	78.9
Re-exports	Share of quantity	1.1	1.4	1.1
All import sources, net of re-exports	Share of quantity	75.7	74.1	77.8
All sources	Share of quantity	100.0	100.0	100.0
U.S. producers	Share of value	40.2	42.7	39.8
Argentina	Share of value	12.2	13.0	15.0
Brazil	Share of value	11.2	9.1	11.3
India	Share of value	11.1	13.5	9.7
Ukraine	Share of value	2.3	2.7	3.1
Vietnam	Share of value	8.4	8.2	10.6
Subject sources	Share of value	45.2	46.5	49.8
Canada	Share of value	6.4	3.8	2.0
All other sources	Share of value	9.1	8.4	9.5
Nonsubject sources	Share of value	15.5	12.2	11.5
All import sources	Share of value	60.8	58.7	61.3
Re-exports	Share of value	1.0	1.4	1.1
All import sources, net of re-exports	Share of value	59.8	57.3	60.2
All sources	Share of value	100.0	100.0	100.0

Table continued on next page.

Table IV-11 continued
Raw honey: Market shares, merchant market, 2018-20

Source: Compiled from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics (shown in the table) are based on foreign-origin exports (also known as re-exports). Re-exports are shown separately since those statistics are not broken out by the original country of origin when exported. Domestic exports (not shown separately in the table) are, however, netted out of the NASS data used for U.S. producers.

Part V: Pricing data

Factors affecting prices

Raw material costs

The primary components of raw honey are fructose, glucose, and water, produced by honeybees.¹ To collect raw honey, beekeepers use stacked wooden “bee” boxes that contain bee colonies’ hives. Beekeepers then extract the raw honey from the boxes, with larger operations using a honey “extractor.” Extracted raw honey is sealed in 55-gallon drums for shipment.² Petitioners stated that prices of raw materials, including queen bees, bee feed, pollen supplements, and lumber, have increased since 2018. Additionally, petitioners stated that prices for diesel fuel for transportation and for labor have also increased.³

Most firms (25 of 47 U.S. responding producers and 11 of 21 importers)⁴ reported that raw material prices increased since January 1, 2018.⁵ U.S. producers identified rising costs for lumber, bee feed, fuel, and labor as the main factors contributing to increasing raw material prices. Importers reported that climate, freight costs, and the COVID-19 pandemic had all impacted raw material prices.

Transportation costs to the U.S. market

Transportation costs for raw honey shipped from the subject countries to the United States averaged 5.9 percent during 2020, and 3.2 percent for all nonsubject import sources. Transportation costs ranged from 3.7 percent for imports from Argentina to 11.9 percent for imports from Vietnam. These estimates were derived from official import data and represent the transportation and other charges on imports.⁶

¹ Petition, p. 10.

² Petition, p. 12.

³ Conference transcript, p. 100 (Hiatt).

⁴ Sixty-five usable U.S. producer questionnaire responses and 23 importer questionnaires were received, but not all firms responded to all questions. For more information, please see Part I.

⁵ Of the remaining U.S. producers, 13 reported decreasing raw material prices, 5 reported constant raw material prices, and 4 reported fluctuating raw material prices. Of the remaining U.S. importers, seven reported fluctuating raw material prices, two reported constant raw material prices, and one reported decreasing raw material prices.

⁶ The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2020 and then dividing by the customs value based on the HTS statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065. Accessed May 10, 2021.

U.S. inland transportation costs

Most responding U.S. producers (42 of 49 firms) reported that their purchasers typically arrange transportation, while most importers (10 of 14 firms) reported that they typically arrange transportation to their customers. U.S. producers reported that their U.S. inland transportation costs ranged from 1.5 percent to 5.0 percent, while importers reported costs of less than 0.1 percent to 15.0 percent, averaging approximately 8 percent.

Pricing practices

Pricing methods

U.S. producers and importers reported setting prices using primarily transaction-by-transaction negotiations, contracts, and other methods (table V-1). Among the firms that reported setting prices by other methods, firms mentioned selling to the Sioux Honey Association (“SHA”) or to other large honey packers that typically set the price. In particular, SHA members provide all of their honey to the cooperative (“co-op”). The co-op then pays an initial advance on delivery, followed by several installments throughout the year, with a final payment at the end of the summer.⁷

Table V-1

Raw honey: U.S. producers’ and importers’ reported price setting methods, count

Number of firms reporting

Method	U.S. producers	Importers
Transaction-by-transaction	25	10
Contract	12	13
Set price list	4	0
Other	22	2
Responding firms	53	16

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

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

U.S. producers reported selling mostly under short-term contracts or spot sales, although they reported that about one-quarter of sales were under annual or longer-term

⁷ Conference transcript, pp. 24-25 (Coy) and p. 101 (Mammen).

contracts.⁸ Importers reported selling the vast majority of their raw honey under short-term contracts (table V-2).

Table V-2
Raw honey: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2020

Share in percent

Method	U.S. producers	Importers
Long-term contracts	***	***
Annual contracts	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

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

Note: Because of rounding, figures may not add to the totals shown.

Among responding U.S. producers and importers, most firms reported that their short-term contracts do not allow for price renegotiation, that both quantity and price are fixed, and that prices are not indexed to raw materials. Seventeen U.S. producers reported that prices are set by SHA or by the packers,⁹ and petitioners stated that there is little negotiation between domestic raw honey producers and packers.¹⁰ Respondents stated that purchases from U.S. producers are generally spot purchases, while purchases from importers, in contrast, are generally made via contracts in which volume, price, and delivery schedule are defined.¹¹ Respondents also stated that foreign honey suppliers routinely service large contracts without supply interruption but U.S. producers typically only sell smaller quantities of honey at a time.¹²

Sales terms and discounts

Most firms offer no discounts, with most responding U.S. producers (38 of 45) and all 15 responding importers reporting no specific discount policy.

⁸ Ten of the 15 U.S. producers reporting sales through annual or long-term contracts are members of SHA.

⁹ U.S. producers *** reported that when they attempted to negotiate (or “set the price”), they were rejected.

¹⁰ Conference transcript, p. 48 (Luberda).

¹¹ Conference transcript, p. 102 (Mamment) and pp. 225-226 (Nubern and Wenger).

¹² Conference transcript, p. 150 (Stickevers), p. 162 (Sargeantson), pp. 167-168, 226 (Wenger), and pp. 172-173 (Martin).

Price data

The U.S. Department of Agriculture’s Agricultural Marketing Service (“USDA/AMS”) publishes monthly domestic and import prices in the National Honey Report.¹³ The National Honey Report publishes prices by color, floral source, and U.S. state or import country, and presents either a single price or a low and high price depending on the number of transactions in that month. Staff calculated simple averages for each month, by origin and color, by dividing the sum of prices by the number of observations. The National Honey Report does not have quantities associated with each price or price range; therefore, staff are unable to calculate weighted average prices. Price ranges are presented in Appendix E.

Price data calculated by staff from USDA/AMS National Honey Report data for the following four raw honey products are presented in tables V-3 to V-6 and figures V-1 to V-4.¹⁴

Product 1. White honey (0 – 34 mm).¹⁵

Product 2. Extra light amber honey (35 – 50 mm).

Product 3. Light amber honey (51 – 85 mm).

Product 4. Amber honey (greater than 86 mm).

¹³ The National Honey Report states that the data are generally for volumes of 10,000 pounds or greater. Domestic prices presented are for “prices paid to beekeepers for extracted, unprocessed honey in major producing states by packers, handlers and other large users, cents per pound, f.o.b. or delivered nearby, containers exchanged or returned, prompt delivery & payment unless otherwise stated.” Import prices are “Prices paid to importers for bulk honey, duty paid, containers included, cents per pound, ex-dock or point of entry unless otherwise stated.”

¹⁴ These four pricing products match those recommended in the petition. Petition, p. 26.

¹⁵ Honey colors are measured on the Pfund scale. The Pfund grade is determined by how many millimeters (“mm”) that spot deviates from the far left of the chart. “The Color of Honey: No More Bickering,” Brendan I Koerner, New York Times, <https://www.nytimes.com/2005/07/31/business/yourmoney/the-color-of-honey-no-more-bickering.html>, July 31, 2005. Accessed May 27, 2021.

Table V-3**Raw honey: Prices of domestic and imported product 1 and margins of underselling/(overselling), by month, 2018-20**

Price in dollars per pound, margin in percent

Period	U.S. price	Argentina price	Argentina margin	Brazil price	Brazil margin	India price	India margin
2018 M01	2.11	1.38	34.9	1.95	7.7	---	---
2018 M02	2.09	1.35	35.5	2.06	1.5	---	---
2018 M03	2.13	1.82	14.2	1.95	8.2	0.93	56.2
2018 M04	2.25	1.56	30.5	1.70	24.4	0.97	57.0
2018 M05	2.27	1.29	43.2	1.72	24.3	0.95	58.3
2018 M06	2.18	1.32	39.5	1.84	15.8	0.99	54.8
2018 M07	2.63	1.31	50.2	1.70	35.4	0.99	62.5
2018 M08	2.16	1.31	39.3	---	---	0.92	57.4
2018 M09	1.96	1.25	36.3	1.66	15.4	0.99	49.8
2018 M10	1.91	1.28	33.1	1.71	10.3	0.94	50.7
2018 M11	1.89	1.28	32.4	---	---	0.94	50.4
2018 M12	1.89	1.23	34.8	1.99	(5.4)	0.94	50.5
2019 M01	1.90	1.23	35.4	---	---	---	---
2019 M02	1.79	1.24	30.8	1.30	27.5	0.94	47.6
2019 M03	2.01	1.23	39.2	---	---	---	---
2019 M04	2.60	1.18	54.6	---	---	0.87	66.5
2019 M05	1.99	1.18	40.9	---	---	0.83	58.2
2019 M06	2.09	1.17	44.3	---	---	0.83	60.4
2019 M07	1.97	1.17	40.6	---	---	0.84	57.5
2019 M08	1.90	1.14	40.4	1.47	22.8	0.82	57.2
2019 M09	1.76	1.13	35.9	---	---	0.82	53.3
2019 M10	1.84	1.13	38.4	---	---	0.83	54.9
2019 M11	1.73	1.13	34.9	---	---	0.83	52.1
2019 M12	1.82	1.13	38.1	1.75	4.0	0.79	56.7
2020 M01	1.76	1.15	34.9	---	---	0.83	52.9
2020 M02	1.57	1.16	25.7	---	---	0.78	50.2
2020 M03	1.55	1.16	25.2	0.96	38.1	---	---
2020 M04	1.53	1.19	22.3	---	---	---	---
2020 M05	1.71	1.19	30.5	---	---	---	---
2020 M06	1.69	1.29	23.5	---	---	0.85	49.9
2020 M07	1.64	1.29	21.4	---	---	0.82	50.0
2020 M08	1.72	1.31	24.1	---	---	0.79	54.4
2020 M09	1.68	1.27	24.6	---	---	0.75	55.5
2020 M10	1.60	1.30	18.7	1.16	27.3	0.74	54.0
2020 M11	1.65	1.32	19.8	1.51	8.8	---	---
2020 M12	1.64	1.37	16.2	1.63	0.7	---	---

Table continued on next page.

Table V-3 continued

Raw honey: Prices of domestic and imported product 1 and margins of underselling/(overselling), by month, 2018-20

Price in dollars per pound, margin in percent

Period	U.S. price	Ukraine price	Ukraine margin	Vietnam price	Vietnam margin	Subject price	Subject margin
2018 M01	2.11	---	---	---	---	1.66	21.3
2018 M02	2.09	---	---	---	---	1.71	18.5
2018 M03	2.13	---	---	---	---	1.63	23.2
2018 M04	2.25	---	---	---	---	1.39	38.3
2018 M05	2.27	---	---	---	---	1.25	45.1
2018 M06	2.18	1.01	53.6	---	---	1.24	43.0
2018 M07	2.63	1.04	60.4	---	---	1.27	51.7
2018 M08	2.16	1.07	50.7	---	---	1.13	47.5
2018 M09	1.96	---	---	---	---	1.29	34.5
2018 M10	1.91	---	---	---	---	1.23	35.6
2018 M11	1.89	1.03	45.4	---	---	1.13	40.1
2018 M12	1.89	1.01	46.5	---	---	1.22	35.3
2019 M01	1.90	0.98	48.4	---	---	1.10	41.9
2019 M02	1.79	---	---	---	---	1.13	36.8
2019 M03	2.01	---	---	---	---	1.23	39.2
2019 M04	2.60	---	---	---	---	1.03	60.6
2019 M05	1.99	---	---	---	---	0.95	52.4
2019 M06	2.09	0.93	55.6	---	---	0.99	53.0
2019 M07	1.97	0.93	52.7	---	---	0.99	49.8
2019 M08	1.90	---	---	---	---	1.07	43.6
2019 M09	1.76	---	---	---	---	0.98	44.6
2019 M10	1.84	---	---	---	---	1.03	43.9
2019 M11	1.73	0.95	45.1	---	---	1.01	41.8
2019 M12	1.82	---	---	---	---	1.12	38.7
2020 M01	1.76	---	---	---	---	0.99	43.9
2020 M02	1.57	0.96	38.7	---	---	1.02	35.1
2020 M03	1.55	0.91	41.6	---	---	1.01	34.9
2020 M04	1.53	0.93	39.6	---	---	1.06	30.9
2020 M05	1.71	0.92	46.3	---	---	1.06	38.4
2020 M06	1.69	0.89	47.2	---	---	1.01	40.2
2020 M07	1.64	0.90	45.0	---	---	0.96	41.6
2020 M08	1.72	0.91	47.1	---	---	1.08	37.4
2020 M09	1.68	---	---	---	---	1.10	34.9
2020 M10	1.60	---	---	---	---	1.12	29.7
2020 M11	1.65	---	---	---	---	1.41	14.3
2020 M12	1.64	0.85	48.1	---	---	1.37	16.4

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 1: White honey (0 – 34 mm).

Table V-4**Raw honey: Prices of domestic and imported product 2 and margins of underselling/(overselling), by month, 2018-20**

Price in dollars per pound, margin in percent

Period	U.S. price	Argentina price	Argentina margin	Brazil price	Brazil margin	India price	India margin
2018 M01	2.02	1.36	32.8	2.01	0.7	0.99	51.1
2018 M02	2.00	1.27	36.4	1.91	4.6	0.91	54.4
2018 M03	2.23	1.50	32.8	1.94	13.4	0.97	56.6
2018 M04	2.28	1.36	40.4	1.92	15.6	1.00	56.3
2018 M05	2.40	1.33	44.6	2.00	16.7	0.92	61.8
2018 M06	2.26	1.28	43.4	2.00	11.5	0.91	59.6
2018 M07	2.41	1.31	45.8	1.70	29.6	0.93	61.4
2018 M08	2.10	1.21	42.5	1.66	21.1	0.92	56.1
2018 M09	1.93	1.20	37.9	1.97	(2.0)	0.90	53.4
2018 M10	1.85	1.17	36.8	---	---	0.91	50.8
2018 M11	1.90	1.23	35.4	---	---	0.93	51.2
2018 M12	1.93	1.17	39.6	---	---	0.90	53.6
2019 M01	1.95	1.16	40.6	1.35	30.6	0.90	53.6
2019 M02	1.82	1.18	35.1	1.99	(9.5)	0.94	48.3
2019 M03	1.89	1.17	37.8	---	---	0.89	52.8
2019 M04	2.29	1.18	48.4	---	---	0.87	61.9
2019 M05	2.06	1.18	42.6	1.68	18.7	0.83	60.0
2019 M06	2.02	1.16	42.5	1.18	41.6	0.82	59.7
2019 M07	1.93	1.16	40.0	1.18	38.8	0.81	58.0
2019 M08	1.89	1.17	38.4	1.19	37.1	0.81	57.3
2019 M09	1.78	1.09	38.8	1.18	33.8	0.80	55.4
2019 M10	1.73	1.13	34.7	1.10	36.6	0.84	51.4
2019 M11	1.85	1.15	37.8	1.00	45.9	0.79	57.3
2019 M12	1.76	1.12	36.1	1.24	29.7	0.81	54.0
2020 M01	1.82	1.14	37.1	1.37	24.6	0.85	53.3
2020 M02	1.50	1.16	22.9	1.37	8.9	0.82	45.5
2020 M03	1.55	1.15	25.8	0.99	36.5	0.79	49.4
2020 M04	2.00	1.18	41.3	0.98	51.0	0.80	60.3
2020 M05	1.64	1.18	28.5	0.97	41.2	0.78	52.5
2020 M06	1.75	1.28	27.0	0.99	43.3	0.79	54.8
2020 M07	1.72	1.27	26.5	0.98	43.4	0.81	53.2
2020 M08	1.82	1.25	31.6	---	---	0.76	58.5
2020 M09	1.71	1.26	26.6	0.94	45.0	0.76	55.8
2020 M10	1.75	1.31	25.3	1.24	29.1	0.77	56.2
2020 M11	1.66	1.31	21.0	---	---	0.75	55.0
2020 M12	1.65	1.42	14.2	---	---	0.72	56.4

Table continued on next page.

Table V-4 continued

Raw honey: Prices of domestic and imported product 2 and margins of underselling/(overselling), by month, 2018-20

Price in dollars per pound, margin in percent

Period	U.S. price	Ukraine price	Ukraine margin	Vietnam price	Vietnam margin	Subject price	Subject margin
2018 M01	2.02	---	---	---	---	1.45	28.2
2018 M02	2.00	---	---	---	---	1.36	31.8
2018 M03	2.23	---	---	---	---	1.47	34.3
2018 M04	2.28	---	---	---	---	1.32	42.1
2018 M05	2.40	1.09	54.5	---	---	1.37	42.9
2018 M06	2.26	1.09	51.7	---	---	1.35	40.1
2018 M07	2.41	1.09	54.7	---	---	1.21	49.8
2018 M08	2.10	1.09	48.2	---	---	1.16	44.8
2018 M09	1.93	---	---	---	---	1.51	21.8
2018 M10	1.85	1.03	44.4	---	---	1.04	44.0
2018 M11	1.90	---	---	---	---	1.13	40.7
2018 M12	1.93	---	---	---	---	0.99	48.9
2019 M01	1.95	0.93	52.2	---	---	1.05	46.1
2019 M02	1.82	---	---	---	---	1.37	24.6
2019 M03	1.89	---	---	---	---	1.03	45.3
2019 M04	2.29	1.01	55.8	---	---	1.02	55.4
2019 M05	2.06	0.93	54.9	---	---	1.19	42.5
2019 M06	2.02	0.93	54.0	---	---	1.01	50.0
2019 M07	1.93	0.93	51.8	---	---	1.01	47.8
2019 M08	1.89	---	---	---	---	1.03	45.7
2019 M09	1.78	---	---	---	---	0.97	45.8
2019 M10	1.73	---	---	---	---	1.01	41.8
2019 M11	1.85	0.95	48.6	---	---	1.01	45.5
2019 M12	1.76	---	---	---	---	1.06	39.9
2020 M01	1.82	0.97	46.6	---	---	1.10	39.5
2020 M02	1.50	0.91	39.8	---	---	1.07	28.6
2020 M03	1.55	0.91	41.6	---	---	1.00	35.8
2020 M04	2.00	0.93	53.8	---	---	0.97	51.6
2020 M05	1.64	0.92	44.0	---	---	0.92	43.7
2020 M06	1.75	0.93	46.8	---	---	0.96	45.4
2020 M07	1.72	0.94	45.7	---	---	0.96	44.4
2020 M08	1.82	0.93	49.2	---	---	0.98	46.4
2020 M09	1.71	0.89	48.2	---	---	0.96	43.9
2020 M10	1.75	---	---	---	---	1.10	36.9
2020 M11	1.66	0.92	44.4	---	---	1.07	35.3
2020 M12	1.65	0.85	48.5	---	---	1.00	39.7

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 2: Extra light amber honey (35 – 50 mm).

Table V-5
Raw honey: Prices of domestic and imported product 3 and margins of underselling/(overselling),
by month, 2018-20

Price in dollars per pound, margin in percent

Period	U.S. price	Argentina price	Argentina margin	Brazil price	Brazil margin	India price	India margin
2018 M01	1.73	1.20	30.5	1.93	(11.5)	1.40	19.2
2018 M02	1.86	1.20	35.4	1.91	(2.6)	1.00	46.2
2018 M03	1.83	1.20	34.2	1.90	(4.1)	0.92	49.6
2018 M04	1.76	1.22	30.8	1.87	(6.5)	0.95	45.8
2018 M05	1.91	1.20	37.1	1.76	7.8	0.91	52.6
2018 M06	1.85	1.19	35.5	1.80	2.8	0.91	51.0
2018 M07	1.92	1.20	37.5	1.71	10.9	0.91	52.8
2018 M08	1.77	1.20	32.3	1.70	4.4	0.90	49.4
2018 M09	1.84	0.98	47.1	1.56	15.4	0.90	51.2
2018 M10	1.75	1.14	35.1	1.63	6.8	0.90	48.7
2018 M11	1.83	1.10	40.2	1.53	16.8	0.92	50.1
2018 M12	1.81	1.12	38.1	1.68	7.2	0.89	50.8
2019 M01	1.80	1.07	40.7	1.32	26.8	0.90	50.1
2019 M02	1.75	1.04	40.6	1.39	20.6	0.90	48.7
2019 M03	1.80	1.09	39.4	1.65	8.5	0.89	50.5
2019 M04	1.81	---	---	---	---	0.88	51.4
2019 M05	1.93	1.08	44.2	1.32	31.5	0.83	57.2
2019 M06	1.88	1.08	42.8	1.18	37.2	0.81	57.1
2019 M07	1.75	1.08	38.4	1.27	27.5	0.81	53.7
2019 M08	1.92	1.08	44.1	1.22	36.5	0.79	58.8
2019 M09	1.55	1.07	31.4	1.22	21.5	0.80	48.7
2019 M10	1.75	1.04	40.8	1.17	33.3	0.75	57.1
2019 M11	1.60	1.05	34.4	1.15	28.3	0.98	39.1
2019 M12	1.62	1.06	34.4	1.11	31.5	0.81	50.0
2020 M01	1.56	1.10	30.0	1.05	32.7	0.80	48.9
2020 M02	1.59	1.15	28.0	0.91	42.8	0.82	48.7
2020 M03	1.50	1.15	23.7	0.94	37.3	0.75	50.0
2020 M04	1.69	1.17	30.7	0.94	44.4	0.79	53.3
2020 M05	1.78	1.15	35.2	0.96	45.8	0.83	53.2
2020 M06	1.69	---	---	1.06	37.4	0.77	54.2
2020 M07	1.66	1.25	24.5	0.94	43.2	0.82	50.8
2020 M08	1.68	1.34	20.3	1.00	40.6	0.75	55.5
2020 M09	1.67	1.33	20.6	0.91	45.4	0.74	56.1
2020 M10	1.72	1.24	28.2	0.94	45.5	0.73	57.6
2020 M11	1.81	1.22	32.7	1.22	32.7	0.72	60.1
2020 M12	1.64	1.17	28.5	0.96	41.4	0.72	56.0

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Table V-5 continued

Raw honey: Prices of domestic and imported product 3 and margins of underselling/(overselling), by month, 2018-20

Price in dollars per pound, margin in percent

Period	U.S. price	Ukraine price	Ukraine margin	Vietnam price	Vietnam margin	Subject price	Subject margin
2018 M01	1.73	---	---	1.12	35.1	1.41	18.6
2018 M02	1.86	---	---	0.91	51.0	1.20	35.2
2018 M03	1.83	---	---	0.90	50.7	1.17	36.0
2018 M04	1.76	0.90	48.7	0.89	49.6	1.13	35.7
2018 M05	1.91	1.09	42.9	0.88	53.9	1.21	36.4
2018 M06	1.85	1.09	41.0	1.00	46.1	1.15	37.9
2018 M07	1.92	1.09	43.2	0.88	54.4	1.16	39.8
2018 M08	1.77	---	---	0.85	52.0	1.11	37.5
2018 M09	1.84	---	---	0.86	53.3	1.07	41.7
2018 M10	1.75	---	---	0.86	51.1	1.08	38.0
2018 M11	1.83	1.01	44.9	0.87	52.8	1.08	40.9
2018 M12	1.81	1.09	39.8	0.85	53.0	1.17	35.3
2019 M01	1.80	---	---	0.86	52.6	1.02	43.5
2019 M02	1.75	---	---	0.85	51.4	1.08	38.4
2019 M03	1.80	0.93	48.3	0.83	54.1	1.13	37.1
2019 M04	1.81	---	---	0.83	54.1	0.86	52.8
2019 M05	1.93	0.93	51.8	0.83	57.0	0.97	49.8
2019 M06	1.88	---	---	0.85	54.7	0.94	49.8
2019 M07	1.75	0.93	46.7	0.83	52.5	1.00	42.9
2019 M08	1.92	---	---	0.76	60.5	0.93	51.7
2019 M09	1.55	---	---	0.76	51.1	0.93	40.3
2019 M10	1.75	0.93	46.8	0.75	57.1	0.94	46.5
2019 M11	1.60	0.95	40.6	0.77	52.2	1.00	37.4
2019 M12	1.62	---	---	0.77	52.7	0.94	41.7
2020 M01	1.56	---	---	0.73	53.3	0.92	41.1
2020 M02	1.59	---	---	0.77	51.6	0.89	43.8
2020 M03	1.50	0.94	37.7	0.73	51.3	0.90	40.0
2020 M04	1.69	---	---	0.74	56.1	0.89	47.1
2020 M05	1.78	---	---	0.71	60.3	0.92	48.1
2020 M06	1.69	---	---	0.73	56.7	0.83	50.6
2020 M07	1.66	---	---	0.71	57.4	0.90	45.8
2020 M08	1.68	0.95	43.3	0.71	57.6	0.96	43.0
2020 M09	1.67	---	---	0.71	57.6	0.92	45.1
2020 M10	1.72	---	---	0.74	57.3	0.92	46.8
2020 M11	1.81	0.89	51.0	0.72	60.1	0.95	47.3
2020 M12	1.64	0.86	47.8	0.70	57.3	0.89	45.4

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 3: Light amber honey (51 – 85 mm).

Table V-6**Raw honey: Prices of domestic and imported product 4 and margins of underselling/(overselling), by month, 2018-20**

Price in dollars per pound, margin in percent

Period	U.S. price	Argentina price	Argentina margin	Brazil price	Brazil margin	India price	India margin
2018 M01	---	---	---	1.88	---	1.07	---
2018 M02	1.60	---	---	1.89	(18.1)	---	---
2018 M03	2.00	---	---	1.89	5.5	1.07	46.5
2018 M04	---	---	---	---	---	---	---
2018 M05	1.70	---	---	1.67	1.8	---	---
2018 M06	---	---	---	1.67	---	---	---
2018 M07	---	---	---	---	---	---	---
2018 M08	---	---	---	1.67	---	---	---
2018 M09	1.62	---	---	---	---	---	---
2018 M10	1.90	---	---	1.67	12.1	---	---
2018 M11	1.63	---	---	1.67	(2.8)	---	---
2018 M12	1.45	---	---	---	---	---	---
2019 M01	1.80	---	---	1.25	30.6	---	---
2019 M02	---	---	---	1.25	---	---	---
2019 M03	1.55	---	---	1.25	19.4	---	---
2019 M04	---	---	---	---	---	---	---
2019 M05	0.70	---	---	---	---	---	---
2019 M06	0.91	---	---	---	---	0.76	16.3
2019 M07	1.68	---	---	---	---	0.73	56.4
2019 M08	1.86	---	---	1.17	37.0	0.76	59.1
2019 M09	1.96	---	---	1.17	40.4	---	---
2019 M10	1.34	---	---	---	---	---	---
2019 M11	1.76	---	---	1.17	33.4	---	---
2019 M12	1.63	---	---	---	---	---	---
2020 M01	1.80	---	---	0.89	50.8	---	---
2020 M02	1.60	---	---	0.84	47.5	0.78	51.3
2020 M03	1.65	---	---	0.97	41.2	---	---
2020 M04	1.60	1.15	28.1	0.89	44.5	---	---
2020 M05	1.82	---	---	0.95	47.8	---	---
2020 M06	1.66	---	---	0.94	43.3	---	---
2020 M07	1.57	---	---	---	---	---	---
2020 M08	1.90	---	---	0.90	52.9	---	---
2020 M09	1.69	1.30	22.8	---	---	---	---
2020 M10	1.65	1.27	22.9	---	---	---	---
2020 M11	1.72	1.50	12.9	0.85	50.6	---	---
2020 M12	1.58	1.18	25.1	0.86	45.7	---	---

Table continued on next page.

Table V-6 continued

Raw honey: Prices of domestic and imported product 4 and margins of underselling/(overselling), by month, 2018-20

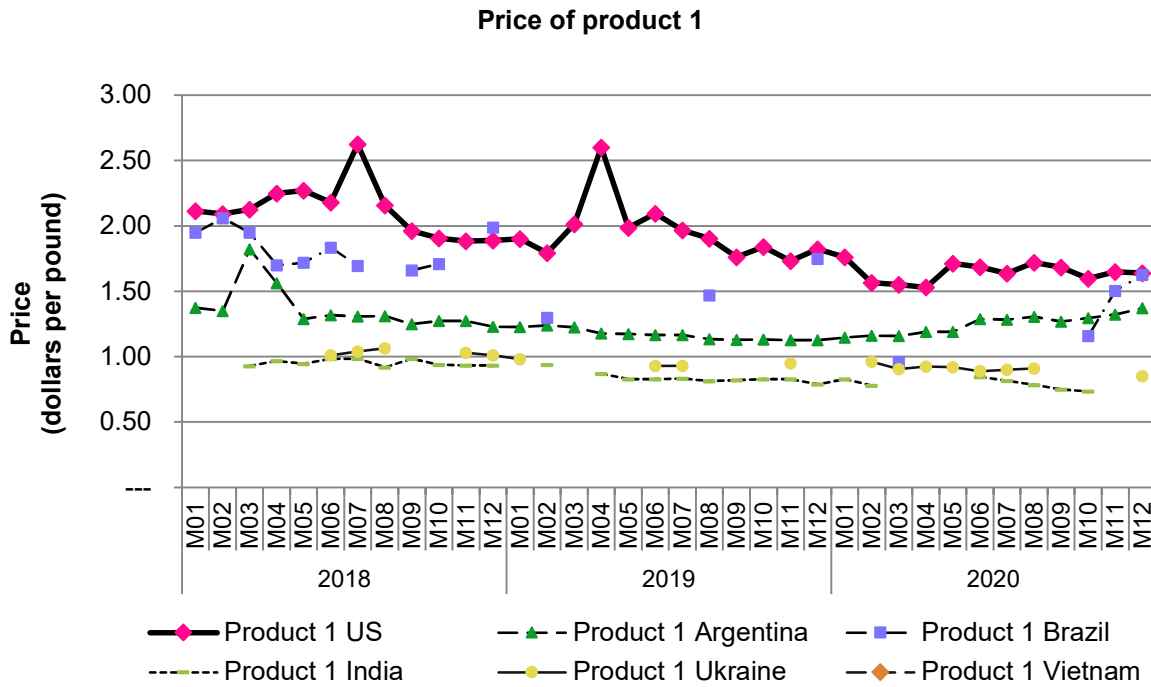
Price in dollars per pound, margin in percent

Period	U.S. price	Ukraine price	Ukraine margin	Vietnam price	Vietnam margin	Subject price	Subject margin
2018 M01	---	---	---	0.95	---	1.30	---
2018 M02	1.60	---	---	0.85	47.2	1.37	14.5
2018 M03	2.00	---	---	1.00	50.3	1.32	34.1
2018 M04	---	---	---	0.81	---	0.81	---
2018 M05	1.70	---	---	---	---	1.67	1.8
2018 M06	---	---	---	---	---	1.67	---
2018 M07	---	---	---	0.68	---	0.68	---
2018 M08	---	---	---	---	---	1.67	---
2018 M09	1.62	---	---	0.68	57.9	0.68	57.9
2018 M10	1.90	---	---	0.68	64.2	1.18	38.1
2018 M11	1.63	---	---	0.68	58.2	1.18	27.7
2018 M12	1.45	---	---	0.68	53.1	0.68	53.1
2019 M01	1.80	---	---	0.68	62.2	0.97	46.4
2019 M02	---	---	---	---	---	1.25	---
2019 M03	1.55	---	---	---	---	1.25	19.4
2019 M04	---	---	---	0.75	---	0.75	---
2019 M05	0.70	---	---	0.75	(7.1)	0.75	(7.1)
2019 M06	0.91	---	---	0.72	20.7	0.74	18.5
2019 M07	1.68	---	---	---	---	0.73	56.4
2019 M08	1.86	---	---	0.67	63.9	0.87	53.3
2019 M09	1.96	---	---	0.71	63.8	0.94	52.1
2019 M10	1.34	---	---	0.68	49.2	0.68	49.2
2019 M11	1.76	---	---	0.69	60.7	0.93	47.0
2019 M12	1.63	---	---	0.66	59.7	0.66	59.7
2020 M01	1.80	---	---	0.67	62.8	0.81	54.8
2020 M02	1.60	---	---	0.66	59.1	0.76	52.6
2020 M03	1.65	---	---	---	---	0.97	41.2
2020 M04	1.60	---	---	---	---	0.98	39.1
2020 M05	1.82	---	---	---	---	0.95	47.8
2020 M06	1.66	---	---	---	---	0.94	43.3
2020 M07	1.57	---	---	---	---	---	---
2020 M08	1.90	---	---	0.66	65.3	0.82	57.0
2020 M09	1.69	---	---	0.66	60.8	0.98	41.8
2020 M10	1.65	---	---	---	---	1.27	22.9
2020 M11	1.72	---	---	---	---	1.18	31.8
2020 M12	1.58	---	---	---	---	0.96	38.8

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 4: Amber honey (greater than 86 mm).

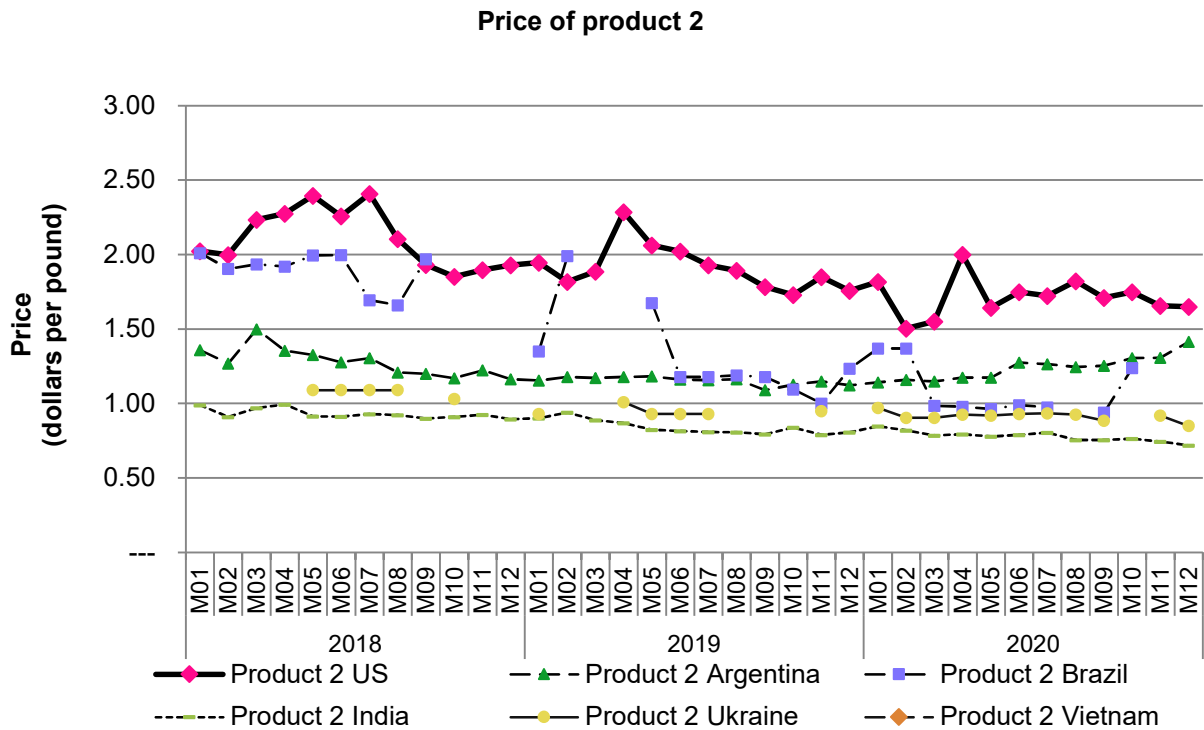
Figure V-1
Raw honey: Prices of domestic and imported product 1, by month, 2018-20, January 2018 through December 2020



Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: Product 1: White honey (0 – 34 mm).

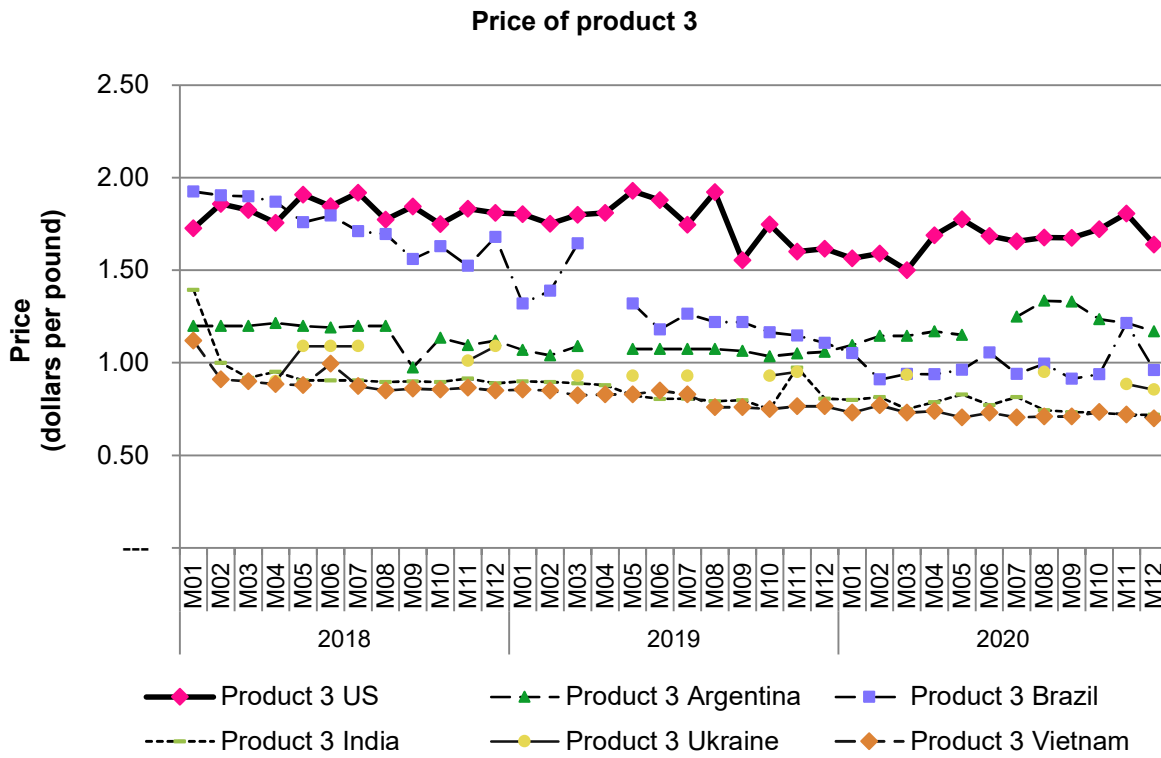
Figure V-2
Raw honey: Prices of domestic and imported product 2, by month, 2018-20, January 2018 through December 2020



Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: Product 2: Extra light amber honey (35 – 50 mm).

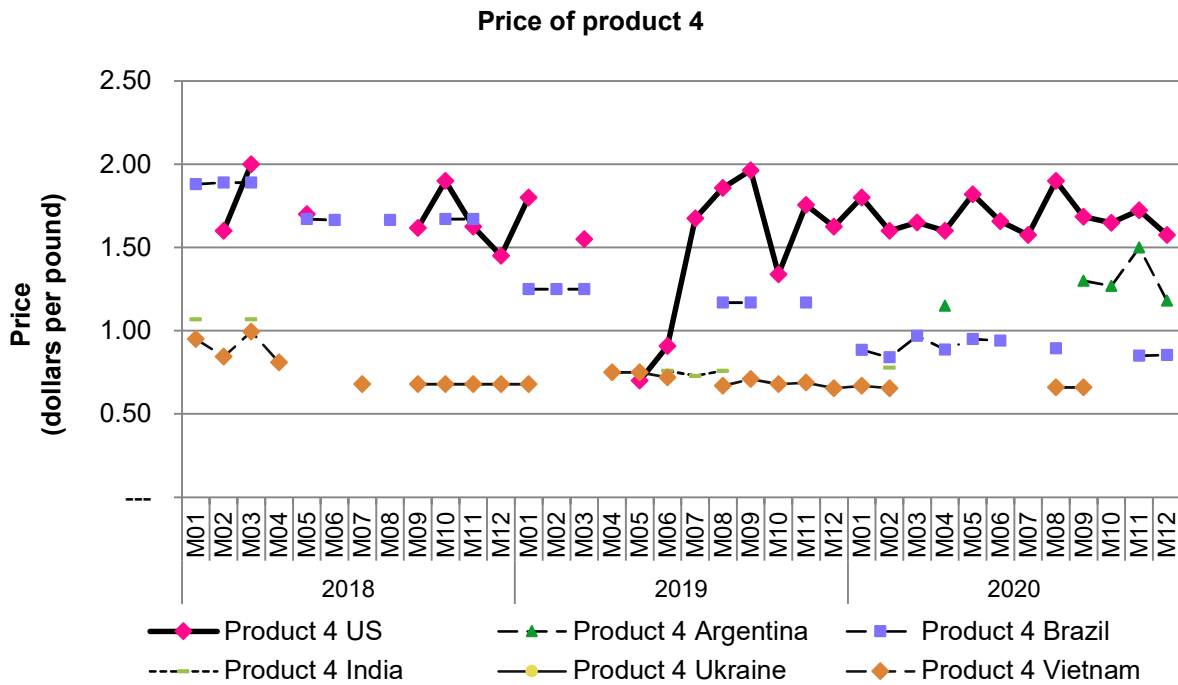
Figure V-3
Raw honey: Prices of domestic and imported product 3, by month, 2018-20, January 2018 through December 2020



Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: Product 3: Light amber honey (51 – 85 mm).

Figure V-4
Raw honey: Prices of domestic and imported product 4, by month, 2018-20, January 2018 through December 2020



Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: Product 4: Amber honey (greater than 86 mm).

Price trends

In general, prices decreased during 2018-20. Table V-7 summarizes the price trends, by country and by product. As shown in the table, domestic price decreases ranged from 1.6 to 22.5 percent during 2018-20. Price decreases for U.S.-produced products were greatest for the lightest color honey, and smallest for the darkest color honey (product 4). Price decreases for raw honey from subject sources ranged from 0.2 percent (product 1 from Argentina) to 54.5 percent (product 4 from Brazil). In three of the four pricing products, price decreases were greatest for imports from Brazil. Prices for product 2 from Argentina increased by 4.0 percent, and prices for the remaining pricing products from Argentina experienced the smallest declines. Indexed price data for products 1-4 are shown in figure V-5. Petitioners stated that prices declined from 2018-2019 but began to increase by the end of 2020.¹⁶

¹⁶ Conference transcript, pp. 220 (Nubern) and 225 (Bernier).

Table V-7

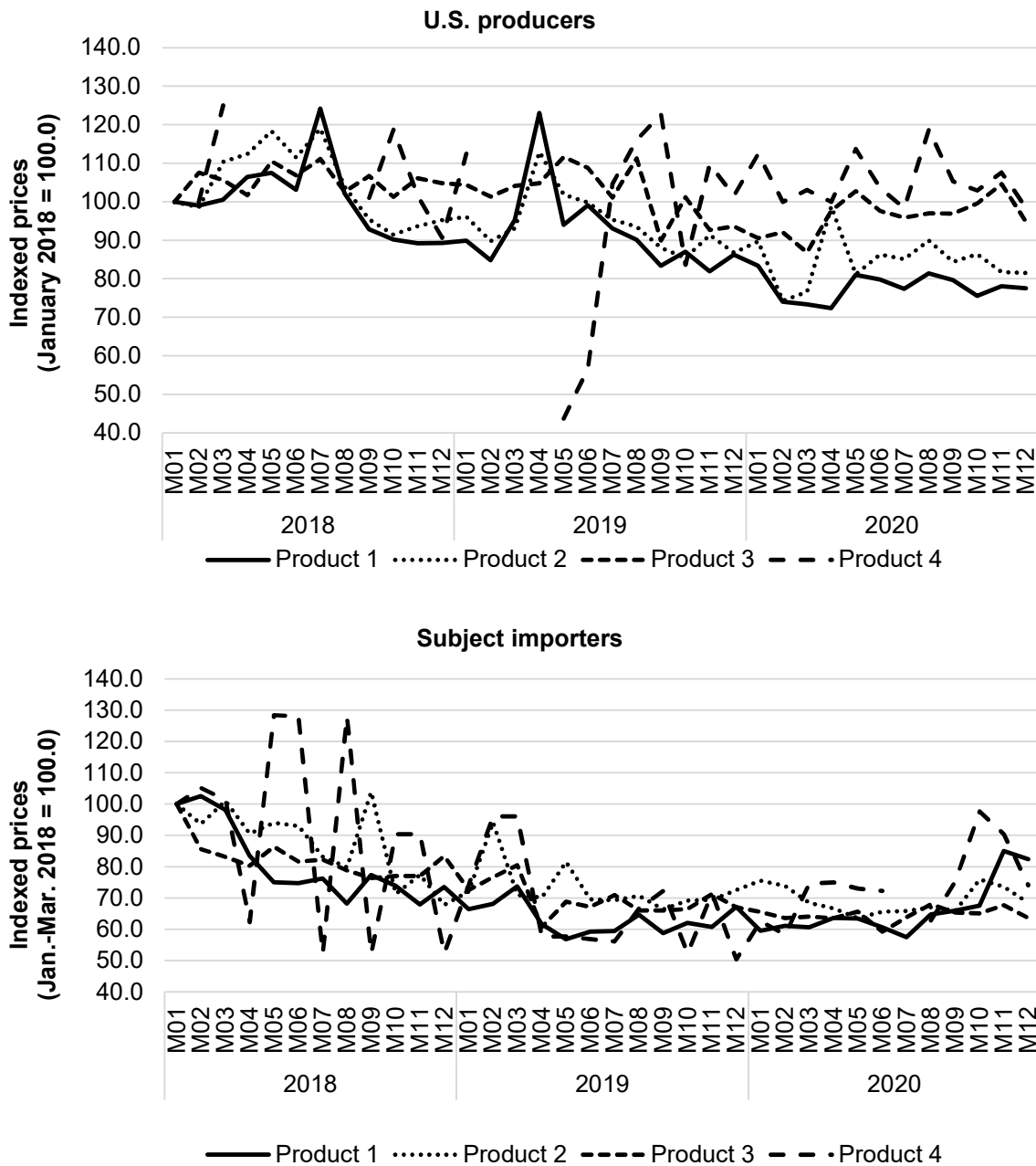
Raw honey: Number of quarters containing observations, low price, high price, and change in price over period, by product and source, January 2018 to December 2020

Product	Source	Number of months	Low price	High price	Change over period
Product 1	United States	36	1.53	2.63	(22.5)
Product 1	Argentina	36	1.13	1.82	(0.2)
Product 1	Brazil	17	0.96	2.06	(16.5)
Product 1	India	27	0.74	0.99	(21.0)
Product 1	Ukraine	17	0.85	1.07	---
Product 1	Vietnam	---	---	---	---
Product 2	United States	36	1.50	2.41	(18.5)
Product 2	Argentina	36	1.09	1.50	4.0
Product 2	Brazil	28	0.94	2.01	(38.3)
Product 2	India	36	0.72	1.00	(27.3)
Product 2	Ukraine	22	0.85	1.09	---
Product 2	Vietnam	---	---	---	---
Product 3	United States	36	1.50	1.93	(5.2)
Product 3	Argentina	34	0.98	1.34	(2.5)
Product 3	Brazil	35	0.91	1.93	(50.1)
Product 3	India	36	0.72	1.40	(48.4)
Product 3	Ukraine	15	0.86	1.09	---
Product 3	Vietnam	36	0.70	1.12	(37.5)
Product 4	United States	29	0.70	2.00	(1.6)
Product 4	Argentina	5	1.15	1.50	---
Product 4	Brazil	23	0.84	1.89	(54.5)
Product 4	India	6	0.73	1.07	---
Product 4	Ukraine	---	---	---	---
Product 4	Vietnam	22	0.66	1.00	---

Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: Percentage change from the first month in which data were available in Q1 2018 to the last month in which price data were available in Q4 2020.

Figure V-5
Raw honey: Indexed prices, January 2018-December 2020



Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

Note: U.S. producer price index for pricing product 4 is based on February 2018, because no price data were available for January 2018.

Price comparisons

As shown in tables V-8 and V-9, average prices for product imported from subject countries were below those for U.S.-produced product in 412 of 422 instances; margins of underselling ranged from 0.7 to 66.5 percent. In the remaining 10 instances, prices for product from subject countries were between 2.0 and 18.1 percent above prices for the domestic product.

Table V-8
Raw honey: Instances of underselling and the range and average of margins, by product and by source

Margin in percent

Item	Number of months	Average margin	Minimum margin	Maximum margin
Product 1	96	39.0	0.7	66.5
Product 2	120	42.4	0.7	61.9
Product 3	152	42.6	2.8	60.5
Product 4	44	43.3	1.8	65.3
Total, underselling	412	41.8	0.7	66.5
Argentina	111	33.6	12.9	54.6
Brazil	90	27.7	0.7	52.9
India	104	53.2	16.3	66.5
Ukraine	54	47.5	37.7	60.4
Vietnam	53	54.5	20.7	65.3
Total, underselling	412	41.8	0.7	66.5

Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

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

Table V-9**Raw honey: Instances of overselling and the range and average of margins, by product and by source**

Margin in percent

Item	Number of months	Average margin	Minimum margin	Maximum margin
Product 1	1	(5.4)	(5.4)	(5.4)
Product 2	2	(5.7)	(2.0)	(9.5)
Product 3	4	(6.2)	(2.6)	(11.5)
Product 4	3	(9.3)	(2.8)	(18.1)
Total, overselling	10	(7.0)	(2.0)	(18.1)
Argentina	---	---	---	---
Brazil	9	(6.9)	(2.0)	(18.1)
India	---	---	---	---
Ukraine	---	---	---	---
Vietnam	1	(7.1)	(7.1)	(7.1)
Total, overselling	10	(7.0)	(2.0)	(18.1)

Source: Compiled from Agricultural Marketing Service (AMS) data, part of the U.S. Department of Agriculture (USDA), accessed April 28, 2021.

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

Lost sales and lost revenue

The Commission requested that U.S. producers of raw honey report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of raw honey from subject countries during 2018-20. Of the responding U.S. producers, 37 of 46 reported that they had to reduce prices, 12 of 33 reported that they had to roll back announced price increases, and 31 of 44 reported that they had lost sales. Four firms submitted lost sales and lost revenue allegations in the petition.¹⁷ These firms identified 15 purchasers with which they lost sales or revenue; 12 consisted of lost sales allegations and three consisted of both lost sales and lost revenue allegations. Twenty purchasers submitted lost sale/lost revenue questionnaire responses.¹⁸ *** of these firms were identified in allegations in the petition and *** firms were not.¹⁹ Eighteen of

¹⁷ U.S. producers *** submitted allegations. In addition, ***.

¹⁸ All 20 responding purchasers reported purchasing conventional raw honey and 16 reported purchasing organic raw honey. Purchasers generally reported purchasing all specified colors of raw honey, with 15 firms purchasing white or lighter, 17 purchasing extra light amber, 20 purchasing light amber, and 18 purchasing amber or darker.

¹⁹ Firms that were listed in allegations that provided responses were ***. The following firms listed in allegations either did not respond to the questionnaire or responded that they have not purchased raw honey since January 1, 2018: ***. Since these firms are retailers or industrial users, they likely purchased processed honey.

the firms reported they were processors/packers, one of which also indicated it was an apiary, and two firms reported that they were other types of firms (importer, trading company and/or distributor). No firm reported being a member of a honey cooperative. Responding purchasers reported purchasing and/or importing 1.2 billion pounds of raw honey during 2018-20 (table V-10).

During 2020, responding purchasers reported purchasing and/or importing 18.8 percent from U.S. producers, 75.9 percent from all subject countries combined, and 5.4 percent from nonsubject countries.²⁰ Purchasers were asked about changes in their purchasing patterns from different sources since 2018 (table V-11). Of the responding purchasers, two reported decreasing purchases from domestic producers, 11 reported increasing purchases, none reported no change, four reported fluctuating purchases, and four did not purchase any domestic product. Explanations for increasing purchases of domestic product included customer specifications for U.S.-origin honey, changes in consumer patterns during the COVID-19 pandemic, and increased demand for localized honey. Explanations for decreasing purchases of domestic product included lost retail accounts for purchasers and customer specifications for organic honey (which the firm stated that the U.S. does not produce). Explanations for fluctuating purchases of domestic product included changes in customer specifications, losses of accounts for purchasers, new product lines, and the COVID-19 pandemic.

²⁰ On a country-by-country basis, purchasers reported purchasing and/or importing 19.0 percent from Argentina, 15.4 percent from Brazil, 15.3 percent from India, 4.3 percent from Ukraine, and 21.9 percent from Vietnam in 2020. No firm reported purchasing from “unknown sources.”

Table V-11
Raw honey: U.S. purchasers' reported changes in purchase patterns

Number of firms reporting

Source of purchases	Decreased	Increased	Constant	Fluctuated	Did not purchase
United States	2	11	0	4	4
Argentina	2	5	0	4	8
Brazil	1	10	2	3	4
India	8	5	0	4	3
Ukraine	4	5	1	2	7
Vietnam	1	7	4	4	4
Nonsubject sources	8	3	2	4	3

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

Of the 20 responding purchasers, five reported that, since 2018, they had purchased imported raw honey from subject countries instead of U.S.-produced product. All five of these purchasers reported that subject import prices were lower than U.S.-produced product, and one of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product. One purchaser estimated the quantity of raw honey purchased from subject countries *** instead of domestic product; the total estimated quantity was *** pounds (table V-12). Purchasers identified the following non-price reasons for purchasing imported rather than U.S.-produced product: availability, retailer specifying country source, domestic raw honey not meeting aerobic plate count or packaging specifications, lack of demand for domestic raw honey, customer requests (including color/flavor profiles, organic vs. conventional, non-GMO, "Argentine only"), and imports shipped in new high quality containers.

Table V-12

Raw honey: Purchasers' responses to purchasing subject imports instead of domestic product

Quantity in 1,000 pounds

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

Table V-12

Raw honey: Purchasers' responses to purchasing subject imports instead of domestic product

Quantity in 1,000 pounds

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--5; No--15	Yes--5; No--0	Yes--1; No--4	***	

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

Table V-13
Raw honey: Purchasers' responses to purchasing subject imports instead of domestic product, by country

Quantity in 1,000 pounds

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
Argentina	3	3	***	***
Brazil	---	---	***	***
India	2	2	***	***
Ukraine	2	2	***	***
Vietnam	2	2	***	***
All subject sources	5	5	1	***

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

Of the 14 responding purchasers, 2 reported that U.S. producers had reduced prices in order to compete with lower-priced imports from subject countries; 12 reported that they had not and 6 reported that they did not know (tables V-14 and V-15). The reported estimated price reduction ranged from *** percent to *** percent, for an average of *** percent. In describing the price reductions, one purchaser reported that domestic prices tend to be 5 to 10 percent higher than import prices and another purchaser reported that after a \$*** per pound increase in prices in 2016 and 2017, prices dropped in 2018 but then returned to their 2016/2017 levels in 2019 and 2020.

Table V-15**Raw honey: Purchasers' responses to U.S. producer price reductions, by country**

Source	Count of purchasers reporting U.S. producers reduced prices	Average percent of estimated U.S. price reduction	Range of percent of estimated U.S. price reductions
Argentina	***	***	***
Brazil	***	***	***
India	***	***	***
Ukraine	***	***	***
Vietnam	***	***	***
All subject sources	2	***	***

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

Part VI: Financial experience of U.S. producers

Background

Sixty firms provided usable financial results on their raw honey operations.¹ Forty-two of the included firms reported that they were beekeepers without processing or packing operations while 16 reported that they had processing and/or packaging facilities.² The large majority of responding beekeepers reported their financial data on the requested calendar-year basis.³ Forty-eight of the U.S. producers provided their financial data on a cash basis.⁴

Operations on raw honey

As previously mentioned, a large number of the responding firms reported their financial data on a cash basis. The main difference between accrual accounting (the type of accounting required by GAAP) and cash-basis accounting is when revenue and expenses are recognized. This impacts the reported financial results as follows:

(1) With cash-basis accounting, expenses are recorded when they are paid, and do not always appear in the same period in which any corresponding revenues are recorded.⁵ With a product that can be held in inventory, such as raw honey, any large changes in inventory year-

¹ Five of the U.S. producers included in Part III of this report did not provide complete or usable financial data, and are therefore not included in this section. These U.S. producers are ***. U.S. producers' questionnaire responses, section II-5a.

² The remaining two companies did not respond to this question. U.S. producers' questionnaire responses, section II-2.

³ A few firms were unable to provide their data on a calendar-year basis and reported their data based on their firm's fiscal year.

⁴ The remaining companies use accrual accounting. Six of these companies reported their financial results on an accrual tax basis, while the remaining six reported on the basis of Generally Accepted Accounting Principles ("GAAP"). GAAP is a set of accounting standards designed to govern corporate accounting and financial reporting in the United States. GAAP requires companies to use accrual accounting, but its principles also cover a wide range of other accounting and reporting issues. Therefore, while all GAAP-based companies use accrual accounting, not all companies that use accrual accounting follow GAAP.

⁵ In accrual accounting, the "Matching Principle" requires companies to record expenses in the period in which the related revenues are earned. This allows expenses and revenues to be matched on the income statement for a given period to accurately analyze a company's performance. *Accounting Tools*, <https://www.accountingtools.com/articles/2017/5/14/the-matching-principle>, retrieved May 24, 2021.

over-year will result in an over- or under-statement of profitability when compared to accrual accounting. This is because expenses are being recorded based on the amount of honey produced, rather than the amount that is sold. Any honey that is produced for inventory will result in production expenses incurred in the period in which the product was produced with no associated revenue (resulting in a loss being reported on that product). Conversely, revenue with no associated production expenses would be recorded for any honey that is sold from a previous period's inventory since expenses were recorded during the period in which the raw honey was produced (resulting in a profit being reported on that product).

(2) In cash-basis accounting, revenue is recorded when it is received rather than when it is earned. Therefore, depending on when payment is received, even if a company sells all of the raw honey in the year in which it is produced, any payment received for those sales in the following year would be recorded in the following year.⁶ For companies that are producing a relatively stable amount of raw honey that is being sold for a relatively stable price over time, there may be little variation between the amount of profit being reported in cash-basis accounting vs. accrual accounting.

In the reported financial results in this section, cash-basis accounting had the most impact on the overall data for firms that produced honey that was held for sale in later years. *** of the included companies reported end-of-period inventories in at least one of the years between 2018 and 2020, however, there were *** companies that had an outsized impact on these data.

***.⁷

The ***

⁶ In accrual accounting, the "Revenue Recognition Principle" requires companies to recognize (record) revenue in the period when realized and earned – not necessarily when cash is received. *Accounting Tools*, <https://www.accountingtools.com/articles/2017/5/15/the-revenue-recognition-principle>, retrieved May 24, 2021.

⁷ Email from ***.

***.⁸

These *** companies accounted for the vast majority of the increase in inventories, and combined reported an increase of *** pounds from 2018 to 2020. These increases in inventory had a particularly large impact on profitability because *** reported their financial results on a cash-basis. Due to the outsized effect this has on the overall financial data, financial results excluding these *** producers are shown in appendix F.

Table VI-1 presents aggregated total market data for all U.S. producers' operations in relation to raw honey, while table VI-2 presents the corresponding changes in average unit values ("AUVs"). Table VI-3 presents aggregated merchant market data for U.S. producers' operations in relation to raw honey.⁹ Table VI-4 presents the corresponding changes in average unit values ("AUVs") from table VI-3.

⁸ Email from ***.

⁹ As discussed in Part III, internal consumption and transfers to related firms represent a sizable share of total shipments. Companies that reported a majority of commercial sales are included in the merchant market financial results and companies that reported a majority of non-commercial sales are excluded.

Table VI-1**Raw honey: Total market results of operations of all U.S. producers, by item and period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Ratios in percent and represent ratios to net sales value; Shares in percent and represent share of operating expenses; Unit values in dollars per pound; Count in number of firms reporting

Item	Measure	2018	2019	2020
Total net sales	Quantity	32,852	32,061	31,307
Total net sales	Value	58,660	50,158	47,733
Direct labor costs	Value	21,834	23,770	24,532
All other operating expenses	Value	57,221	58,831	53,700
Operating expenses	Value	79,056	82,602	78,232
Operating income or (loss)	Value	(20,395)	(32,444)	(30,499)
All other expenses	Value	3,072	3,607	2,640
Insurance proceeds	Value	2,318	1,089	2,988
Government program income	Value	2,857	3,468	6,663
All other income	Value	1,819	1,518	1,650
Net income or (loss)	Value	(16,473)	(29,976)	(21,838)
Overall depreciation/amortization	Value	5,736	4,688	3,118
Cash flow	Value	(10,737)	(25,288)	(18,720)
Direct labor costs	Ratio	37.2	47.4	51.4
All other operating expenses	Ratio	97.5	117.3	112.5
Operating expenses	Ratio	134.8	164.7	163.9
Operating income or (loss)	Ratio	(34.8)	(64.7)	(63.9)
Net income or (loss)	Ratio	(28.1)	(59.8)	(45.8)
Direct labor costs	Share	27.6	28.8	31.4
All other operating expenses	Share	72.4	71.2	68.6
Operating expenses	Share	100.0	100.0	100.0
Total net sales	Unit value	1.79	1.56	1.52
Direct labor costs	Unit value	0.66	0.74	0.78
All other operating expenses	Unit value	1.74	1.83	1.72
Operating expenses	Unit value	2.41	2.58	2.50
Operating income or (loss)	Unit value	(0.62)	(1.01)	(0.97)
Net income or (loss)	Unit value	(0.50)	(0.93)	(0.70)
Operating losses	Count	43	49	48
Net losses	Count	38	42	42
Data	Count	58	59	57

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

Table VI-2
Raw honey: Changes in AUVs between comparison periods, total market

Changes in percent

Item	2018-20	2018-19	2019-20
Total net sales	▼(14.6)	▼(12.4)	▼(2.5)
Direct labor costs	▲17.9	▲11.6	▲5.7
Other operating expenses	▼(1.5)	▲5.3	▼(6.5)
Operating expenses	▲3.8	▲7.1	▼(3.0)

Table continued.

Table VI-2 Continued
Raw honey: Changes in AUVs between comparison periods, total market

Changes in dollars per pound

Item	2018-20	2018-19	2019-20
Total net sales	▼(0.26)	▼(0.22)	▼(0.04)
Direct labor costs	▲0.12	▲0.08	▲0.04
Other operating expenses	▼(0.03)	▲0.09	▼(0.12)
Operating expenses	▲0.09	▲0.17	▼(0.08)
Operating income or (loss)	▼(0.35)	▼(0.39)	▲0.04
Net income or (loss)	▼(0.20)	▼(0.43)	▲0.24

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

Table VI-3
Raw honey: Merchant market results of operations of all U.S. producers, by item and period

Quantity in 1,000 pounds; Value in 1,000 dollars; Ratios in percent and represent ratios to net sales value; Shares in percent and represent share of operating expenses; Unit values in dollars per pound; Count in number of firms reporting

Item	Measure	2018	2019	2020
Total net sales	Quantity	10,513	12,297	9,223
Total net sales	Value	19,477	20,046	15,491
Direct labor costs	Value	9,886	10,908	10,945
All other operating expenses	Value	21,850	22,796	19,459
Operating expenses	Value	31,737	33,705	30,404
Operating income or (loss)	Value	(12,260)	(13,658)	(14,912)
All other expenses	Value	965	964	794
Insurance proceeds	Value	1,152	182	1,583
Government program income	Value	996	813	1,717
All other income	Value	772	617	496
Net income or (loss)	Value	(10,305)	(13,011)	(11,911)
Depreciation/amortization	Value	570	1,517	228
Cash flow	Value	(9,735)	(11,494)	(11,683)
Direct labor costs	Ratio	50.8	54.4	70.7
All other operating expenses	Ratio	112.2	113.7	125.6
Operating expenses	Ratio	162.9	168.1	196.3
Operating income or (loss)	Ratio	(62.9)	(68.1)	(96.3)
Net income or (loss)	Ratio	(52.9)	(64.9)	(76.9)
Direct labor costs	Share	31.2	32.4	36.0
All other operating expenses	Share	68.8	67.6	64.0
Operating expenses	Share	100.0	100.0	100.0
Total net sales	Unit value	1.85	1.63	1.68
Direct labor costs	Unit value	0.94	0.89	1.19
All other operating expenses	Unit value	2.08	1.85	2.11
Operating expenses	Unit value	3.02	2.74	3.30
Operating income or (loss)	Unit value	(1.17)	(1.11)	(1.62)
Net income or (loss)	Unit value	(0.98)	(1.06)	(1.29)
Operating losses	Count	14	18	17
Net losses	Count	13	18	16
Data	Count	24	25	24

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

Table VI-4
Raw honey: Changes in AUVs between comparison periods, merchant market

Changes in percent

Item	2018-20	2018-19	2019-20
Total net sales	▼(9.3)	▼(12.0)	▲3.0
Direct labor costs	▲26.2	▼(5.7)	▲33.8
Other operating expenses	▲1.5	▼(10.8)	▲13.8
Operating expenses	▲9.2	▼(9.2)	▲20.3

Table continued.

Table VI-4 Continued
Raw honey: Changes in AUVs between comparison periods, merchant market

Changes in dollars per pound

Item	2018-20	2018-19	2019-20
Total net sales	▼(0.17)	▼(0.22)	▲0.05
Direct labor costs	▲0.25	▼(0.05)	▲0.30
Other operating expenses	▲0.03	▼(0.22)	▲0.26
Operating expenses	▲0.28	▼(0.28)	▲0.56
Operating income or (loss)	▼(0.45)	▲0.06	▼(0.51)
Net income or (loss)	▼(0.31)	▼(0.08)	▼(0.23)

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

Net sales

For the total market (table VI-1), both the volume and value of net sales decreased between 2018 and 2020. However, the net sales value decreased faster than the net sales quantity, which resulted in the industry’s net sales AUV decreasing from \$1.79 per pound in 2018 to \$1.52 per pound in 2020. On a company-specific basis, the directional trends in AUVs were mostly uniform. For companies that reported sales in both 2018 and 2020, 43 firms experienced an overall decrease in their net sales AUVs, 9 firms experienced an increase, and 4 firms experienced no change.¹⁰

Approximately half of the included beekeepers in this section were members of Sioux Honey Association Cooperative (“SHA”). SHA processes, packs, and sells the raw honey, and distributes any profit back to the members. SHA members are required to send all of their raw honey production to the cooperative each year. Upon delivery, members receive an initial

¹⁰ A company’s net sales AUV was reported as unchanged if it changed by less than \$0.005.

advance payment, and then receive the remainder of the payment in four or five installments throughout the year, with a final payment in July or August.^{11 12}

Fifty of the responding companies, representing 97.7 percent of total net sales of raw honey, by value, in 2020, reported receiving revenue from commercial pollination services in addition to revenue from the sale of raw honey between 2018 and 2020.¹³ Commercial pollination is typically offered in the “off-season” for honey-producing bee colonies. Commercially-viable raw honey is not usually produced during commercial pollination.¹⁴ In addition, while commercial pollination and the production of raw honey are often achieved using the same bee colonies, the engagement in one of these revenue-producing activities does not result in the other.

Most of the companies that reported engaging in commercial pollination were able to report the revenue for these items separately (46 of 50 companies). Commercial pollination revenue was roughly equal to the revenue received from raw honey sales in 2018, but outpaced raw honey sales in the remainder of the period, and represented 57.1 percent of the combined revenue by 2020 (compare tables VI-1 and VI-5).

¹¹ Conference transcript pp. 24-26 (Coy).

¹² With cash-basis accounting, this means a portion of the revenue from the honey delivered to the cooperative each year will not be recorded until the following year. However, this causes the most distortion in profitability when there are large changes to the amount of product being sold year over year. SHA producers’ aggregate net sales quantity does not fluctuate to a great degree, with sales between 15.4 million and 16.5 million pounds from 2018-20.

¹³ Seven companies reported that they did not provide commercial pollination and the remaining three companies did not respond to the question.

¹⁴ The types of crops that honeybees pollinate affects the amount of raw honey produced. The crops for which farmers typically pay for commercial pollination often only provide honeybees with enough raw honey to feed themselves, but not enough to sell commercially. Conference transcript, p. 104 (Hiatt).

Operating expenses and operating profit or loss

As seen in table VI-1, operating expenses are shown as direct labor and all other operating expenses.¹⁵ For the total market (table VI-1), direct labor costs increased on an actual basis, as a ratio to net sales, and on a per-pound basis from 2018 to 2020. This is consistent with the increasing cost of labor that many producers described in their questionnaire responses.¹⁶ ¹⁷ All other operating expenses increased between 2018 and 2019 and decreased in 2020. As a ratio to net sales, total operating expenses increased from 134.8 percent in 2018 to 163.9 percent in 2020. The total industry's operating income worsened irregularly from a loss of \$20.4 million in 2018 to a loss of \$30.5 million in 2020. For the total market (table VI-1), the number of firms reporting operating losses was 43 in 2018, 49 in 2019, and 48 in 2020.

U.S. producers that produced a large amount of raw honey that was held in inventory contributed somewhat to the relatively high levels of operating expenses as a ratio to net sales and on a per-pound basis. However, while these operating expense measures are lower when these companies are excluded from the financial data (see Appendix F), they are still relatively high.

As previously discussed, commercial pollination represents a large and growing portion of many beekeepers' total revenue. While many companies reported that they kept commercial pollination and raw honey sales revenue recorded separately, the majority of responding companies reported that they did not account for costs separately.¹⁸ Many of the beekeepers reported that the large majority of expenses incurred as a beekeeper would be incurred

¹⁵ The traditional components of cost of goods sold ("COGS") and selling, general, and administrative expenses ("SG&A expenses") were not collected separately because of the way in which records are kept by many companies in agricultural industries (namely, many farmers rely on their Schedule F, "Profit or Loss From Farming," to report requested financial information). Instead, in the U.S. producers' questionnaire, total operating expenses were segregated by raw materials, direct labor, and all other operating expenses. However, there was inconsistency on how the companies reported raw material expenses and all other operating expenses, with many of the companies reporting either raw material expenses or other operating expenses. For this reason, these items are combined in the financial results shown in this section of the report, and only direct labor is shown separately from all other operating expenses.

¹⁶ U.S. producers' questionnaire responses, section II-8.

¹⁷ While not included in the financial results in tables VI-1 or VI-3, the U.S. producers' questionnaire also collected information on unpaid owner/operator labor. Ten of the included companies reported that their company had unpaid owner/operator labor and estimated the cost of this labor had it been paid. The aggregated unpaid owner/operator data was between \$620,500 and \$632,490 during 2018-20.

¹⁸ U.S. producers' questionnaire responses, section III-8b.

whether or not the beekeeper provided commercial pollination. At the staff conference, David Coy of Coy's Honey testified that in terms of costs, "very little extra" has to be done to the bees to provide commercial pollination.¹⁹ In its U.S. producers' questionnaire response, *** reported that "{e}very action/expense during pollination is gearing up for, and necessary to later make a honey crop."²⁰

There are certain expenses that are specific to commercial pollination, such as transportation costs to move the bees to pollinating locations (often California), and certain expenses that are specific to honey production, such as the labor and supplies involved in extracting honey. However, U.S. producers report that most of their expenses involve the caretaking of the bees and maintaining their beehives, which are necessary whether a company is providing commercial pollination services or producing raw honey. Despite the fact that commercial pollination revenue makes up a substantial share of the U.S. producers' total revenue, many of the U.S. producers that received revenue from both commercial pollination and raw honey allocated a smaller share of their total expenses to commercial pollination expenses than if the combined expenses had been allocated on the basis of sales. This is likely a result of many of the U.S. producers' viewing raw honey production as their main business, with commercial pollination supplementing their income, however it may overstate the profitability of commercial pollination services and understate the profitability of raw honey operations. In addition, many of the companies that reported that they could account for costs separately reported that this was done either by the time of year or by location. Since commercial pollination is most active in only a few months a year, this results in more costs being allocated to the production of raw honey than would be allocated on the basis of sales revenue.

Due to the wide range of allocation methods of U.S. producers' expenses between commercial pollination and raw honey production, table VI-5 shows the included U.S. producers' combined revenue, expenses, and operating income for commercial pollination and raw honey sales.²¹

¹⁹ Conference transcript, p. 85 (Coy).

²⁰ *** U.S. producers' questionnaire response, section III-8b.

²¹ When combining raw honey and commercial pollination financial results, the number of companies reporting operating losses was 28 in 2018, 36 in 2019, and 34 in 2020.

Table VI-5**Raw honey: Combined commercial pollination and raw honey financial results for the total market, by period**

Value in 1,000 dollars; Ratios in percent and represent ratios to net sales values

Item	Measure	2018	2019	2020
Combined revenue	Value	117,018	109,797	111,216
Combined operating expenses	Value	107,974	114,023	109,330
Combined operating income or (loss)	Value	9,044	(4,227)	1,887
Combined operating expenses	Ratio	92.3	103.8	98.3
Combined operating income or (loss)	Ratio	7.7	(3.8)	1.7

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

All other expenses and net income or loss

Below operating income are all other expenses, insurance proceeds, government program income, and all other income. For the total market (table VI-1), all other expenses decreased irregularly between 2018 and 2020. Insurance proceeds, which increased irregularly from \$2.3 million in 2018 to \$3.0 million in 2020, were reported by 15 companies in 2018 and 2020 and 16 companies in 2019. Reported income from government programs increased from \$2.9 million in 2018 to \$6.7 million in 2020. The number of companies reporting government program income increased from 23 companies in 2018 and 2019 to 39 companies in 2020.²² The last post-operating income item, all other income, decreased irregularly from 2018 to 2020. The combined post-operating income items were more than all other expenses in each period, which resulted in the industry's net losses being smaller than its operating losses. The net losses for the industry worsened irregularly from a loss of \$16.5 million in 2018 to a loss of \$21.8 million in 2020. Similarly, because of post-operating income, fewer companies reported net losses than reported operating losses in each period.^{23 24}

²² Certain government programs can provide assistance to beekeepers. The Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish program ("ELAP") provides financial assistance to eligible producers of honeybees for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires. The Noninsured Crop Disaster Assistance Program, provides financial assistance to producers of uninsurable crops, including honey, when low yields, loss of inventory, or prevented planting occur due to natural disasters.

²³ Thirty-eight companies reported net losses in 2018 and forty-two companies reported net losses in 2019 and 2020.

²⁴ A variance analysis is not shown due to the large variety of cost structures and accounting bases used among the reporting firms.

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

Table VI-6 presents data on the U.S. producers' capital expenditures, research and development ("R&D") expenses, total net assets, and their operating return on assets ("operating ROA"). In 2020 capital expenditures were reported by 28 of the included companies, while 6 reported R&D expenses.²⁵ Total net assets were reported by 53 companies in 2020.

Table VI-6
Raw honey: All U.S. producers' capital expenditures, R&D costs, total net assets, and ROA, by item and period

Values in 1,000 dollars; Ratio in percent and represents ratio of operating income or loss to net assets

Firm	Measure	2018	2019	2020
Capital expenditures	Value	6,291	10,807	10,356
R&D expenses	Value	83	53	97
Total net assets	Value	154,383	159,467	168,335
Operating ROA	Ratio	(11.7)	(15.8)	(17.3)

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

Note: The operating income or loss of companies that did not report total net assets were not included in the calculation of operating ROA.

²⁵ The most commonly listed items for capital expenditures include replacing beehives, bees, equipment, and vehicles. U.S. producers' questionnaire responses, section III-13a.

Capital and investment

The Commission requested U.S. producers of raw honey to describe any actual or potential negative effects of imports of raw honey from Argentina, Brazil, India, Ukraine, and Vietnam on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-7 presents the number of firms reporting an impact in each category. Table VI-8 provides the U.S. producers' narrative responses with regard to negative effects of imports and table VI-9 provides the narrative responses with regard to anticipated negative effects of imports.

Table VI-7

Raw honey: Count of firms indicating negative effects of imports from subject sources on investment, growth, and development since January 1, 2018, by effect

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	24
Denial or rejection of investment proposal	Investment	3
Reduction in the size of capital investments	Investment	18
Return on specific investments negatively impacted	Investment	12
Other investment effects	Investment	19
Any negative effects on investment	Investment	53
Rejection of bank loans	Growth	2
Lowering of credit rating	Growth	4
Problem related to the issue of stocks or bonds	Growth	1
Ability to service debt	Growth	13
Other growth and development effects	Growth	34
Any negative effects on growth and development	Growth	53
Anticipated negative effects of imports	Future	56

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

Note: One beekeeper, *** U.S. producer's questionnaire response, section III-17.

Table VI-8**Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018**

Item	Firm name and narrative response
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***

Table continued on next page.

Table VI-8 Continued

Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Denial or rejection of investment proposal	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***

Table continued on next page.

Table VI-8 Continued

Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***

Table continued on next page.

Table VI-8 Continued

Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Other negative effects on investments	***
Rejection of bank loans	***
Problem related to the issue of stocks or bonds	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Ability to service debt	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***

Table continued on next page.

Table VI-8 Continued

Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***

Table continued on next page.

Table VI-8 Continued

Raw honey: Narratives relating to actual negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***

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

Table VI-9

Raw honey: Narratives relating to anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
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Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

Table continued on next page.

Table VI-9 Continued

Raw honey: Narratives relating to anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

Table continued on next page.

Table VI-9 Continued

Raw honey: Narratives relating to anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative response
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
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Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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

Part 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 factors¹--

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

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

- (VI) *the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,*
- (VII) *in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),*
- (VIII) *the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and*
- (IX) *any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).²*

Information on the 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 Argentina

The Commission issued foreign producers' or exporters' questionnaires to fifteen firms believed to produce and/or export raw honey from Argentina.³ Thirteen firms provided usable responses to the Commission's questionnaire: Asociación de Cooperativas Argentinas C.L. ("ACA Coop"), Compañía Inversora Platense SA ("Cipsa"), D'Ambros Maria De Los Angeles D'Ambros Maria Daniela SH ("D'Ambros Maria"), Gasrroni SRL ("Gasrroni"), Geomiel SA ("Geomiel), Gruas San Blas SA ("Gruas San Blas"), Industrial Haedo SA ("Haedo"), Honey & Grains SRL ("Honey and Grains"), Newsan SA ("Newsan"), Nexco SA ("Nexco"), Patagonik Food SA ("Patagonik"), Promiel SRL ("Promiel"), and Villamora SA ("Villamora"). Responding Argentine firms' combined exports to the United States were equivalent to 97.7 percent of U.S. imports of raw honey from Argentina in 2020. According to industry information for Argentina from the Food and Agriculture Organization (FAO), the production of raw honey in Argentina reported in questionnaires is equivalent to 68.7 percent of overall production of raw honey in Argentina in 2019.⁴ Table VII-1 presents information on the raw honey operations of the responding producers and exporters in Argentina while table VII-2 presents industry information for Argentina from FAO during 2017-19.

³ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

⁴ The vast majority of responding foreign firms process and export raw honey collected from independent beekeepers. For the firms that did not report a production number, staff based their production on the difference between their reported beginning-of-period inventories and their total shipments plus end-of-period inventories.

Table VII-1
Raw honey: Summary data for producers in Argentina, 2020

Firm	Implied 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)
ACA Coop	***	***	***	***	***	***
Cipsa	***	***	***	***	***	***
D'Ambros Maria	***	***	***	***	***	***
Gasrroni	***	***	***	***	***	***
Geomiel	***	***	***	***	***	***
Gruas San Blas	***	***	***	***	***	***
Haedo	***	***	***	***	***	***
Honey and Grains	***	***	***	***	***	***
Newsan	***	***	***	***	***	***
Nexco	***	***	***	***	***	***
Patagonik	***	***	***	***	***	***
Promiel	***	***	***	***	***	***
Villamora	***	***	***	***	***	***
All firms	134,258	100.0	85,781	100.0	142,319	60.3

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

Table VII-2
Raw honey: Total industry information from FAO for Argentina, 2017-19

Item	2017	2018	2019
Production population (1,000 beehives)	2,976	2,980	2,985
Production (1,000 pounds)	168,387	175,197	174,004
Yield (pounds per unit)	56.6	58.8	58.3

Source: Food and Agriculture Organization statistics, accessed April 15, 2021.

Changes in operations

As presented in table VII-3 producers in Argentina reported a few operational and organizational changes since January 1, 2018.

Table VII-3
Raw honey: Argentine producers' reported changes in operations, since January 1, 2018

* * * * *

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

Operations on raw honey

Table VII-4 presents information on the raw honey operations of the responding producers and exporters in Argentina. Aggregate capacity for responding producers in Argentina increased by 21.9 percent during 2018-20 but is projected to decrease by 6.8 percent in 2021 and then increase by 1.0 percent in 2022. Aggregate production decreased by 3.2 percent during 2018-19 and then increased by 12.3 percent during 2019-20. Aggregate production is projected to decrease by 9.4 percent in 2021 and then increase by 7.0 percent in 2022. During 2018-20, the capacity utilization ratio for responding producers in Argentina decreased by 9.0 percentage points and is projected to decrease by an additional 2.0 percentage points in 2021 before increasing by 4.3 percentage points in 2022.

Aggregate home market shipments for responding producers in Argentina increased by *** percent during 2018-20 but are projected to decrease by *** percent in 2021 and then decrease *** further in 2022. Exports to the United States increased by 28.6 percent during 2018-20 but are expected to decrease by 5.2 percent in 2021 and then increase by 2.4 percent in 2022. Exports to all other markets decreased by 17.9 percent during 2018-19 before increasing by 14.0 percent during 2019-20 and are projected to decrease by 15.0 percent in

2021 before increasing by 7.0 percent in 2022. During 2018-20, the share of exports to the United States ranged between 54.4 and 62.3 percent and is projected to increase to 63.9 percent in 2021 and then decrease to 62.9 percent in 2022. The ratio of inventories to production and inventories to total shipments decreased during 2018-20 by 9.2 percentage points and 10.0 percentage points respectively.

Table VII-4
Raw honey: Data on industry in Argentina, 2018-20 and projection calendar years 2021 and 2022

Quantity in 1,000 pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	147,940	154,017	180,287	168,007	169,651
Production	123,547	119,596	134,258	121,700	130,168
End-of-period inventories	24,852	19,935	14,638	10,746	10,290
Internal consumption	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Home market shipments	***	***	***	***	***
Exports to the United States	66,709	78,365	85,781	81,336	83,312
Exports to all other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	122,682	125,786	142,319	127,364	132,414

Table VII-4 continued
Raw honey: Data on industry in Argentina, 2018-20 and projection calendar years 2021 and 2022

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	83.5	77.7	74.5	72.4	76.7
Inventory ratio to production	20.1	16.7	10.9	8.8	7.9
Inventory ratio to total shipments	20.3	15.8	10.3	8.4	7.8
Internal consumption share	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***
Home market shipments share	***	***	***	***	***
Exports to the United States share	54.4	62.3	60.3	63.9	62.9
Exports to all other markets share	***	***	***	***	***
Export shipments share	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. For the firms that did not report a capacity number, staff based their capacity on their maximum achieved production in 2018-20 rounded to the nearest 10,000 pounds above the maximum achieved production.

Alternative products

Responding Argentine firms produced no other products on the same equipment and machinery used to produce raw honey.

Exports

According to GTA, the leading export markets for natural honey from Argentina are the United States, Germany, and Japan (table VII-5). During 2020, the United States was the leading export market for raw honey from Argentina, accounting for 60.3 percent, followed by Germany, accounting for 22.5 percent, and then followed by Japan, accounting for 6.8 percent. Unit values for exports of raw honey from Argentina to the United States decreased from \$1.06 per pound to \$0.97 per pound during 2018-19 and then increased to \$1.04 per pound in 2020. Unit values for exports to all destination markets decreased from \$1.12 per pound to \$1.01 per pound during 2018-19 and then increased to \$1.08 in 2020.

Table VII-5

Natural honey: Quantity and value of exports from Argentina by destination market, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	83,293	82,127	85,682
Germany	Quantity	28,565	20,169	31,975
Japan	Quantity	8,253	10,672	9,689
Belgium	Quantity	5,279	5,465	4,671
France	Quantity	1,945	5,254	4,358
Italy	Quantity	4,819	3,523	3,322
Spain	Quantity	3,821	1,745	1,138
Saudi Arabia	Quantity	145	---	519
Switzerland	Quantity	1,167	1,200	448
All other destination markets	Quantity	1,802	884	187
All destination markets	Quantity	139,089	131,039	141,989
United States	Value	88,204	79,534	89,302
Germany	Value	35,144	21,569	36,026
Japan	Value	10,418	12,747	11,740
Belgium	Value	6,081	5,658	4,954
France	Value	2,292	5,765	4,950
Italy	Value	5,475	3,727	3,702
Spain	Value	4,310	1,662	1,233
Saudi Arabia	Value	172	---	577
Switzerland	Value	1,408	1,199	442
All other destination markets	Value	2,082	828	195
All destination markets	Value	155,586	132,689	153,120

Source: GTIS/GTA database.

Table VII-5 continued**Natural honey: Quantity and value of exports from Argentina by destination market, 2018-20**

Unit values in dollars per pound; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	1.06	0.97	1.04
Germany	Unit value	1.23	1.07	1.13
Japan	Unit value	1.26	1.19	1.21
Belgium	Unit value	1.15	1.04	1.06
France	Unit value	1.18	1.10	1.14
Italy	Unit value	1.14	1.06	1.11
Spain	Unit value	1.13	0.95	1.08
Saudi Arabia	Unit value	1.18	---	1.11
Switzerland	Unit value	1.21	1.00	0.99
All other destination markets	Unit value	1.16	0.94	1.05
All destination markets	Unit value	1.12	1.01	1.08
United States	Share of quantity	59.9	62.7	60.3
Germany	Share of quantity	20.5	15.4	22.5
Japan	Share of quantity	5.9	8.1	6.8
Belgium	Share of quantity	3.8	4.2	3.3
France	Share of quantity	1.4	4.0	3.1
Italy	Share of quantity	3.5	2.7	2.3
Spain	Share of quantity	2.7	1.3	0.8
Saudi Arabia	Share of quantity	0.1	---	0.4
Switzerland	Share of quantity	0.8	0.9	0.3
All other destination markets	Share of quantity	1.3	0.7	0.1
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 0409.00 as reported by Argentina's National Institute of Statistics & Census (INDEC) in the Global Trade Atlas database, accessed May 7, 2021.

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 2020 data. Data include honey packaged for retail level sale.

The industry in Brazil

The Commission issued foreign producers' or exporters' questionnaires to fifteen firms believed to produce and/or export raw honey from Brazil.⁵ Fourteen firms provided usable responses to the Commission's questionnaire: Apiários Adams Agroindustrial Comercial Exportadora Ltda. ("Apiarios Adams"), Apidouro Comercial Exportadora e Importadora Ltda ("Apidouro"), Apis Nativa Agroindustrial Exportadora Ltda. ("Apis Nativa"), Breyer E Cia Ltda ("Breyer"), Central de Cooperativas Apícolas do Semiárido Brasileiro "(CASA APIS)", Cooperativa Mista dos Apicultores da Microrregião de Simplicio Mendes ("Comapi"), Flora Néctar Indústria Comércio Importação Exportação Ltda ("Flora Nectar"), Lamberhoney Indústria, Comércio e Exportação Ltda. ("Lamberhoney"), Matrunita da Amazônia Apicultura LTDA ("Matrunita"), Melbras Importadora e Exportadora Agroindústria Ltda ("Melbras"), Minamel Agroindústria Ltda. ("Minamel"), S & A Honey Ltda. ("SA Honey"), Apiario Diamante Comercial Exportadora Ltda ("Super Mel"), and Wenzel's Apicultura Comercio Industria Importação e Exportação Ltda. ("Wenzel's). These firms' exports to the United States were equivalent to 98.1 percent of U.S. imports of raw honey from Brazil in 2020. According to industry information for Brazil from the Food and Agriculture Organization (FAO), the production of raw honey in Brazil reported in questionnaires is equivalent to 66.7 percent of overall production of raw honey in Brazil. Table VII-6 presents information on the raw honey operations of the responding producers and exporters in Brazil while table VII-7 presents industry information for Brazil from FAO during 2017-19.

⁵ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Table VII-6
Raw honey: Summary data for producers in Brazil, 2020

Firm	Implied 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)
Apiarios Adams	***	***	***	***	***	***
Apidouro	***	***	***	***	***	***
Apis Nativa	***	***	***	***	***	***
Breyer	***	***	***	***	***	***
CASA APIS	***	***	***	***	***	***
Comapi	***	***	***	***	***	***
Flora Nectar	***	***	***	***	***	***
Lamberhoney	***	***	***	***	***	***
Matrunita	***	***	***	***	***	***
Melbras	***	***	***	***	***	***
Minamel	***	***	***	***	***	***
SA Honey	***	***	***	***	***	***
Super Mel	***	***	***	***	***	***
Wenzel's	***	***	***	***	***	***
All firms	100,470	100.0	73,961	100.0	98,571	75.0

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

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

Table VII-7
Raw honey: Total industry information from FAO for Brazil, 2020

Item	2017	2018	2019
Production population (1,000 beehives)	995	999	1,003
Production (1,000 pounds)	91,924	93,427	101,371
Yield (pounds per unit)	92.3	93.5	101.1

Source: Food and Agriculture Organization statistics, accessed April 15, 2021.

Changes in operations

As presented in table VII-8 producers in Brazil reported some operational and organizational changes since January 1, 2018.

Table VII-8
Raw honey: Reported changes in operations by firms in Brazil, since January 1, 2018

* * * * *

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

Operations on raw honey

Table VII-9 presents information on the raw honey operations of the responding producers and exporters in Brazil. Aggregate capacity for responding producers in Brazil increased by 10.1 percent during 2018-20 and is projected to further increase by 14.6 percent in 2021 and 7.3 percent in 2022. Aggregate production increased by 63.8 percent during 2018-20 and is projected to decrease by 5.8 percent in 2021 before increasing by 15.3 percent in 2022. During 2018-20, capacity utilization for responding producers in Brazil increased by 23.7 percentage points and is projected to decrease by 12.8 percentage points in 2021 but then increase by 4.4 percentage points in 2022.

Aggregate home market shipments for responding producers in Brazil decreased by 4.5 percent during 2018-19, increased by 73.9 percent during 2019-20 and are projected to increase by 6.8 percent in 2021 and by 23.5 percent in 2022. Exports to the United States increased by 51.8 percent during 2018-20 and are projected to decrease slightly in 2021 but then increase by 8.2 percent in 2022. Exports to all other markets increased by 95.2 percent during 2018-20 and are projected to decrease slightly in 2021 before increasing by 20.3 percent in 2022. The share of exports to the United States ranged between 75.0 percent and 79.8 percent during 2018-20 and is projected to decrease to 74.7 percent in 2021 and then further

decrease to 72.6 percent in 2022. The ratio of inventories to production and inventories to total shipments increased by 1.9 percentage points and 2.5 percentage points respectively in 2019 but then decreased by 2.9 percentage points and 3.1 percentage points respectively in 2020.

Table VII-9
Raw honey: Data on industry in Brazil, 2018-20 and projection calendar years 2021 and 2022

Quantity in 1,000 pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	126,395	126,395	139,171	159,469	171,169
Production	61,334	67,640	100,470	94,640	109,127
End-of-period inventories	7,708	9,820	11,718	6,975	6,434
Internal consumption	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Home market shipments	3,572	3,412	5,934	6,338	7,829
Exports to the United States	48,715	52,262	73,961	73,215	79,235
Exports to all other markets	9,566	9,854	18,677	18,399	22,137
Export shipments	58,281	62,116	92,637	91,614	101,372
Total shipments	61,853	65,528	98,571	97,952	109,201

Table VII-9 continued
Raw honey: Data on industry in Brazil, 2018-20 and projection calendar years 2021 and 2022

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	48.5	53.5	72.2	59.3	63.8
Inventory ratio to production	12.6	14.5	11.7	7.4	5.9
Inventory ratio to total shipments	12.5	15.0	11.9	7.1	5.9
Internal consumption share	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***
Home market shipments share	5.8	5.2	6.0	6.5	7.2
Exports to the United States share	78.8	79.8	75.0	74.7	72.6
Exports to all other markets share	15.5	15.0	18.9	18.8	20.3
Export shipments share	94.2	94.8	94.0	93.5	92.8
Total shipments share	100.0	100.0	100.0	100.0	100.0

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

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

Alternative products

Responding Brazilian firms produced no other products on the same equipment and machinery used to produce raw honey.

Exports

According to GTA, the leading export markets for natural honey from Brazil are the United States, Germany, and Canada (table VII-10). During 2020, the United States was the leading export market for natural honey from Brazil, accounting for 74.6 percent, followed by Germany, accounting for 11.7 percent, and Canada, accounting for 3.9 percent. Unit values for exports of natural honey from Brazil to the United States decreased from \$1.48 per pound in 2018 to \$1.02 per pound in 2019 and \$0.95 per pound in 2020. Unit values for exports from Brazil to all destination markets decreased from \$1.52 per pound in 2018 to \$1.03 per pound in 2019 and \$0.98 per pound in 2020.

Table VII-10
Natural honey: Quantity and value of exports from Brazil by destination market, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	49,851	53,300	75,240
Germany	Quantity	6,438	4,109	11,823
Canada	Quantity	2,107	2,778	3,941
Australia	Quantity	83	741	3,339
Belgium	Quantity	668	1,021	1,867
Netherlands	Quantity	1,067	1,065	1,197
United Kingdom	Quantity	981	1,408	1,139
Denmark	Quantity	350	573	637
Panama	Quantity	141	337	371
All other destination markets	Quantity	1,198	893	1,259
All destination markets	Quantity	62,885	66,224	100,814
United States	Value	73,751	54,213	71,265
Germany	Value	11,107	4,765	13,222
Canada	Value	3,229	3,001	4,285
Australia	Value	156	703	3,043
Belgium	Value	1,047	1,155	1,870
Netherlands	Value	1,735	1,035	1,193
United Kingdom	Value	1,474	1,520	1,159
Denmark	Value	518	659	671
Panama	Value	112	172	358
All other destination markets	Value	2,278	1,160	1,495
All destination markets	Value	95,408	68,384	98,560

Source: GTIS/GTA database.

Table VII-10 continued
Natural honey: Quantity and value of exports from Brazil by destination market, 2018-20

Unit values in dollars per pound; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	1.48	1.02	0.95
Germany	Unit value	1.73	1.16	1.12
Canada	Unit value	1.53	1.08	1.09
Australia	Unit value	1.88	0.95	0.91
Belgium	Unit value	1.57	1.13	1.00
Netherlands	Unit value	1.63	0.97	1.00
United Kingdom	Unit value	1.50	1.08	1.02
Denmark	Unit value	1.48	1.15	1.05
Panama	Unit value	0.79	0.51	0.97
All other destination markets	Unit value	1.90	1.30	1.19
All destination markets	Unit value	1.52	1.03	0.98
United States	Share of quantity	79.3	80.5	74.6
Germany	Share of quantity	10.2	6.2	11.7
Canada	Share of quantity	3.4	4.2	3.9
Australia	Share of quantity	0.1	1.1	3.3
Belgium	Share of quantity	1.1	1.5	1.9
Netherlands	Share of quantity	1.7	1.6	1.2
United Kingdom	Share of quantity	1.6	2.1	1.1
Denmark	Share of quantity	0.6	0.9	0.6
Panama	Share of quantity	0.2	0.5	0.4
All other destination markets	Share of quantity	1.9	1.3	1.2
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 0409.00 as reported by Brazil's Foreign Trade Secretariat (SECEX) in the Global Trade Atlas database, accessed May 10, 2021.

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 2020 data. Data include honey packaged for retail level sale.

The industry in India

The Commission issued foreign producers' or exporters' questionnaires to fourteen firms believed to produce and/or export raw honey from India.⁶ Eight firms provided usable responses to the Commission's questionnaire: Allied Natural Product ("Allied Natural"), Ambrosia Natural Products India Pvt Ltd ("Ambrosia"), Apis India Limited ("Apis"), Brij Honey Private Limited ("Brij Honey"), Ganpati Natural Products ("Ganpati"), Indocan Honey Pvt Ltd ("Indocan"), Kejriwal Bee Care India Private Limited ("Kejriwal"), and Shakti ApiFoods Pvt. Ltd. ("Shakti Apifoods"). These firms' exports to the United States were equivalent to 104.7 percent of U.S. imports of raw honey from Brazil in 2020. According to industry information for India from the Food and Agriculture Organization (FAO), the production of raw honey in India reported in questionnaires is equivalent to 113.5 percent of overall production of raw honey in India. Table VII-11 presents information on the raw honey operations of the responding producers and exporters in India while table VII-12 presents industry information for India from FAO during 2017-19.

Table VII-11
Raw honey: Summary data on firms in India, 2020

Firm	Implied 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)
Allied Natural	***	***	***	***	***	***
Ambrosia	***	***	***	***	***	***
Apis	***	***	***	***	***	***
Brij Honey	***	***	***	***	***	***
Ganpati	***	***	***	***	***	***
Indocan	***	***	***	***	***	***
Kejriwal	***	***	***	***	***	***
Shakti Apifoods	***	***	***	***	***	***
All firms	154,126	100.0	86,481	100.0	156,611	55.2

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

⁶ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Table VII-12**Raw honey: Total industry information from FAO for India, 2020**

Item	2017	2018	2019
Production population (1,000 beehives)	12,077	12,162	12,247
Production (1,000 pounds)	146,905	149,059	148,020
Yield (pounds per unit)	12.2	12.3	12.1

Source: Food and Agriculture Organization statistics, accessed April 15, 2021.

Changes in operations

Producers in India reported no operational and organizational changes since January 1, 2018.

Operations on raw honey

Table VII-13 presents information on the raw honey operations of the responding producers and exporters in India. Aggregate capacity for responding producers in India increased by 14.3 percent during 2018-20. Aggregate production increased by 15.1 percent during 2018-19 and then decreased by 8.2 percent during 2019-20. Aggregate capacity is projected to remain unchanged during 2021 and 2022. Capacity utilization for responding producers in India increased by 9.5 percentage points during 2018-19 before decreased by 14.4 percentage points during 2019-20 and is projected to increase by 8.4 percentage points in 2021 and by 3.9 percentage points in 2022.

Aggregate home market shipments for responding producers in India decreased by 2.7 percent during 2018-19 before increasing by 25.0 percent during 2019-20 and are projected to further increase by 18.3 percent in 2021 and by 11.8 percent in 2022. Exports to the United States increased by 18.6 percent during 2018-19 but then decreased by 26.0 percent during 2019-20 and are projected to increase by 5.0 percent in 2021 before decreasing by 1.1 percent in 2022. Exports to all other markets decreased by 37.1 percent during 2018-19 and then increased by 31.0 percent during 2019-20 and are projected to increase by 7.2 percent in 2021 and by 9.8 in 2022. The share of exports to the United States ranged from 55.2 percent to 67.6 percent during 2018-20 and is projected to decrease to 52.4 in 2021 and then further decrease to 49.4 in 2022. The ratio of inventories to production and inventories to total shipments decreased by 5.4 percentage points and by 4.5 percentage points respectively during 2018-20.

Table VII-13**Raw honey: Data on industry in India, 2018-20 and projection calendar years 2021 and 2022**

Quantity in pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	230,938	230,938	264,008	264,008	264,008
Production	145,927	167,978	154,126	176,212	186,537
End-of-period inventories	19,474	14,751	12,265	15,322	20,131
Internal consumption	24,376	25,864	32,779	36,483	39,916
Commercial home market shipments	28,583	25,682	31,677	39,793	45,324
Home market shipments	52,958	51,547	64,456	76,276	85,240
Exports to the United States	98,476	116,822	86,481	90,798	89,808
Exports to all other markets	6,886	4,331	5,674	6,082	6,680
Export shipments	105,362	121,154	92,155	96,880	96,488
Total shipments	158,321	172,701	156,611	173,156	181,728

Table VII-13 continued**Raw honey: Data on industry in India, 2018-20 and projection calendar years 2021 and 2022**

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	63.2	72.7	58.4	66.7	70.7
Inventory ratio to production	13.3	8.8	8.0	8.7	10.8
Inventory ratio to total shipments	12.3	8.5	7.8	8.8	11.1
Internal consumption share	15.4	15.0	20.9	21.1	22.0
Commercial home market shipments share	18.1	14.9	20.2	23.0	24.9
Home market shipments share	33.5	29.8	41.2	44.1	46.9
Exports to the United States share	62.2	67.6	55.2	52.4	49.4
Exports to all other markets share	4.3	2.5	3.6	3.5	3.7
Export shipments share	66.5	70.2	58.8	55.9	53.1
Total shipments share	100.0	100.0	100.0	100.0	100.0

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

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

Alternative products

Responding Indian firms produced no other products on the same equipment and machinery used to produce raw honey.

Exports

According to GTA, the leading export markets for natural honey from India are the United States, the United Arab Emirates, and Saudi Arabia (table VII-14). During 2020, the United States was the top export market for natural honey from India, accounting for 75.6 percent, followed by the United Arab Emirates, accounting for 4.7 percent, and Saudi Arabia, accounting for 4.7 percent. Unit values for exports of natural honey from India to the United States decreased from \$0.75 per pound to \$0.60 per pound during 2018-20. Unit values for exports to all destination markets decreased from \$0.80 to \$0.69 per pound.

Table VII-14
Natural honey: Quantity and value of exports from India by destination market, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	105,383	119,820	91,379
United Arab Emirates	Quantity	3,993	4,579	5,676
Saudi Arabia	Quantity	4,535	4,621	5,656
Nepal	Quantity	1,294	1,607	2,649
Morocco	Quantity	1,493	2,318	2,391
Canada	Quantity	1,353	1,727	2,163
Bangladesh	Quantity	1,066	1,413	1,949
Qatar	Quantity	947	1,513	1,555
Libya	Quantity	1,190	749	1,023
All other destination markets	Quantity	7,108	5,729	6,473
All destination markets	Quantity	128,361	144,075	120,914
United States	Value	78,778	77,420	54,905
United Arab Emirates	Value	3,978	4,234	5,124
Saudi Arabia	Value	4,853	4,893	5,750
Nepal	Value	1,201	1,209	1,766
Morocco	Value	1,211	1,703	1,606
Canada	Value	1,179	1,609	1,956
Bangladesh	Value	863	1,139	1,645
Qatar	Value	1,403	1,777	1,856
Libya	Value	1,020	718	919
All other destination markets	Value	7,935	6,276	7,580
All destination markets	Value	102,421	100,978	83,108

Table VII-14 continued**Natural honey: Quantity and value of exports from India by destination market, 2018-20**

Unit values in dollars per pound; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	0.75	0.65	0.60
United Arab Emirates	Unit value	1.00	0.92	0.90
Saudi Arabia	Unit value	1.07	1.06	1.02
Nepal	Unit value	0.93	0.75	0.67
Morocco	Unit value	0.81	0.73	0.67
Canada	Unit value	0.87	0.93	0.90
Bangladesh	Unit value	0.81	0.81	0.84
Qatar	Unit value	1.48	1.17	1.19
Libya	Unit value	0.86	0.96	0.90
All other destination markets	Unit value	1.12	1.10	1.17
All destination markets	Unit value	0.80	0.70	0.69
United States	Share of quantity	82.1	83.2	75.6
United Arab Emirates	Share of quantity	3.1	3.2	4.7
Saudi Arabia	Share of quantity	3.5	3.2	4.7
Nepal	Share of quantity	1.0	1.1	2.2
Morocco	Share of quantity	1.2	1.6	2.0
Canada	Share of quantity	1.1	1.2	1.8
Bangladesh	Share of quantity	0.8	1.0	1.6
Qatar	Share of quantity	0.7	1.1	1.3
Libya	Share of quantity	0.9	0.5	0.8
All other destination markets	Share of quantity	5.5	4.0	5.4
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 0409.00 as reported by India's Ministry of Commerce and Industry in the Global Trade Atlas database, accessed May 10, 2021

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 2020 data. Data include honey packaged for retail level sale.

The industry in Ukraine

The Commission issued foreign producers' or exporters' questionnaires to seven firms believed to produce and/or export raw honey from Ukraine.⁷ Usable responses to the Commission's questionnaire were received from five firms: Agro East Trade TOV ("Agro East Trade"), Honey Bee Trade Sp. z O. O. ("Honey Bee Trade"), Lumeli LLC ("Lumeli"), Natural Honey LLC ("Natural Honey"), and Limited Liability Company «The Group of Companies «Sodruzhestvo» ("Sodruzhestvo"). These firms' exports to the United States were equivalent to 65.7 percent of U.S. imports of raw honey from Ukraine in 2020. According to industry information for Ukraine from FAO, the production of raw honey in Ukraine reported in questionnaires accounts for approximately 29.5 percent of overall production of raw honey in Ukraine. Table VII-15 presents information on the raw honey operations of the responding producers and exporters in Ukraine while table VII-16 presents industry information for Ukraine from FAO during 2017-19.

Table VII-15
Raw honey: Summary data on firms in Ukraine, 2020

* * * * *

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

Table VII-16
Raw honey: Total industry information from FAO for Ukraine, 2020

Item	2017	2018	2019
Production population (1,000 beehives)	2,487	2,642	2,601
Production (1,000 pounds)	146,014	157,143	154,185
Yield (pounds per unit)	58.7	59.5	59.3

Source: Food and Agriculture Organization statistics, accessed April 15, 2021

⁷ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Changes in operations

As presented in table VII-17 producers in Ukraine reported several operational changes since January 1, 2018.

Table VII-17

Raw honey: Reported changes in operations by firms in Ukraine, since January 1, 2018

Item	Firm name and accompanying narrative response
Expansion in number of colonies/ hives	***
Expansion in number of colonies/ hives	***
Weather related events	***
Changes in labor availability or costs	***
Changes in labor availability or costs	***
Other (e.g., technology)	***

Operations on raw honey

Table VII-18 presents information on the raw honey operations of the responding producers and exporters in Ukraine. Aggregate capacity for responding producers in Ukraine increased by 69.7 percent during 2018-20 and is projected to further increase by 2.4 percent in 2021 and by 1.3 percent in 2022. Aggregate production increased by 155.4 percent during 2018-20 and is projected to further increase by 4.1 percent in 2021 and by 4.6 percent in 2022. During 2018-20, capacity utilization for responding producers in Ukraine increased by 28.5 percentage points

Aggregate home market shipments for responding producers in Ukraine decreased by *** percent during 2018-19. *** home market shipments were reported in 2020 and *** are projected in 2021 and 2022. Exports to the United States decreased by *** percent during 2018-19 before increasing by *** percent during 2019-20 and are projected to increase *** in 2021 and 2022. Exports to all other markets increased by *** percent during 2018-20 and are projected to further increase by *** percent in 2021 and by *** percent in 2022. The share of exports to the United States ranged between *** and *** percent during 2018-20 and are projected to decrease to *** percent in 2021 and *** percent in 2022. The ratio of inventories to production and inventories to total shipments

increased by 2.3 percent and 4.4 percent respectively during 2018-19 and then decreased by 2.6 percent and 3.2 percent respectively during 2019-20.

Table VII-18

Raw honey: Data on industry in Ukraine, 2018-20 and projection calendar years 2021 and 2022

Quantity in 1,000 pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	49,962	62,025	84,786	86,829	87,975
Production	28,211	45,492	72,047	75,014	78,468
End-of-period inventories	2,841	5,621	7,022	5,525	5,375
Internal consumption	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Home market shipments	***	***	***	***	***
Exports to the United States	***	***	***	***	***
Exports to all other markets	***	***	***	***	***
Export shipments	***	***	***	***	***
Total shipments	32,251	42,713	70,646	76,510	78,618

Table VII-18 continued

Raw honey: Data on industry in Ukraine, 2018-20 and projection calendar years 2021 and 2022

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	56.5	73.3	85.0	86.4	89.2
Inventory ratio to production	10.1	12.4	9.7	7.4	6.9
Inventory ratio to total shipments	8.8	13.2	9.9	7.2	6.8
Internal consumption share	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***
Home market shipments share	***	***	***	***	***
Exports to the United States share	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***
Export shipments share	***	***	***	***	***
Total shipments share	100.0	100.0	100.0	100.0	100.0

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

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

Alternative products

Responding Ukrainian firms produced no other products on the same equipment and machinery used to produce raw honey.

Exports

According to GTA, the leading export markets for natural honey from Ukraine are Poland, Germany, and the United States (table VII-19). During 2020, Poland was the top export market for natural honey from Ukraine, accounting for 25.9 percent, followed by Germany, accounting for 18.6 percent, and the United States, accounting for 10.2 percent. Unit values for exports of natural honey from Ukraine to the United States increased from 0.82 in 2018 to 0.83 in 2019 and then decreased to 0.74 in 2020. Average unit values for exports of natural honey from Ukraine to all destination markets decreased from 0.90 to 0.78 during 2018-20.

Table VII-19
Natural honey: Quantity and value of exports from Ukraine by destination market, 2018-20

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	15,589	8,537	18,231
Poland	Quantity	19,225	26,123	46,110
Germany	Quantity	27,238	27,214	33,074
Belgium	Quantity	9,363	13,375	17,511
Lithuania	Quantity	7,866	11,164	10,307
France	Quantity	4,721	6,313	8,606
Turkey	Quantity	5,735	6,372	7,722
Hungary	Quantity	1,904	2,188	6,447
Romania	Quantity	1,077	91	5,141
All other destination markets	Quantity	16,285	21,572	25,143
All destination markets	Quantity	109,001	122,949	178,293
United States	Value	12,817	7,105	13,523
Poland	Value	17,774	21,268	36,099
Germany	Value	25,234	22,999	26,057
Belgium	Value	8,757	11,301	13,437
Lithuania	Value	6,684	8,496	7,196
France	Value	4,157	5,250	6,636
Turkey	Value	4,202	4,191	5,148
Hungary	Value	1,768	1,749	5,214
Romania	Value	1,109	68	4,695
All other destination markets	Value	15,638	18,840	20,908
All destination markets	Value	98,139	101,267	138,913

Table VII-19 continued**Natural honey: Quantity and value of exports from Ukraine by destination market, 2018-20**

Unit values in dollars per pound; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	0.82	0.83	0.74
Poland	Unit value	0.92	0.81	0.78
Germany	Unit value	0.93	0.85	0.79
Belgium	Unit value	0.94	0.84	0.77
Lithuania	Unit value	0.85	0.76	0.70
France	Unit value	0.88	0.83	0.77
Turkey	Unit value	0.73	0.66	0.67
Hungary	Unit value	0.93	0.80	0.81
Romania	Unit value	1.03	0.74	0.91
All other destination markets	Unit value	0.96	0.87	0.83
All destination markets	Unit value	0.90	0.82	0.78
United States	Share of quantity	14.3	6.9	10.2
Poland	Share of quantity	17.6	21.2	25.9
Germany	Share of quantity	25.0	22.1	18.6
Belgium	Share of quantity	8.6	10.9	9.8
Lithuania	Share of quantity	7.2	9.1	5.8
France	Share of quantity	4.3	5.1	4.8
Turkey	Share of quantity	5.3	5.2	4.3
Hungary	Share of quantity	1.7	1.8	3.6
Romania	Share of quantity	1.0	0.1	2.9
All other destination markets	Share of quantity	14.9	17.5	14.1
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 0409.00 as reported by Ukraine's State Customs Committee in the Global Trade Atlas database, accessed May 10, 2021.

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 2020 data. Data include honey packaged for retail level sale.

The industry in Vietnam

The Commission issued foreign producers' or exporters' questionnaires to twelve firms believed to produce and/or export raw honey from Vietnam.⁸ Usable responses to the Commission's questionnaire were received from 21 firms: Ban Me Thuot Honeybee Joint Stock Company ("Ban Me Thuot Honeybee"), Bee Honey Corporation of Ho Chi Minh City ("Bee Honey Ho Chi Minh"), Daisy Honey Bee JSC ("Daisy Honey"), Dak Nguyen Hong Exploitation of Honey Company Limited TA ("Dak Nguyen"), Dongnai Honeybee Corporation ("Dongnai HoneyBee"), Hai Phong Honeybee Company Limited ("Hai Phong Honeybee"), Hanoi Honey Bee Joint Stock Company ("Hanoi JSC Honey Bee"), Hung Binh Phat Bees Company Limited / Hung Binh Phat Co., Ltd. ("HBP Honey Bee"), Hoa Viet Honey Bee Co., Ltd ("Hoa Viet Honey Bee"), Hoang Tri Honey Bee Co., Ltd ("Hoang Tri"), Hoang Van Co., Ltd ("Hoang Van"), Bao Nguyen Honeybee Co., Ltd ("Honey Bee Bao Nguyen"), Dak Lak Honeybee Joint Stock Company ("Honey Bee Dak Lak"), Huong Rung Co., Ltd ("Huong Rung"), Nhieu Loc Company Limited ("Nhieu Loc"), Saigon Bees Co., Ltd. ("Saigon Bees"), Southern Honey Bee Co., Ltd ("Southern Honey"), Thanh Hao Bees Company Limited ("Thanh Hao Bees"), Viet Thanh Food Co., Ltd ("Viet Thanh"), and Vinawax Producing Trading and Service Company Limited ("Vinawax"). These firms' exports to the United States were equivalent to 91.9 percent of U.S. imports of raw honey from Vietnam in 2020. According to industry information for Vietnam from FAO, the production of raw honey in Vietnam reported in questionnaires is equivalent to 155.9 percent of overall production of raw honey in Vietnam. Table VII-20 presents information on the raw honey operations of the responding producers and exporters in Vietnam while table VII-21 presents industry information for Ukraine from FAO during 2017-19.

⁸ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Table VII-20
Raw honey: Summary data on firms in Vietnam, 2020

Firm	Implied 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)
Ban Me Thuot Honeybee	***	***	***	***	***	***
Bee Honey Ho Chi Minh	***	***	***	***	***	***
Daisy Honey	***	***	***	***	***	***
Dak Nguyen	***	***	***	***	***	***
Dongnai HoneyBee	***	***	***	***	***	***
Hai Phong Honeybee	***	***	***	***	***	***
Hanoi JSC Honey Bee	***	***	***	***	***	***
HBP Honey Bee	***	***	***	***	***	***
Hoa Viet Honey Bee	***	***	***	***	***	***
Hoang Tri	***	***	***	***	***	***
Hoang Van	***	***	***	***	***	***
Honey Bee Bao Nguyen	***	***	***	***	***	***
Honey Bee Dak Lak	***	***	***	***	***	***
Huong Rung	***	***	***	***	***	***
Nhieu Loc	***	***	***	***	***	***
Saigon Bees	***	***	***	***	***	***
Southern Honey	***	***	***	***	***	***
Thanh Hao Bees	***	***	***	***	***	***
Viet Thanh	***	***	***	***	***	***
Vinawax	***	***	***	***	***	***
Worldwide Vietfoods	***	***	***	***	***	***
All firms	109,500	100.0	102,296	100.0	115,850	88.3

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

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

Table VII-21
Raw honey: Total industry information from FAO for Vietnam, 2020

Item	2017	2018	2019
Production population (1,000 beehives)	273	277	282
Production (1,000 pounds)	41,348	45,007	48,164
Yield (pounds per unit)	151.4	162.3	171.1

Source: Food and Agriculture Organization statistics, accessed April 15, 2021.

Changes in operations

As presented in table VII-22 producers in Vietnam reported several operational and organizational changes since January 1, 2018.

Table VII-22

Raw honey: Reported changes in operations by firms in Vietnam, since January 1, 2018

* * * * *

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

Operations on raw honey

Table VII-23 presents information on the raw honey operations of the responding producers and exporters in Vietnam. Aggregate capacity for responding producers in Vietnam increased by 3.9 percent during 2018-20 but is projected to decrease by 1.4 percent in 2021 while remaining unchanged in 2022. Aggregate production increased by 47.6 percent during 2018-20 but is projected to decrease by 8.3 percent in 2021 before increasing by 1.8 percent in 2022. During 2018-20, capacity utilization for responding producers in Vietnam increased by 20.1 percentage points and is projected to decrease by 4.8 percentage points in 2021 before increasing by 1.2 percentage points in 2022.

Aggregate home market shipments for responding producers in Vietnam increased by 57.3 percent during 2018-20 but are projected to decrease by 31.6 percent in 2021 before increasing slightly in 2022. Exports to the United States decreased by 4.3 percent during 2018-19, increased by 64.8 percent during 2019-20, and are projected to decrease by 10.2 percent in 2021 and then by 5.3 percent in 2022. Exports to all other markets decreased by 46.1 percent during 2018-19, increased by 210.5 percent during 2019-20, and are projected to increase by 28.0 percent in 2021 and then 25.5 percent in 2022. The share of exports to the United States ranged between 88.3 percent and 89.6 percent during 2018-20 are projected to be 87.8 in 2021 and 85.4 in 2022. The ratio of inventories to production and inventories to total shipments increased by 6.8 percentage points and 8.4 percentage points respectively during 2018-19 and then decreased by 13.2 percentage points and 15.5 percentage points respectively during 2019-20.

Table VII-23

Raw honey: Data on industry in Vietnam, 2018-20 and projection calendar years 2021 and 2022

Quantity in 1,000 pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	155,825	157,130	161,840	159,635	159,635
Production	74,173	75,089	109,500	100,410	102,261
End-of-period inventories	11,278	16,521	9,621	4,857	4,140
Internal consumption	2,138	1,829	2,790	1,341	1,055
Commercial home market shipments	2,782	3,501	4,949	3,949	4,481
Home market shipments	4,920	5,330	7,738	5,290	5,537
Exports to the United States	64,847	62,075	102,296	91,880	87,055
Exports to all other markets	3,477	1,873	5,816	7,444	9,342
Export shipments	68,324	63,948	108,112	99,324	96,397
Total shipments	73,244	69,278	115,850	104,614	101,934

Table VII-23 continued**Raw honey: Data on industry in Vietnam, 2018-20 and projection calendar years 2021 and 2022**

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	47.6	47.8	67.7	62.9	64.1
Inventory ratio to production	15.2	22.0	8.8	4.8	4.0
Inventory ratio to total shipments	15.4	23.8	8.3	4.6	4.1
Internal consumption share	2.9	2.6	2.4	1.3	1.0
Commercial home market shipments share	3.8	5.1	4.3	3.8	4.4
Home market shipments share	6.7	7.7	6.7	5.1	5.4
Exports to the United States share	88.5	89.6	88.3	87.8	85.4
Exports to all other markets share	4.7	2.7	5.0	7.1	9.2
Export shipments share	93.3	92.3	93.3	94.9	94.6
Total shipments share	100.0	100.0	100.0	100.0	100.0

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

Alternative products

Responding Vietnamese firms produced no other products on the same equipment and machinery used to produce raw honey.

Exports

According to GTA, the leading export markets for natural honey from Vietnam are the United States, the United Kingdom, and Indonesia (table VII-24). During 2020, the United States was the top export market for natural honey from Vietnam, accounting for 91.3 percent, followed by the United Kingdom, accounting for 3.5 percent, and Indonesia, accounting for 1.7 percent. Unit values for exports of natural honey from Vietnam to the United States decreased from \$0.65 per pound to \$0.54 per pound during 2018-20. Average unit values for exports from Vietnam to all destination markets decreased from \$0.66 per pound to \$0.56 per pound during 2018-20.

Table VII-24**Natural honey: Quantity and value of exports from Vietnam by destination market, 2018-20**

Quantity in 1,000 pounds; Value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	86,325	81,526	111,706
United Kingdom	Quantity	2,953	3,673	4,225
Indonesia	Quantity	651	1,053	2,129
Canada	Quantity	476	285	1,200
Thailand	Quantity	658	381	761
Taiwan	Quantity	1,025	961	587
Germany	Quantity	187	315	436
Austria	Quantity	266	67	321
Poland	Quantity	392	359	259
All other destination markets	Quantity	1,359	1,096	776
All destination markets	Quantity	94,291	89,715	122,399
United States	Value	56,197	47,306	60,430
United Kingdom	Value	2,283	2,536	2,865
Indonesia	Value	588	867	1,545
Canada	Value	372	209	1,010
Thailand	Value	623	325	634
Taiwan	Value	820	761	463
Germany	Value	141	249	343
Austria	Value	208	53	235
Poland	Value	223	210	150
All other destination markets	Value	1,184	825	602
All destination markets	Value	62,638	53,343	68,277

Table continued on next page.

Table VII-24 continued**Natural honey: Quantity and value of exports from Vietnam by destination market, 2018-20**

Unit values in dollars per pound; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	0.65	0.58	0.54
United Kingdom	Unit value	0.77	0.69	0.68
Indonesia	Unit value	0.90	0.82	0.73
Canada	Unit value	0.78	0.73	0.84
Thailand	Unit value	0.95	0.85	0.83
Taiwan	Unit value	0.80	0.79	0.79
Germany	Unit value	0.75	0.79	0.79
Austria	Unit value	0.78	0.79	0.73
Poland	Unit value	0.57	0.59	0.58
All other destination markets	Unit value	0.87	0.75	0.78
All destination markets	Unit value	0.66	0.59	0.56
United States	Share of quantity	91.6	90.9	91.3
United Kingdom	Share of quantity	3.1	4.1	3.5
Indonesia	Share of quantity	0.7	1.2	1.7
Canada	Share of quantity	0.5	0.3	1.0
Thailand	Share of quantity	0.7	0.4	0.6
Taiwan	Share of quantity	1.1	1.1	0.5
Germany	Share of quantity	0.2	0.4	0.4
Austria	Share of quantity	0.3	0.1	0.3
Poland	Share of quantity	0.4	0.4	0.2
All other destination markets	Share of quantity	1.4	1.2	0.6
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official import statistics imported from Vietnam under HS subheading 0409.00 as reported by various national statistical authorities in the Global Trade Atlas database, accessed May 10, 2021.

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 2020 data. Data include honey packaged for retail level sale.

Subject countries combined

Table VII-25 presents summary data on raw honey operations of the reporting subject producers in the subject countries. Aggregate capacity increased by 16.7 percent during 2018-20 and is projected to further increase by 0.9 percent in 2021 and by 1.7 percent in 2022. Aggregate production increased by 31.7 percent during 2018-20 and is projected to decrease by 0.4 percent in 2021 before increasing by 6.8 percent in 2022. During 2018-20, capacity utilization increased by 7.8 percentage points and is projected to decrease by 0.9 percentage points in 2021 before increasing by 3.4 percentage points in 2022.

Aggregate home market shipments for all responding producers in subject countries decreased slightly during 2018-19, increased by 32.4 percent during 2019-20, and are projected to increase by 8.4 percent in 2021 and by 11.9 percent in 2022. Exports to the United States increased by 24.3 percent during 2018-20 and are projected to decrease by 3.0 percent in 2021 but then increase by 0.6 percent in 2022. Exports to all other markets increased by 48.1 percent during 2018-20 and are projected to decrease slightly in 2021 but then increase by 8.3 percent in 2022. The share of exports to the United States ranged between 62.4 percent and 67.0 percent during 2018-20 but is expected to decrease to 61.0 percent in 2021 and 58.9 percent in 2022. The ratio of inventories to production and inventories to total shipments decreased by 5.6 percentage points and 5.3 percentage points respectively during 2018-20.

Table VII-25

Raw honey: Data on industry in subject countries, 2018-20 and projection calendar years 2021 and 2022

Quantity in 1,000 pounds

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity	711,061	730,504	830,091	837,947	852,438
Production	433,193	475,795	570,401	567,976	606,562
End-of-period inventories	66,154	66,647	55,264	43,426	46,371
Internal consumption	27,610	28,416	36,345	38,700	42,170
Commercial home market shipments	35,467	34,365	46,786	51,447	58,669
Home market shipments	63,077	62,781	83,130	90,147	100,838
Exports to the United States	293,113	318,743	364,399	353,390	355,680
Exports to all other markets	92,161	94,481	136,468	136,058	147,376
Export shipments	385,274	413,224	500,867	489,448	503,056
Total shipments	448,352	476,005	583,998	579,596	603,895

Table VII-25 continued**Raw honey: Data on industry in subject countries, 2018-20 and projection calendar years 2021 and 2022**

Shares and ratios in percent

Item	2018	2019	2020	Projection 2021	Projection 2022
Capacity utilization ratio	60.9	65.1	68.7	67.8	71.2
Inventory ratio to production	15.3	14.0	9.7	7.6	7.6
Inventory ratio to total shipments	14.8	14.0	9.5	7.5	7.7
Internal consumption share	6.2	6.0	6.2	6.7	7.0
Commercial home market shipments share	7.9	7.2	8.0	8.9	9.7
Home market shipments share	14.1	13.2	14.2	15.6	16.7
Exports to the United States share	65.4	67.0	62.4	61.0	58.9
Exports to all other markets share	20.6	19.8	23.4	23.5	24.4
Export shipments share	85.9	86.8	85.8	84.4	83.3
Total shipments share	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-26 presents data on U.S. importers' reported inventories of raw honey. During 2018-20, the ratio of inventories to total shipments of imports from subject sources decreased by 5.4 percentage points but increased by 13.2 percentage points for imports from nonsubject sources (even though the absolute quantity of such inventories declined). During 2018-19, the ratio of inventories to total shipments of imports decreased for each subject country. During 2019-20, the ratio of inventories to total shipments of imports increased for imports from India and Ukraine, but decreased for imports from Argentina, Brazil and Vietnam.

Table VII-26**Raw honey: U.S. importers' end-of-period inventories of imports by source, 2018-20**

Quantity in 1,000 pounds; Ratios in percent

Measure	Source	2018	2019	2020
Inventories quantity	Argentina	***	***	***
Ratio to imports	Argentina	***	***	***
Ratio to U.S. shipments of imports	Argentina	***	***	***
Ratio to total shipments of imports	Argentina	***	***	***
Inventories quantity	Brazil	***	***	***
Ratio to imports	Brazil	***	***	***
Ratio to U.S. shipments of imports	Brazil	***	***	***
Ratio to total shipments of imports	Brazil	***	***	***
Inventories quantity	India	***	***	***
Ratio to imports	India	***	***	***
Ratio to U.S. shipments of imports	India	***	***	***
Ratio to total shipments of imports	India	***	***	***
Inventories quantity	Ukraine	***	***	***
Ratio to imports	Ukraine	***	***	***
Ratio to U.S. shipments of imports	Ukraine	***	***	***
Ratio to total shipments of imports	Ukraine	***	***	***
Inventories quantity	Vietnam	***	***	***
Ratio to imports	Vietnam	***	***	***
Ratio to U.S. shipments of imports	Vietnam	***	***	***
Ratio to total shipments of imports	Vietnam	***	***	***
Inventories quantity	Subject	53,195	46,000	45,616
Ratio to imports	Subject	16.7	13.5	12.1
Ratio to U.S. shipments of imports	Subject	17.5	13.1	12.1
Ratio to total shipments of imports	Subject	17.5	13.1	12.1
Inventories quantity	Nonsubject	8,384	6,113	6,583
Ratio to imports	Nonsubject	17.2	23.4	29.1
Ratio to U.S. shipments of imports	Nonsubject	16.1	21.4	29.3
Ratio to total shipments of imports	Nonsubject	16.1	21.4	29.3
Inventories quantity	All	61,579	52,113	52,199
Ratio to imports	All	16.8	14.2	13.1
Ratio to U.S. shipments of imports	All	17.3	13.8	13.0
Ratio to total shipments of imports	All	17.3	13.8	13.0

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 raw honey from Argentina, Brazil, India, Ukraine, and Vietnam after December 31, 2020.

Table VII-27

Raw honey: Arranged imports, January 2021 through December 2021

Quantity in 1,000 pounds

Source	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Total
Argentina	***	***	***	***	***
Brazil	***	***	***	***	***
India	***	***	***	***	***
Ukraine	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	93,010	117,332	89,589	18,510	318,441
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Antidumping or countervailing duty orders in third-country markets

There are no known trade remedy actions on natural honey from Argentina, Brazil, India, Ukraine, or Vietnam in third-country markets.

Information on nonsubject countries

Table VII-28
Raw honey: Leading producing countries, 2017-19

Quantity in metric tons

Market	Source	2017	2018	2019
China	Nonsubject	548,813	457,203	447,007
Turkey	Nonsubject	114,471	107,920	109,330
Canada	Nonsubject	96,012	94,996	80,345
Argentina	Subject	76,379	79,468	78,927
Iran	Nonsubject	70,528	75,835	75,463
United States	Domestic	67,596	69,857	71,179
Ukraine	Subject	66,231	71,279	69,937
India	Subject	66,635	67,612	67,141
Russia	Nonsubject	65,167	65,006	63,526
Mexico	Nonsubject	51,066	64,253	61,986
Ethiopia	Nonsubject	50,000	50,000	53,782
Brazil	Subject	41,696	42,378	45,981
United Republic of Tanzania	Nonsubject	30,452	30,694	30,937
Republic of Korea	Nonsubject	25,866	25,692	29,518
Romania	Nonsubject	30,177	29,162	25,269
Top 15 Total	Subtotal	1,401,089	1,331,355	1,310,328
Global Total	Total	2,475,092	2,313,094	2,168,295

Source: FAO, this represents the latest available data from FAO Stats.

The top 15 honey producers globally include four subject countries according to FAO data. Vietnam, the remaining subject country, ranked 18 with 21,847 metric tons produced in 2019. The top 15 represent 60.4 percent of total production reported by FAO in 2019 with nonsubject countries in the top 15 accounting for 47.3 percent and subject countries among the top 15 accounting for 12.1 percent of total production (with Vietnam, subject countries account for 13.1 percent of total production reported by FAO in 2019).

Table VII-29
Natural honey: Leading exporting countries ranked by 2020 exports, 2018 to 2020

Quantity in kilograms

Market	Source	2018	2019	2020
China	Nonsubject	123,477,328	120,845,474	132,469,346
Ukraine	Subject	49,442,223	55,768,636	80,872,333
Argentina	Subject	63,090,005	59,438,436	64,405,082
India	Subject	58,223,749	65,351,506	54,845,585
Vietnam	Subject	42,769,834	40,694,261	55,519,218
Brazil	Subject	28,524,249	30,038,954	45,728,337
Germany	Nonsubject	22,787,938	25,320,735	28,901,996
Spain	Nonsubject	23,590,483	23,068,749	28,388,315
Poland	Nonsubject	14,705,114	16,837,202	24,691,272
Mexico	Nonsubject	55,674,491	22,046,488	22,617,550
Belgium	Nonsubject	19,834,666	18,297,940	22,352,234
Hungary	Nonsubject	20,932,221	19,388,676	19,086,728
Uruguay	Nonsubject	5,739,417	7,780,252	15,934,416
Romania	Nonsubject	10,509,327	10,497,485	13,186,623
Bulgaria	Nonsubject	10,719,325	12,949,892	12,832,987
Top 15 Total	Subtotal	550,020,370	528,324,686	621,832,022
Global Total	Total	679,328,511	638,731,383	735,240,406

Sources: IHS Markit, Global Trade Atlas (accessed May 12, 2021)

Note: U.S. imports of honey from China are subject to counter vailing duty orders and additional Section 301 duties.

The top 15 natural honey exporters include all five subject according to data reported to Global Trade Atlas (GTA). The top 15 represent 84.6 percent of total exports reported for 2020 with subject countries among the top 15 accounting for 41.0 percent of total exports and all other countries in the top 15 accounting for 43.6 percent of reported exports in 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
86 FR 22265, April 27, 2021	<i>Raw Honey From Argentina, Brazil, India, Ukraine, and Vietnam; Institution of Antidumping Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2021-04-27/pdf/2021-08742.pdf
86 FR 26897, May 11, 2021	<i>Raw Honey From Argentina, Brazil, India, Ukraine, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2021-05-18/pdf/2021-10440.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: Raw Honey from Argentina, Brazil, India, Ukraine, and Vietnam

Inv. Nos.: 731-TA-1560-1564 (Preliminary)

Date and Time: May 12, 2021 - 9:30 a.m.

FOREIGN GOVERNMENT APPEARANCE:

Government of Argentina

Minister Gustavo Lunazzi, Director of International Dispute Settlement, Ministry of Foreign Affairs, International Trade and Worship of Argentina

OPENING REMARKS:

In Support of Imposition (**R. Alan Luberda**, Kelley Drye & Warren LLP)
In Opposition to Imposition (**Ron Kendler**, White & Case LLP)

In Support of the Imposition of Antidumping Duty Orders:

Kelley Drye & Warren LLP
Washington, DC
on behalf of

American Honey Producers Association
Sioux Honey Association

David Coy, Co-Owner, Coy Honey Farm, Inc., and Member of Sioux
Honey Association

Mark Mammen, President Emeritus, Sioux Honey Association

Alex Blumenthal, President and Chief Executive Officer,
Sioux Honey Association

**In Support to the Imposition of
Antidumping Duty Orders (continued):**

Chris Hiatt, Co-Owner, Hiatt Honey, Vice President, American
Honey Producers Association

Michael T. Kerwin, Assistant Director, Georgetown Economic Services, LLC

Gina E. Beck, Senior Trade Analyst, Georgetown Economic Services, LLC

R. Alan Luberda)
Kathleen W. Cannon)
Melissa M. Brewer) – OF COUNSEL
Maliha Khan)
Julia A. Kuelzow)

**In Opposition to the Imposition of
Antidumping Duty Orders:**

Morris, Manning & Martin LLP
Washington, DC
on behalf of

Nexco S.A. (“Nexco”); Compañía Inversora Platense S.A. (“CIPSA”);
Industrial Haedo S.A. (“Industrial Haedo”); Asociación de Coop. Argentinas C.L. (“ACA”);
Patagonik Food S.A. (“Patagonik”); Azul Agronegocios S.A. (“Azul Agronegocios”);
Villamora S.A. (“Villamora”); D’Ambros María de los Angeles and
D’Ambros María Daniela S.H. d.b.a. Apícola Danangie (“Apicola Danangie”);
Promiel S.R.L. (“Promiel”); Geomiel S.A. (“Geomiel”); and
Gasrroni S.R.L. (“Gasrroni”)

Emma K. Peterson, Director of Int’l Trade Analytics,
Morris, Manning & Martin, LLP

Julie C. Mendoza)
Mary S. Hodgins) – OF COUNSEL
Edward J. Thomas III)

**In Opposition to the Imposition of
Antidumping Duty Orders (continued):**

White & Case LLP
Washington, DC
on behalf of

National Honey Packers & Dealers Association (“NHPDA”)

Melissa Foott, President, American Honey

Everett “Buddy” Ashurst, Past President, Secretary of the
Board of Directors, American Honey

Brent Barkman, Chief Executive Officer, Barkman Honey, LLC

Eric Wenger, Director, Procurement, Barkman Honey, LLC

Maren Martin, Vice President, Operations, The Impex Group, Inc.

Sarah Neves, Director, Quality Control, The Impex Group, Inc.

Normand Bernier, President, Odem International Inc

Marie Jose Karam, Vice President & General Manager, Odem International Inc

Stephane Fumi, Director, Quality and Logistics, Odem International Inc

Nick Sargeantson, President, Sunland Trading, Inc.

Andrew Sargeantson, Director, Sunland Trading, Inc.

Thomas Sargeantson, Director, Sunland Trading, Inc.

Ken Stickevers, Chief Executive Officer, Sweet Harvest Foods

Chris Nubern, Chief Procurement Officer, Sweet Harvest Foods

John Rzeszut, Vice President, Customer Development & Marketing,
Sweet Harvest Foods

Gregory J. Spak)
Jay C. Campbell)
) – OF COUNSEL
Ron Kendler)
C. Alex Dilley)

**In Opposition to the Imposition of
Antidumping Duty Orders (continued):**

Crowell & Moring LLP
Washington, DC
on behalf of

Apiário Diamante Supermel (“Supermel”)

Daniel Cannistra)
) – OF COUNSEL
Mert Arkan)

INTERESTED PARTY IN OPPOSITION:

White & Case LLP
Washington, DC
on behalf of

Honey Exporters Association of India (“HEAI”)

Gregory J. Spak)
Jay C. Campbell)
) – OF COUNSEL
Ron Kendler)
C. Alex Dilley)

REBUTTAL/CLOSING REMARKS:

In Support of Imposition (**Kathleen W. Cannon**, Kelley Drye & Warren LLP)
In Support to Imposition (**Jay C. Campbell**, White & Case LLP; and
Julie C. Mendoza, Morris, Manning & Martin LLP)

-END-

APPENDIX C
SUMMARY DATA

Table C-1: Product: Summary data concerning the total U.S. market C-3
Table C-2: Product: Summary data concerning the merchant U.S. market C-6

Total market

Table C-1

Raw honey: Summary data concerning the U.S. total market, 2018-20

(Quantity=1,000 pounds; Value=1,000 dollars; Yield=pounds per colony; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. consumption quantity, total market:						
Amount.....	547,415	531,096	557,243	▲1.8	▼(3.0)	▲4.9
Producers' share (fn1).....	27.5	28.9	25.4	▼(2.1)	▲1.3	▼(3.4)
Importers' share (fn1):						
Argentina.....	14.6	15.1	15.8	▲1.2	▲0.6	▲0.6
Brazil.....	9.5	9.9	13.5	▲4.0	▲0.4	▲3.6
India.....	17.6	20.6	14.8	▼(2.8)	▲3.0	▼(5.8)
Ukraine.....	3.3	3.6	4.3	▲1.0	▲0.3	▲0.7
Vietnam.....	15.8	15.4	20.0	▲4.2	▼(0.4)	▲4.6
Subject sources.....	60.8	64.6	68.4	▲7.7	▲3.8	▲3.9
Canada.....	6.1	3.2	1.6	▼(4.5)	▼(2.9)	▼(1.6)
All other sources.....	6.7	4.7	5.7	▼(1.0)	▼(2.0)	▲0.9
Nonsubject sources.....	12.8	7.9	7.2	▼(5.5)	▼(4.8)	▼(0.7)
All import sources.....	73.5	72.5	75.7	▲2.1	▼(1.0)	▲3.2
Re-exports.....	1.1	1.3	1.1	▲0.0	▲0.3	▼(0.2)
All import sources, net re-exports.....	72.5	71.1	74.6	▲2.1	▼(1.3)	▲3.4
U.S. consumption value, total market:						
Amount.....	773,028	674,344	679,899	▼(12.0)	▼(12.8)	▲0.8
Producers' share (fn1).....	43.4	45.6	42.8	▼(0.5)	▲2.2	▼(2.7)
Importers' share (fn1):						
Argentina.....	11.6	12.4	14.3	▲2.7	▲0.8	▲1.9
Brazil.....	10.6	8.6	10.8	▲0.2	▼(2.0)	▲2.2
India.....	10.5	12.8	9.2	▼(1.3)	▲2.3	▼(3.6)
Ukraine.....	2.2	2.6	3.0	▲0.8	▲0.4	▲0.4
Vietnam.....	8.0	7.8	10.1	▲2.1	▼(0.2)	▲2.2
Subject sources.....	42.9	44.2	47.3	▲4.4	▲1.3	▲3.1
Canada.....	6.1	3.6	1.9	▼(4.2)	▼(2.5)	▼(1.7)
All other sources.....	8.6	7.9	9.0	▲0.4	▼(0.7)	▲1.1
Nonsubject sources.....	14.7	11.6	11.0	▼(3.8)	▼(3.2)	▼(0.6)
All import sources.....	57.6	55.8	58.2	▲0.6	▼(1.8)	▲2.5
Re-exports.....	0.9	1.3	1.1	▲0.1	▲0.4	▼(0.3)
All import sources, net re-exports.....	56.6	54.4	57.2	▲0.5	▼(2.2)	▲2.7
U.S. imports from:						
Argentina:						
Quantity.....	79,839	80,382	87,829	▲10.0	▲0.7	▲9.3
Value.....	89,457	83,588	97,059	▲8.5	▼(6.6)	▲16.1
Unit value.....	\$1.12	\$1.04	\$1.11	▼(1.4)	▼(7.2)	▲6.3
Ending inventory quantity.....	***	***	***	▼***	▼***	▼***
Brazil:						
Quantity.....	52,009	52,607	75,371	▲44.9	▲1.2	▲43.3
Value.....	81,982	58,015	73,220	▼(10.7)	▼(29.2)	▲26.2
Unit value.....	\$1.58	\$1.10	\$0.97	▼(38.4)	▼(30.0)	▼(11.9)
Ending inventory quantity.....	***	***	***	▼***	▼***	▼***
India:						
Quantity.....	96,215	109,312	82,586	▼(14.2)	▲13.6	▼(24.4)
Value.....	81,013	86,271	62,602	▼(22.7)	▲6.5	▼(27.4)
Unit value.....	\$0.84	\$0.79	\$0.76	▼(10.0)	▼(6.3)	▼(4.0)
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***

Table continued on next page.

Table C-1 continued

Raw honey: Summary data concerning the U.S. total market, 2018-20

(Quantity=1,000 pounds; Value=1,000 dollars; Yield=pounds per colony; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. imports from:--Continued						
Ukraine:						
Quantity.....	18,168	19,051	24,161	▲33.0	▲4.9	▲26.8
Value.....	17,067	17,381	20,139	▲18.0	▲1.8	▲15.9
Unit value.....	\$0.94	\$0.91	\$0.83	▼(11.3)	▼(2.9)	▼(8.6)
Ending inventory quantity.....	***	***	***	▼***	▼***	▲***
Vietnam:						
Quantity.....	86,325	81,526	111,356	▲29.0	▼(5.6)	▲36.6
Value.....	61,769	52,830	68,358	▲10.7	▼(14.5)	▲29.4
Unit value.....	\$0.72	\$0.65	\$0.61	▼(14.2)	▼(9.4)	▼(5.3)
Ending inventory quantity.....	***	***	***	▼***	▼***	▼***
Subject sources:						
Quantity.....	332,556	342,879	381,303	▲14.7	▲3.1	▲11.2
Value.....	331,287	298,085	321,378	▼(3.0)	▼(10.0)	▲7.8
Unit value.....	\$1.00	\$0.87	\$0.84	▼(15.4)	▼(12.7)	▼(3.1)
Ending inventory quantity.....	53,195	46,000	45,616	▼(14.2)	▼(13.5)	▼(0.8)
Canada:						
Quantity.....	33,217	17,010	8,732	▼(73.7)	▼(48.8)	▼(48.7)
Value.....	46,982	24,355	13,098	▼(72.1)	▼(48.2)	▼(46.2)
Unit value.....	\$1.41	\$1.43	\$1.50	▲6.1	▲1.2	▲4.8
All other sources:						
Quantity.....	36,702	25,143	31,646	▼(13.8)	▼(31.5)	▲25.9
Value.....	66,793	53,592	61,377	▼(8.1)	▼(19.8)	▲14.5
Unit value.....	\$1.82	\$2.13	\$1.94	▲6.6	▲17.1	▼(9.0)
Nonsubject sources:						
Quantity.....	69,919	42,153	40,378	▼(42.3)	▼(39.7)	▼(4.2)
Value.....	113,775	77,947	74,475	▼(34.5)	▼(31.5)	▼(4.5)
Unit value.....	\$1.63	\$1.85	\$1.84	▲13.3	▲13.6	▼(0.3)
Ending inventory quantity.....	8,384	6,113	6,583	▼(21.5)	▼(27.1)	▲7.7
All import sources:						
Quantity.....	402,475	385,033	421,681	▲4.8	▼(4.3)	▲9.5
Value.....	445,062	376,032	395,853	▼(11.1)	▼(15.5)	▲5.3
Unit value.....	\$1.11	\$0.98	\$0.94	▼(15.1)	▼(11.7)	▼(3.9)
Ending inventory quantity.....	61,579	52,113	52,199	▼(15.2)	▼(15.4)	▲0.2
Re-exports:						
Quantity.....	5,838	7,159	6,127	▲4.9	▲22.6	▼(14.4)
Value.....	7,168	8,880	7,210	▲0.6	▲23.9	▼(18.8)
Unit value.....	\$1.23	\$1.24	\$1.18	▼(4.2)	▲1.0	▼(5.1)
All import sources, net of re-exports:						
Quantity.....	396,637	377,873	415,554	▲4.8	▼(4.7)	▲10.0
Value.....	437,894	367,152	388,643	▼(11.2)	▼(16.2)	▲5.9
Unit value.....	\$1.10	\$0.97	\$0.94	▼(15.3)	▼(12.0)	▼(3.7)
U.S. producers' data based on third-party data sources:						
Production quantity.....	154,008	156,922	147,594	▼(4.2)	▲1.9	▼(5.9)
Production yield.....	54.5	55.8	54.5	▲0.2	▲2.5	▼(2.3)
U.S. shipments:						
Quantity.....	150,778	153,222	141,689	▼(6.0)	▲1.6	▼(7.5)
Value.....	335,134	307,192	291,257	▼(13.1)	▼(8.3)	▼(5.2)
Unit value.....	\$2.22	\$2.00	\$2.06	▼(7.5)	▼(9.8)	▲2.5
Export shipments:						
Quantity.....	3,230	3,700	5,905	▲82.8	▲14.5	▲59.6
Value.....	5,224	5,083	8,359	▲60.0	▼(2.7)	▲64.5
Unit value.....	\$1.62	\$1.37	\$1.42	▼(12.5)	▼(15.1)	▲3.0

Table continued on next page.

Table C-1 continued

Raw honey: Summary data concerning the U.S. total market, 2018-20

(Quantity=1,000 pounds; Value=1,000 dollars; Yield=pounds per colony; Unit values, unit labor costs, and unit expenses=dollars per pound; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. producers' data based on Commission questionnaires:						
Ending inventory quantity.....	7,803	11,793	17,261	▲121.2	▲51.1	▲46.4
Inventories/total shipments (fn1).....	24.0	36.0	52.3	▲28.2	▲11.9	▲16.3
Production workers.....	890	930	895	▲0.6	▲4.5	▼(3.8)
Hours worked (1,000s).....	1,455	1,623	1,478	▲1.6	▲11.6	▼(8.9)
Wages paid (\$1,000) (fn2).....	27,668	29,477	30,276	▲9.4	▲6.5	▲2.7
Hourly wages (dollars per hour) (fn2).....	\$19.30	\$18.40	\$20.69	▲7.2	▼(4.6)	▲12.4
Productivity (pounds per hour).....	24.9	22.6	26.0	▲4.4	▼(9.3)	▲15.1
Unit labor costs (fn2).....	\$0.76	\$0.80	\$0.79	▲3.2	▲5.3	▼(2.0)
Net sales:						
Quantity.....	32,852	32,061	31,307	▼(4.7)	▼(2.4)	▼(2.4)
Value.....	58,660	50,158	47,733	▼(18.6)	▼(14.5)	▼(4.8)
Unit value.....	\$1.79	\$1.56	\$1.52	▼(14.6)	▼(12.4)	▼(2.5)
Total operating expenses.....	79,056	82,602	78,232	▼(1.0)	▲4.5	▼(5.3)
Operating income or (loss) (fn3).....	(20,395)	(32,444)	(30,499)	▼---	▼---	▲---
Net income or (loss) (fn3).....	(16,473)	(29,976)	(21,838)	▼---	▼---	▲---
Unit operating expenses.....	\$2.41	\$2.58	\$2.50	▲3.8	▲7.1	▼(3.0)
Unit operating income or (loss) (fn3).....	\$(0.62)	\$(1.01)	\$(0.97)	▼---	▼---	▲---
Unit net income or (loss) (fn3).....	\$(0.50)	\$(0.93)	\$(0.70)	▼---	▼---	▲---
Operating expenses/sales (fn1).....	134.8	164.7	163.9	▲29.1	▲29.9	▼(0.8)
Operating income or (loss)/sales (fn1).....	(34.8)	(64.7)	(63.9)	▼(29.1)	▼(29.9)	▲0.8
Net income or (loss)/sales (fn1).....	(28.1)	(59.8)	(45.8)	▼(17.7)	▼(31.7)	▲14.0
Capital expenditures.....	6,291	10,807	10,356	▲64.6	▲71.8	▼(4.2)
Research and development expenses.....	83	53	97	▲16.3	▼(36.1)	▲81.9
Net assets.....	154,383	159,467	168,335	▲9.0	▲3.3	▲5.6

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.--Dollar based metrics relating to employment represent compensated workers' data.

fn3.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires, from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and U.S. exports statistics in the import section are based on foreign-origin exports and U.S. exports shown in the U.S. producers' section are based on domestic exports.

Merchant market

Table C-2

Raw honey: Summary data concerning the U.S. merchant market, 2018-20

(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		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. consumption quantity, merchant market:						
Amount.....	524,194	509,977	534,202	▲1.9	▼(2.7)	▲4.8
Producers' share (fn1).....	24.3	25.9	22.2	▼(2.1)	▲1.6	▼(3.7)
Importers' share (fn1):						
Argentina.....	15.2	15.8	16.4	▲1.2	▲0.5	▲0.7
Brazil.....	9.9	10.3	14.1	▲4.2	▲0.4	▲3.8
India.....	18.4	21.4	15.5	▼(2.9)	▲3.1	▼(6.0)
Ukraine.....	3.5	3.7	4.5	▲1.1	▲0.3	▲0.8
Vietnam.....	16.5	16.0	20.8	▲4.4	▼(0.5)	▲4.9
Subject sources.....	63.4	67.2	71.4	▲7.9	▲3.8	▲4.1
Canada.....	6.3	3.3	1.6	▼(4.7)	▼(3.0)	▼(1.7)
All other sources.....	7.0	4.9	5.9	▼(1.1)	▼(2.1)	▲1.0
Nonsubject sources.....	13.3	8.3	7.6	▼(5.8)	▼(5.1)	▼(0.7)
All import sources.....	76.8	75.5	78.9	▲2.2	▼(1.3)	▲3.4
Re-exports.....	1.1	1.4	1.1	▲0.0	▲0.3	▼(0.3)
All import sources, net re-exports.....	75.7	74.1	77.8	▲2.1	▼(1.6)	▲3.7
U.S. consumption value, merchant market:						
Amount.....	732,266	640,741	645,955	▼(11.8)	▼(12.5)	▲0.8
Producers' share (fn1).....	40.2	42.7	39.8	▼(0.4)	▲2.5	▼(2.9)
Importers' share (fn1):						
Argentina.....	12.2	13.0	15.0	▲2.8	▲0.8	▲2.0
Brazil.....	11.2	9.1	11.3	▲0.1	▼(2.1)	▲2.3
India.....	11.1	13.5	9.7	▼(1.4)	▲2.4	▼(3.8)
Ukraine.....	2.3	2.7	3.1	▲0.8	▲0.4	▲0.4
Vietnam.....	8.4	8.2	10.6	▲2.1	▼(0.2)	▲2.3
Subject sources.....	45.2	46.5	49.8	▲4.5	▲1.3	▲3.2
Canada.....	6.4	3.8	2.0	▼(4.4)	▼(2.6)	▼(1.8)
All other sources.....	9.1	8.4	9.5	▲0.4	▼(0.8)	▲1.1
Nonsubject sources.....	15.5	12.2	11.5	▼(4.0)	▼(3.4)	▼(0.6)
All import sources.....	60.8	58.7	61.3	▲0.5	▼(2.1)	▲2.6
Re-exports.....	1.0	1.4	1.1	▲0.1	▲0.4	▼(0.3)
All import sources, net re-exports.....	59.8	57.3	60.2	▲0.4	▼(2.5)	▲2.9
U.S. imports from:						
Argentina:						
Quantity.....	79,839	80,382	87,829	▲10.0	▲0.7	▲9.3
Value.....	89,457	83,588	97,059	▲8.5	▼(6.6)	▲16.1
Unit value.....	\$1.12	\$1.04	\$1.11	▼(1.4)	▼(7.2)	▲6.3
Brazil:						
Quantity.....	52,009	52,607	75,371	▲44.9	▲1.2	▲43.3
Value.....	81,982	58,015	73,220	▼(10.7)	▼(29.2)	▲26.2
Unit value.....	\$1.58	\$1.10	\$0.97	▼(38.4)	▼(30.0)	▼(11.9)
India:						
Quantity.....	96,215	109,312	82,586	▼(14.2)	▲13.6	▼(24.4)
Value.....	81,013	86,271	62,602	▼(22.7)	▲6.5	▼(27.4)
Unit value.....	\$0.84	\$0.79	\$0.76	▼(10.0)	▼(6.3)	▼(4.0)

Table continued on next page.

Table C-2 continued

Raw honey: Summary data concerning the U.S. merchant market, 2018-20

(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		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. imports from:--Continued						
Ukraine:						
Quantity.....	18,168	19,051	24,161	▲33.0	▲4.9	▲26.8
Value.....	17,067	17,381	20,139	▲18.0	▲1.8	▲15.9
Unit value.....	\$0.94	\$0.91	\$0.83	▼(11.3)	▼(2.9)	▼(8.6)
Vietnam:						
Quantity.....	86,325	81,526	111,356	▲29.0	▼(5.6)	▲36.6
Value.....	61,769	52,830	68,358	▲10.7	▼(14.5)	▲29.4
Unit value.....	\$0.72	\$0.65	\$0.61	▼(14.2)	▼(9.4)	▼(5.3)
Subject sources:						
Quantity.....	332,556	342,879	381,303	▲14.7	▲3.1	▲11.2
Value.....	331,287	298,085	321,378	▼(3.0)	▼(10.0)	▲7.8
Unit value.....	\$1.00	\$0.87	\$0.84	▼(15.4)	▼(12.7)	▼(3.1)
Canada:						
Quantity.....	33,217	17,010	8,732	▼(73.7)	▼(48.8)	▼(48.7)
Value.....	46,982	24,355	13,098	▼(72.1)	▼(48.2)	▼(46.2)
Unit value.....	\$1.41	\$1.43	\$1.50	▲6.1	▲1.2	▲4.8
All other sources:						
Quantity.....	36,702	25,143	31,646	▼(13.8)	▼(31.5)	▲25.9
Value.....	66,793	53,592	61,377	▼(8.1)	▼(19.8)	▲14.5
Unit value.....	\$1.82	\$2.13	\$1.94	▲6.6	▲17.1	▼(9.0)
Nonsubject sources:						
Quantity.....	69,919	42,153	40,378	▼(42.3)	▼(39.7)	▼(4.2)
Value.....	113,775	77,947	74,475	▼(34.5)	▼(31.5)	▼(4.5)
Unit value.....	\$1.63	\$1.85	\$1.84	▲13.3	▲13.6	▼(0.3)
All import sources:						
Quantity.....	402,475	385,033	421,681	▲4.8	▼(4.3)	▲9.5
Value.....	445,062	376,032	395,853	▼(11.1)	▼(15.5)	▲5.3
Unit value.....	\$1.11	\$0.98	\$0.94	▼(15.1)	▼(11.7)	▼(3.9)
Re-exports:						
Quantity.....	5,838	7,159	6,127	▲4.9	▲22.6	▼(14.4)
Value.....	7,168	8,880	7,210	▲0.6	▲23.9	▼(18.8)
Unit value.....	\$1.23	\$1.24	\$1.18	▼(4.2)	▲1.0	▼(5.1)
All import sources, net of re-exports:						
Quantity.....	396,637	377,873	415,554	▲4.8	▼(4.7)	▲10.0
Value.....	437,894	367,152	388,643	▼(11.2)	▼(16.2)	▲5.9
Unit value.....	\$1.10	\$0.97	\$0.94	▼(15.3)	▼(12.0)	▼(3.7)
U.S. producers' data based on adjusted third-party data sources:						
Commercial U.S. shipments:						
Quantity.....	127,557	132,103	118,648	▼(7.0)	▲3.6	▼(10.2)
Value.....	294,372	273,589	257,312	▼(12.6)	▼(7.1)	▼(5.9)
Unit value.....	\$2.31	\$2.07	\$2.17	▼(6.0)	▼(10.3)	▲4.7

Table continued on next page.

Table C-2 continued

Raw honey: Summary data concerning the U.S. merchant market, 2018-20

(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		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. producers' data based on Commission questionnaires:						
Open market sales:						
Quantity.....	10,513	12,297	9,223	▼(12.3)	▲17.0	▼(25.0)
Value.....	19,477	20,046	15,491	▼(20.5)	▲2.9	▼(22.7)
Unit value.....	\$1.85	\$1.63	\$1.68	▼(9.3)	▼(12.0)	▲3.0
Operating expenses	31,737	33,705	30,404	▼(4.2)	▲6.2	▼(9.8)
Operating income or (loss) (fn2).....	(12,260)	(13,658)	(14,912)	▼---	▼---	▼---
Net income or (loss) (fn2).....	(10,305)	(13,011)	(11,911)	▼---	▼---	▲---
Unit operating expenses.....	\$3.02	\$2.74	\$3.30	▲9.2	▼(9.2)	▲20.3
Unit operating income or (loss) (fn2).....	\$(1.17)	\$(1.11)	\$(1.62)	▼---	▲---	▼---
Unit net income or (loss) (fn2).....	\$(0.98)	\$(1.06)	\$(1.29)	▼---	▼---	▼---
Operating expenses/sales (fn1).....	162.9	168.1	196.3	▲33.3	▲5.2	▲28.1
Operating income or (loss)/sales (fn1).....	(62.9)	(68.1)	(96.3)	▼(33.3)	▼(5.2)	▼(28.1)
Net income or (loss)/sales (fn1).....	(52.9)	(64.9)	(76.9)	▼(24.0)	▼(12.0)	▼(12.0)

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, from official U.S. agricultural statistics National Agriculture Statistics Services (NASS) of the U.S. Department of Agriculture (USDA), from official U.S. import statistics of the U.S. Department of Commerce using statistical reporting numbers 0409.00.0005, 0409.00.0035, 0409.00.0045, 0409.00.0056, and 0409.00.0065, accessed April 28, 2021 and from official U.S. export statistics of the U.S. Department of Commerce using schedule B number 0409.00.0055, accessed April 20, 2021. U.S. import statistics are based on imports for consumption, and the exports statistics in the import section are based on foreign-origin exports.

APPENDIX D

**U.S. PRODUCERS' AND U.S. IMPORTERS' RESPONSES REGARDING THE
DOMESTIC LIKE PRODUCT AND SEMIFINISHED PRODUCT FACTORS COMPARING
RAW HONEY TO PROCESSED HONEY**

Table D-1: U.S. producers' and U.S. importers' numeric responses comparing raw honey to retail honeyD-3

Table D-2: U.S. producers' narrative responses to the domestic like product factorsD-4

Table D-3: U.S. importers' narrative responses to the domestic like product factorsD-14

Table D-4: U.S. producers' and U.S. importers' numeric responses to the semi-finished product factors comparing raw honey to retail honeyD-24

Table D-5: U.S. producers' narrative responses to the semi-finished product factorsD-25

Table D-6: U.S. importers' narrative responses to the semi-finished product factors.....D-30

Note: Because U.S. purchasers are not surveyed systematically in preliminary-phase investigations, this appendix includes the views of U.S. importers regarding domestically produced raw honey.

Table D-1**Raw honey: U.S. producers' and U.S. importers' numeric responses to the six factors comparing raw honey to processed honey**

(Count in number of firms)

Item	Firm type	Fully	Mostly	Somewhat	Never
Raw vs processed: Physical characteristics	U.S. producers	2	3	11	26
Raw vs processed: Interchangeability	U.S. producers	3	4	9	28
Raw vs processed: Channels	U.S. producers	4	4	7	29
Raw vs processed: Manufacturing	U.S. producers	1	4	8	31
Raw vs processed: Perceptions	U.S. producers	2	3	10	29
Raw vs processed: Price	U.S. producers	1	2	5	35
Raw vs processed: Physical characteristics	U.S. importers	5	10	1	2
Raw vs processed: Interchangeability	U.S. importers	4	11	---	4
Raw vs processed: Manufacturing	U.S. importers	3	5	6	5
Raw vs processed: Channels	U.S. importers	1	6	5	6
Raw vs processed: Perceptions	U.S. importers	2	6	5	4
Raw vs processed: Price	U.S. importers	1	6	5	5

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

Table D-2

Raw honey: U.S. producers' narrative responses to the six-factor like product factors

Item	Narrative
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***

Item	Narrative
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Interchangeability	***

Item	Narrative
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***

Item	Narrative
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***

Item	Narrative
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***

Item	Narrative
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***

Item	Narrative
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***

Item	Narrative
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***

Item	Narrative
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***

Item	Narrative
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***

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

Table D-3

Raw honey: U.S. importers' narrative responses to the six-factor like product factors

Item	Narrative
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***

Item	Narrative
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***
Raw vs retail: Physical characteristics	***

Item	Narrative
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***

Item	Narrative
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Interchangeability	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***

Item	Narrative
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Channels	***
Raw vs retail: Manufacturing	***

Item	Narrative
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***

Item	Narrative
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Manufacturing	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***

Item	Narrative
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***

Item	Narrative
Raw vs retail: Perceptions	***
Raw vs retail: Perceptions	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***

Item	Narrative
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***
Raw vs retail: Price	***

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

Table D-4**Raw honey: U.S. producers' and U.S. importers' numeric responses to the semi-finished product factors comparing raw honey to retail honey**

(Count in number of firms)

Item	Firm type	No	Yes
Semi-finished: Other uses	U.S. producers	11	41
Semi-finished: Separate market	U.S. producers	5	46
Semi-finished: Differences in characteristics	U.S. producers	9	42
Semi-finished: Differences in cost	U.S. producers	8	42
Semi-finished: Transformation intensive	U.S. producers	9	44
Semi-finished: Other uses	U.S. importers	9	13
Semi-finished: Separate market	U.S. importers	14	8
Semi-finished: Differences in characteristics	U.S. importers	10	12
Semi-finished: Differences in cost	U.S. importers	9	10
Semi-finished: Transformation intensive	U.S. importers	10	9

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

Table D-5**Raw honey: U.S. producers' narrative responses to the semi-finished product factors**

Item	Narrative
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***

Item	Narrative
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***

Item	Narrative
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
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Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in characteristics	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***

Item	Narrative
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Difference in cost	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***

Item	Narrative
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***

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

Table D-6**Raw honey: U.S. importers' narrative responses to the semi-finished product factors**

Item	Narrative
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Other uses	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***

Item	Narrative
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Separate market	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***

Item	Narrative
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
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Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in characteristics	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***

Item	Narrative
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
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Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***
Semi-finished: Differences in cost	***

Item	Narrative
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***

Item	Narrative
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***
Semi-finished: Transformation intensive	***

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

APPENDIX E
PRICE RANGES FROM USDA/AMS

The U.S. Department of Agriculture’s Agricultural Marketing Service (“USDA/AMS”) publishes monthly domestic and import prices in the National Honey Report.¹ The National Honey Report publishes prices by color, floral source, and U.S. state or import country, and presents either a single price or a low and high price for each available combination depending on the number of transactions in that month. Tables E-1 to E-4 present the high and low prices reported for each color/country source combination by month.² These price items and accompanying data are comparable to those presented in tables V-3 to V-6.

¹ The National Honey Report states that the data are generally for volumes of 10,000 pounds or greater. Domestic prices presented are for “prices paid to beekeepers for extracted, unprocessed honey in major producing states by packers, handlers and other large users, cents per pound, f.o.b. or delivered nearby, containers exchanged or returned, prompt delivery & payment unless otherwise stated.” Import prices are “Prices paid to importers for bulk honey, duty paid, containers included, cents per pound, ex-dock or point of entry unless otherwise stated.”

² In instances for which there were only a single price reported, this price is reported as both the high and low price.

Table E-1
Raw honey: High and low prices of domestic and imported product 1, by source and by month,
2018-20

Price in dollars per pound

Period	U.S. high price	U.S. low price	Argentina high price	Argentina low price	Brazil high price	Brazil low price
2018 M01	2.40	2.00	1.50	1.20	1.95	1.95
2018 M02	2.12	2.08	1.50	1.20	2.18	1.94
2018 M03	2.55	1.85	2.10	1.25	1.95	1.95
2018 M04	2.65	2.10	2.10	1.20	1.70	1.70
2018 M05	2.80	2.08	1.40	1.20	1.72	1.72
2018 M06	2.75	2.03	1.40	1.20	1.95	1.72
2018 M07	2.75	2.50	1.40	1.19	1.72	1.67
2018 M08	2.80	1.83	1.40	1.20	---	---
2018 M09	2.60	1.75	1.33	1.17	1.66	1.66
2018 M10	2.50	1.80	1.40	1.10	1.72	1.70
2018 M11	2.05	1.83	1.40	1.10	---	---
2018 M12	2.05	1.60	1.30	1.10	1.99	1.99
2019 M01	2.15	1.83	1.30	1.10	---	---
2019 M02	1.98	1.68	1.30	1.10	1.30	1.30
2019 M03	2.20	1.75	1.26	1.19	---	---
2019 M04	2.60	2.60	1.26	1.10	---	---
2019 M05	2.60	1.80	1.26	1.09	---	---
2019 M06	2.60	1.83	1.25	1.06	---	---
2019 M07	2.60	1.80	1.25	1.09	---	---
2019 M08	2.25	1.40	1.18	1.08	1.47	1.47
2019 M09	2.40	1.60	1.17	1.05	---	---
2019 M10	2.50	1.55	1.19	1.04	---	---
2019 M11	2.15	1.25	1.19	1.04	---	---
2019 M12	2.40	1.50	1.17	1.08	1.75	1.75
2020 M01	2.35	1.50	1.21	1.08	---	---
2020 M02	1.70	1.45	1.22	1.13	---	---
2020 M03	1.65	1.50	1.22	1.10	0.96	0.96
2020 M04	1.68	1.40	1.24	1.14	---	---
2020 M05	2.18	1.40	1.24	1.14	---	---
2020 M06	2.25	1.50	1.43	1.15	---	---
2020 M07	2.50	1.25	1.42	1.15	---	---
2020 M08	2.18	1.50	1.44	1.14	---	---
2020 M09	2.25	1.50	1.32	1.15	---	---
2020 M10	1.75	1.40	1.45	1.15	1.16	1.16
2020 M11	2.25	1.50	1.45	1.18	1.75	1.26
2020 M12	2.00	1.50	1.70	1.18	1.79	1.50

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Table E-1 continued

Raw honey: High and low prices of domestic and imported product 1, by source and by month, 2018-20

Price in dollars per pound

Period	India high price	India low price	Ukraine high price	Ukraine low price	Vietnam high price	Vietnam low price
2018 M01	---	---	---	---	---	---
2018 M02	---	---	---	---	---	---
2018 M03	0.93	0.93	---	---	---	---
2018 M04	1.02	0.94	---	---	---	---
2018 M05	0.98	0.90	---	---	---	---
2018 M06	1.09	0.90	1.01	1.01	---	---
2018 M07	0.99	0.98	1.05	1.03	---	---
2018 M08	0.94	0.90	1.09	1.03	---	---
2018 M09	0.99	0.98	---	---	---	---
2018 M10	0.94	0.94	---	---	---	---
2018 M11	0.97	0.90	1.03	1.03	---	---
2018 M12	0.97	0.90	1.09	0.93	---	---
2019 M01	---	---	1.03	0.93	---	---
2019 M02	0.96	0.92	---	---	---	---
2019 M03	---	---	---	---	---	---
2019 M04	0.92	0.82	---	---	---	---
2019 M05	0.92	0.79	---	---	---	---
2019 M06	0.91	0.79	0.93	0.93	---	---
2019 M07	0.93	0.79	0.93	0.93	---	---
2019 M08	0.91	0.73	---	---	---	---
2019 M09	0.89	0.80	---	---	---	---
2019 M10	0.87	0.79	---	---	---	---
2019 M11	0.87	0.79	0.95	0.95	---	---
2019 M12	0.79	0.79	---	---	---	---
2020 M01	0.89	0.78	---	---	---	---
2020 M02	0.78	0.78	0.97	0.95	---	---
2020 M03	---	---	0.97	0.84	---	---
2020 M04	---	---	0.96	0.89	---	---
2020 M05	---	---	0.96	0.88	---	---
2020 M06	0.93	0.76	0.89	0.89	---	---
2020 M07	0.85	0.76	0.91	0.89	---	---
2020 M08	0.81	0.76	0.91	0.91	---	---
2020 M09	0.76	0.74	---	---	---	---
2020 M10	0.76	0.71	---	---	---	---
2020 M11	---	---	---	---	---	---
2020 M12	---	---	0.85	0.85	---	---

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 1: White honey (0 – 34 mm).

Note: Instances for which a single price was reported are shaded grey and the price is reported both as the high price and low price.

Table E-2
Raw honey: High and low prices of domestic and imported product 2, by source and by month,
2018-20

Price in dollars per pound

Period	U.S. high price	U.S. low price	Argentina high price	Argentina low price	Brazil high price	Brazil low price
2018 M01	2.20	1.70	1.50	1.22	2.10	1.92
2018 M02	2.10	1.65	1.50	1.04	1.92	1.89
2018 M03	2.50	2.10	1.80	1.20	1.95	1.92
2018 M04	2.75	1.80	1.50	1.21	1.92	1.92
2018 M05	2.75	1.80	1.50	1.18	2.18	1.70
2018 M06	2.75	1.80	1.39	1.19	2.17	1.70
2018 M07	2.75	2.20	1.39	1.19	1.72	1.67
2018 M08	2.75	1.80	1.22	1.20	1.66	1.66
2018 M09	2.50	1.80	1.23	1.17	2.26	1.66
2018 M10	2.05	1.80	1.24	1.10	---	---
2018 M11	2.30	1.80	1.30	1.10	---	---
2018 M12	2.25	1.60	1.23	1.10	---	---
2019 M01	2.35	1.70	1.21	1.10	1.35	1.35
2019 M02	1.97	1.70	1.26	1.10	1.99	1.99
2019 M03	2.20	1.75	1.26	1.09	---	---
2019 M04	2.60	1.97	1.26	1.10	---	---
2019 M05	2.60	1.80	1.26	1.09	1.88	1.47
2019 M06	2.60	1.80	1.25	1.06	1.19	1.17
2019 M07	2.25	1.75	1.25	1.06	1.19	1.17
2019 M08	2.25	1.68	1.25	1.08	1.19	1.19
2019 M09	2.20	1.60	1.13	1.05	1.19	1.17
2019 M10	2.20	1.00	1.17	1.04	1.17	1.02
2019 M11	2.20	1.65	1.26	1.04	1.00	1.00
2019 M12	2.00	1.60	1.19	1.05	1.75	0.90
2020 M01	2.20	1.60	1.15	1.08	1.75	0.96
2020 M02	1.55	1.45	1.22	1.10	1.79	0.95
2020 M03	1.65	1.50	1.20	1.08	1.00	0.97
2020 M04	2.00	2.00	1.24	1.11	0.98	0.98
2020 M05	2.25	1.40	1.21	1.14	0.98	0.95
2020 M06	2.05	1.60	1.41	1.14	0.99	0.99
2020 M07	2.25	1.25	1.39	1.14	0.98	0.97
2020 M08	2.50	1.60	1.34	1.15	---	---
2020 M09	2.00	1.55	1.36	1.15	0.94	0.94
2020 M10	2.25	1.40	1.48	1.13	1.24	1.24
2020 M11	2.50	1.50	1.45	1.15	---	---
2020 M12	1.65	1.65	1.70	1.13	---	---

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Table E-2 continued

Raw honey: High and low prices of domestic and imported product 2, by source and by month, 2018-20

Price in dollars per pound

Period	India high price	India low price	Ukraine high price	Ukraine low price	Vietnam high price	Vietnam low price
2018 M01	1.00	0.98	---	---	---	---
2018 M02	0.91	0.91	---	---	---	---
2018 M03	0.97	0.97	---	---	---	---
2018 M04	1.07	0.92	---	---	---	---
2018 M05	0.94	0.90	1.09	1.09	---	---
2018 M06	0.96	0.89	1.09	1.09	---	---
2018 M07	1.02	0.90	1.09	1.09	---	---
2018 M08	0.95	0.90	1.09	1.09	---	---
2018 M09	0.93	0.87	---	---	---	---
2018 M10	0.95	0.87	1.03	1.03	---	---
2018 M11	0.95	0.90	---	---	---	---
2018 M12	0.92	0.86	---	---	---	---
2019 M01	0.95	0.86	0.93	0.93	---	---
2019 M02	0.96	0.92	---	---	---	---
2019 M03	0.90	0.87	---	---	---	---
2019 M04	0.92	0.82	1.01	1.01	---	---
2019 M05	0.92	0.79	0.93	0.93	---	---
2019 M06	0.88	0.78	0.93	0.93	---	---
2019 M07	0.89	0.77	0.93	0.93	---	---
2019 M08	0.88	0.77	---	---	---	---
2019 M09	0.85	0.77	---	---	---	---
2019 M10	0.86	0.78	---	---	---	---
2019 M11	0.79	0.79	0.95	0.95	---	---
2019 M12	0.89	0.77	---	---	---	---
2020 M01	0.91	0.77	0.97	0.97	---	---
2020 M02	0.89	0.77	0.97	0.84	---	---
2020 M03	0.80	0.77	0.97	0.84	---	---
2020 M04	0.82	0.77	0.96	0.89	---	---
2020 M05	0.82	0.72	0.96	0.88	---	---
2020 M06	0.83	0.71	0.97	0.89	---	---
2020 M07	0.84	0.78	0.96	0.91	---	---
2020 M08	0.78	0.73	0.96	0.89	---	---
2020 M09	0.78	0.73	0.92	0.85	---	---
2020 M10	0.82	0.71	---	---	---	---
2020 M11	0.76	0.73	0.92	0.92	---	---
2020 M12	0.73	0.71	0.85	0.85	---	---

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 2: Extra light amber honey (35 – 50 mm).

Note: Instances for which a single price was reported are shaded grey and the price is reported both as the high price and low price.

Table E-3
Raw honey: High and low prices of domestic and imported product 3, by source and by month,
2018-20

Price in dollars per pound

U.S. high price	U.S. high price	U.S. low price	Argentina high price	Argentina low price	Brazil high price	Brazil low price
2018 M01	2.35	0.70	1.20	1.20	1.97	1.88
2018 M02	2.08	1.75	1.20	1.20	1.92	1.89
2018 M03	2.20	1.70	1.22	1.18	1.92	1.88
2018 M04	1.80	1.68	1.25	1.18	1.87	1.87
2018 M05	2.60	1.70	1.22	1.18	1.92	1.66
2018 M06	2.40	1.65	1.20	1.18	1.92	1.67
2018 M07	2.50	1.50	1.20	1.20	1.75	1.67
2018 M08	2.25	0.70	1.20	1.20	1.75	1.64
2018 M09	2.35	1.60	1.10	0.85	1.75	1.37
2018 M10	2.20	0.70	1.20	1.07	1.70	1.56
2018 M11	2.25	1.55	1.20	0.99	1.68	1.37
2018 M12	2.05	1.65	1.20	1.04	1.99	1.37
2019 M01	2.05	1.55	1.20	0.99	1.39	1.25
2019 M02	1.80	1.65	1.09	0.99	1.47	1.25
2019 M03	2.32	1.60	1.09	1.09	1.99	1.25
2019 M04	1.97	1.65	---	---	---	---
2019 M05	2.60	1.55	1.09	1.06	1.32	1.32
2019 M06	2.60	1.60	1.09	1.06	1.19	1.17
2019 M07	2.00	1.60	1.09	1.06	1.47	1.07
2019 M08	2.25	1.70	1.09	1.06	1.34	1.10
2019 M09	1.80	0.70	1.07	1.06	1.34	1.10
2019 M10	2.20	1.25	1.06	1.01	1.26	1.02
2019 M11	1.83	1.00	1.06	1.04	1.26	1.00
2019 M12	2.00	1.00	1.07	1.05	1.18	0.90
2020 M01	1.83	1.30	1.13	1.06	1.29	0.93
2020 M02	1.72	1.45	1.18	1.11	1.02	0.82
2020 M03	1.50	1.50	1.18	1.11	1.02	0.86
2020 M04	2.25	1.40	1.19	1.15	1.02	0.84
2020 M05	2.25	1.40	1.17	1.13	1.26	0.84
2020 M06	2.25	1.25	---	---	1.17	0.94
2020 M07	2.30	1.25	1.33	1.17	1.17	0.84
2020 M08	1.80	1.43	1.34	1.33	1.19	0.91
2020 M09	1.89	1.55	1.36	1.30	1.24	0.80
2020 M10	2.50	1.40	1.32	1.15	1.26	0.80
2020 M11	2.50	1.50	1.28	1.15	1.52	0.91
2020 M12	1.75	1.50	1.21	1.13	1.22	0.80

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Table E-3 continued

Raw honey: High and low prices of domestic and imported product 3, by source and by month, 2018-20

Price in dollars per pound

Period	India high price	India low price	Ukraine high price	Ukraine low price	Vietnam high price	Vietnam low price
2018 M01	2.15	0.94	---	---	1.50	0.74
2018 M02	1.07	0.89	---	---	0.94	0.88
2018 M03	0.97	0.90	---	---	0.92	0.88
2018 M04	1.07	0.87	0.90	0.90	0.91	0.86
2018 M05	0.95	0.87	1.09	1.09	0.91	0.85
2018 M06	0.95	0.87	1.09	1.09	1.14	0.85
2018 M07	0.94	0.87	1.09	1.09	0.92	0.83
2018 M08	0.92	0.87	---	---	0.88	0.82
2018 M09	0.93	0.87	---	---	0.90	0.82
2018 M10	0.92	0.87	---	---	0.90	0.81
2018 M11	0.96	0.87	1.09	0.93	0.89	0.84
2018 M12	0.90	0.87	1.09	1.09	0.89	0.81
2019 M01	0.93	0.87	---	---	0.90	0.81
2019 M02	0.92	0.87	---	---	0.89	0.81
2019 M03	0.90	0.87	0.93	0.93	0.84	0.81
2019 M04	0.92	0.84	---	---	0.85	0.81
2019 M05	0.92	0.79	0.93	0.93	0.87	0.79
2019 M06	0.89	0.77	---	---	0.91	0.79
2019 M07	0.89	0.77	0.93	0.93	0.92	0.74
2019 M08	0.84	0.76	---	---	0.81	0.71
2019 M09	0.84	0.77	---	---	0.81	0.71
2019 M10	0.81	0.73	0.93	0.93	0.79	0.71
2019 M11	1.18	0.76	0.95	0.95	0.80	0.73
2019 M12	0.84	0.77	---	---	0.80	0.73
2020 M01	0.84	0.70	---	---	0.80	0.66
2020 M02	0.84	0.76	---	---	0.80	0.74
2020 M03	0.80	0.70	0.97	0.90	0.80	0.66
2020 M04	0.84	0.70	---	---	0.79	0.69
2020 M05	0.96	0.70	---	---	0.74	0.67
2020 M06	0.83	0.70	---	---	0.79	0.67
2020 M07	0.89	0.71	---	---	0.74	0.67
2020 M08	0.76	0.73	0.96	0.94	0.74	0.68
2020 M09	0.76	0.71	---	---	0.74	0.68
2020 M10	0.73	0.73	---	---	0.79	0.68
2020 M11	0.73	0.71	0.92	0.85	0.74	0.70
2020 M12	0.73	0.71	0.86	0.85	0.72	0.68

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 3: Light amber honey (51 – 85 mm).

Note: Instances for which a single price was reported are shaded grey and the price is reported both as the high price and low price.

Table E-4
Raw honey: High and low prices of domestic and imported product 4, by source and by month,
2018-20

Price in dollars per pound

Period	U.S. high price	U.S. low price	Argentina high price	Argentina low price	Brazil high price	Brazil low price
2018 M01	---	---	---	---	1.88	1.88
2018 M02	1.60	1.60	---	---	1.89	1.89
2018 M03	2.00	2.00	---	---	1.89	1.89
2018 M04	---	---	---	---	---	---
2018 M05	1.75	1.65	---	---	1.67	1.67
2018 M06	---	---	---	---	1.67	1.66
2018 M07	---	---	---	---	---	---
2018 M08	---	---	---	---	1.67	1.66
2018 M09	1.80	1.45	---	---	---	---
2018 M10	2.50	1.45	---	---	1.67	1.67
2018 M11	1.80	1.45	---	---	1.67	1.67
2018 M12	1.45	1.45	---	---	---	---
2019 M01	1.80	1.80	---	---	1.25	1.25
2019 M02	---	---	---	---	1.25	1.25
2019 M03	1.55	1.55	---	---	1.25	1.25
2019 M04	---	---	---	---	---	---
2019 M05	0.70	0.70	---	---	---	---
2019 M06	1.95	0.70	---	---	---	---
2019 M07	1.90	1.45	---	---	---	---
2019 M08	2.25	1.70	---	---	1.17	1.17
2019 M09	2.50	1.60	---	---	1.17	1.17
2019 M10	1.80	0.70	---	---	---	---
2019 M11	2.50	1.50	---	---	1.17	1.17
2019 M12	2.00	1.25	---	---	---	---
2020 M01	2.00	1.60	---	---	0.90	0.87
2020 M02	1.60	1.60	---	---	0.84	0.84
2020 M03	1.65	1.65	---	---	0.97	0.97
2020 M04	1.60	1.60	1.15	1.15	0.94	0.84
2020 M05	2.25	1.60	---	---	0.95	0.95
2020 M06	1.85	1.50	---	---	0.94	0.94
2020 M07	1.80	1.40	---	---	---	---
2020 M08	2.25	1.65	---	---	0.95	0.84
2020 M09	2.00	1.50	1.30	1.30	---	---
2020 M10	1.84	1.50	1.27	1.27	---	---
2020 M11	2.25	1.40	1.50	1.50	0.85	0.85
2020 M12	1.75	1.50	1.21	1.15	0.93	0.80

Table continued on next page.

Table E-4 continued

Raw honey: High and low prices of domestic and imported product 4, by source and by month, 2018-20

Price in dollars per pound

Period	India high price	India low price	Ukraine high price	Ukraine low price	Vietnam high price	Vietnam low price
2018 M01	1.07	1.07	---	---	1.07	0.83
2018 M02	---	---	---	---	0.87	0.82
2018 M03	1.07	1.07	---	---	1.15	0.84
2018 M04	---	---	---	---	0.81	0.81
2018 M05	---	---	---	---	---	---
2018 M06	---	---	---	---	---	---
2018 M07	---	---	---	---	0.68	0.68
2018 M08	---	---	---	---	---	---
2018 M09	---	---	---	---	0.68	0.68
2018 M10	---	---	---	---	0.68	0.68
2018 M11	---	---	---	---	0.68	0.68
2018 M12	---	---	---	---	0.68	0.68
2019 M01	---	---	---	---	0.68	0.68
2019 M02	---	---	---	---	---	---
2019 M03	---	---	---	---	---	---
2019 M04	---	---	---	---	0.75	0.75
2019 M05	---	---	---	---	0.75	0.75
2019 M06	0.79	0.73	---	---	0.72	0.72
2019 M07	0.73	0.73	---	---	---	---
2019 M08	0.79	0.73	---	---	0.67	0.67
2019 M09	---	---	---	---	0.76	0.66
2019 M10	---	---	---	---	0.68	0.68
2019 M11	---	---	---	---	0.74	0.64
2019 M12	---	---	---	---	0.66	0.65
2020 M01	---	---	---	---	0.68	0.66
2020 M02	0.78	0.78	---	---	0.68	0.63
2020 M03	---	---	---	---	---	---
2020 M04	---	---	---	---	---	---
2020 M05	---	---	---	---	---	---
2020 M06	---	---	---	---	---	---
2020 M07	---	---	---	---	---	---
2020 M08	---	---	---	---	0.66	0.66
2020 M09	---	---	---	---	0.66	0.66
2020 M10	---	---	---	---	---	---
2020 M11	---	---	---	---	---	---
2020 M12	---	---	---	---	---	---

Source: Compiled from USDA/AMS data, accessed April 28, 2021.

Note: Product 4: Amber honey (greater than 86 mm).

Note: Instances for which a single price was reported are shaded grey and the price is reported both as the high price and low price.

APPENDIX F

FINANCIAL RESULTS EXCLUDING CERTAIN PRODUCERS

As discussed in Part VI, ***. Because of the outsized impact this had on the financial results for the overall industry, these tables show the industry’s financial results excluding ***. Table F-1 shows the total market results for raw honey excluding these producers while table F-2 shows changes in the corresponding average unit values (“AUVs”). Table F-3 shows the merchant market results for raw honey excluding *** and table F-4 shows the changes in the corresponding AUVs.¹

¹ In tables F-1 through F-4 ***.

Table F-1**Raw honey: Total market results of operations of all U.S. producers except certain producers with large increases in ending inventories (see table note), by item and period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Ratios in percent and represent ratios to net sales value; Shares in percent and represent share of operating expenses; Unit values in dollars per pound; Count in number of firms reporting

Item	Measure	2018	2019	2020
Total net sales	Quantity	***	***	***
Total net sales	Value	***	***	***
Direct labor costs	Value	***	***	***
All other operating expenses	Value	***	***	***
Operating expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
All other expenses	Value	***	***	***
Insurance proceeds	Value	***	***	***
Government program income	Value	***	***	***
All other income	Value	***	***	***
Net income or (loss)	Value	***	***	***
Overall depreciation/amortization	Value	***	***	***
Cash flow	Value	***	***	***
Direct labor costs	Ratio	***	***	***
All other operating expenses	Ratio	***	***	***
Operating expenses	Ratio	***	***	***
Operating income or (loss)	Ratio	***	***	***
Net income or (loss)	Ratio	***	***	***
Direct labor costs	Share	***	***	***
All other operating expenses	Share	***	***	***
Operating expenses	Share	***	***	***
Total net sales	Unit value	***	***	***
Direct labor costs	Unit value	***	***	***
All other operating expenses	Unit value	***	***	***
Operating expenses	Unit value	***	***	***
Operating income or (loss)	Unit value	***	***	***
Net income or (loss)	Unit value	***	***	***
Operating losses	Count	***	***	***
Net losses	Count	***	***	***
Data	Count	***	***	***

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

Note: ***.

Table F-2**Raw honey: Changes in AUVs from table F-1 between comparison periods, total market**

Changes in percent

Item	2018-20	2018-19	2019-20
Total net sales	***	***	***
Direct labor costs	***	***	***
Other operating expenses	***	***	***
Operating expenses	***	***	***

Table continued.

Table F-2—Continued**Raw honey: Changes in AUVs from table F-1 between comparison periods, total market**

Changes in dollars per pound

Item	2018-20	2018-19	2019-20
Total net sales	***	***	***
Direct labor costs	***	***	***
Other operating expenses	***	***	***
Operating expenses	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

Table F-3**Raw honey: Open market results of operations of U.S. producers excluding certain companies with increasing inventories, by item and period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Ratios in percent and represent ratios to net sales value; Shares in percent and represent share of operating expenses; Unit values in dollars per pound; Count in number of firms reporting

Item	Measure	2018	2019	2020
Total net sales	Quantity	***	***	***
Total net sales	Value	***	***	***
Direct labor costs	Value	***	***	***
All other operating expenses	Value	***	***	***
Operating expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
All other expenses	Value	***	***	***
Insurance proceeds	Value	***	***	***
Government program income	Value	***	***	***
All other income	Value	***	***	***
Net income or (loss)	Value	***	***	***
Depreciation/amortization	Value	***	***	***
Cash flow	Value	***	***	***
Direct labor costs	Ratio	***	***	***
All other operating expenses	Ratio	***	***	***
Operating expenses	Ratio	***	***	***
Operating income or (loss)	Ratio	***	***	***
Net income or (loss)	Ratio	***	***	***
Direct labor costs	Share	***	***	***
All other operating expenses	Share	***	***	***
Operating expenses	Share	***	***	***
Total net sales	Unit value	***	***	***
Direct labor costs	Unit value	***	***	***
All other operating expenses	Unit value	***	***	***
Operating expenses	Unit value	***	***	***
Operating income or (loss)	Unit value	***	***	***
Net income or (loss)	Unit value	***	***	***
Operating losses	Count	***	***	***
Net losses	Count	***	***	***
Data	Count	***	***	***

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

Note: ***.

Table F-4
Raw honey: Changes in AUVs from table F-2 between comparison periods, merchant market

Changes in percent

Item	2018-20	2018-19	2019-20
Total net sales	***	***	***
Direct labor costs	***	***	***
Other operating expenses	***	***	***
Operating expenses	***	***	***

Table continued.

Table F-4—Continued
Raw honey: Changes in AUVs from table F-2 between comparison periods, merchant market

Changes in dollars per pound

Item	2018-20	2018-19	2019-20
Total net sales	***	***	***
Direct labor costs	***	***	***
Other operating expenses	***	***	***
Operating expenses	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

