

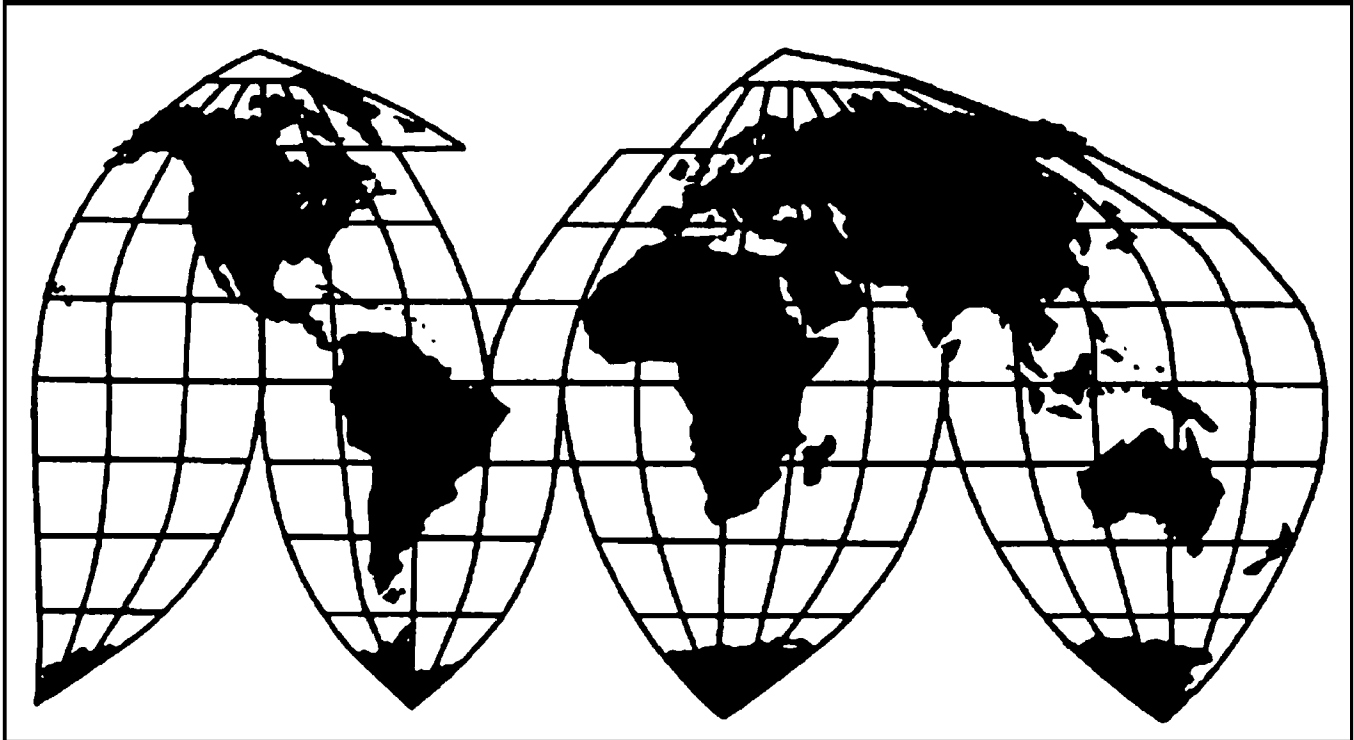
Walk-Behind Lawn Mowers from China and Vietnam

Investigation Nos. 701-TA-648 and 731-TA-1521-1522 (Final)

Publication 5209

July 2021

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets in confidential reports and is deleted and replaced with asterisks (***) in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-648 and 731-TA-1521-1522 (Final)

Walk-Behind Lawn Mowers from China 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 an industry in the United States is materially injured by reason of imports of walk-behind lawn mowers from China found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”) and to be subsidized by the government of China, and threatened with material injury by reason of imports of walk-behind lawn mowers from Vietnam found by Commerce to be sold at LTFV, provided for in subheading 8433.11.00 of the Harmonized Tariff Schedule of the United States.

BACKGROUND

The Commission instituted these investigations effective May 26, 2020, following receipt of petitions filed with the Commission and Commerce by MTD Products, Inc., Valley City, Ohio. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by Commerce that imports of walk-behind lawn mowers from China were subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)) and that imports of walk-behind lawn mowers from China and Vietnam were sold at LTFV within the meaning of 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission’s investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on January 29, 2021 (86 FR 7565). In light of the restrictions on access to the Commission building due to the COVID–19 pandemic, the Commission conducted its hearing

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

through video conference on May 18, 2021. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of walk-behind lawn mowers (“walk-behind mowers”) from China found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value and to be subsidized by the government of China. We also determine that an industry in the United States is threatened with material injury by reason of imports of walk-behind mowers from Vietnam found by Commerce to be sold in the United States at less than fair value.

I. Background

MTD Products, Inc. of Valley City, Ohio (“MTD” or “Petitioner”) filed petitions in these investigations on May 26, 2020. MTD is a U.S. producer of walk-behind mowers. Representatives of MTD appeared at the hearing accompanied by counsel and submitted prehearing and posthearing briefs and final comments.¹

Three respondent groups participated in the final phase of these investigations. Representatives and counsel for Chinese Respondents Ningbo Daye Garden Machinery Co., Ltd. (“Ningbo Daye”) and Daye North America Inc. (“Daye North America”) (collectively, “Daye”), Sumec Hardware & Tools Co., Ltd. (“Sumec”), Merotec Inc. (“Merotec”), Zhejiang YAT Electrical Appliance Co., Ltd. (“Zhejiang”), and Zhongjian Technology Co., Ltd. (“Zhongjian”) (collectively,

¹ In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its hearing through videoconference held on Tuesday, May 18, 2021, as set forth in procedures provided to the parties on May 10, 2021. *Walk-Behind Lawn Mowers from China and Vietnam; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations*, 85 Fed. Reg. 7565 (Dec. 30, 2020).

“Chinese Respondents”) appeared at the hearing and jointly submitted prehearing and posthearing briefs and final comments.² Chinese Respondent Fujian Spring Machinery Co., Ltd. (“Fujian”) and Masport Limited (“Masport”) (collectively “Fujian/Masport”) jointly filed prehearing and posthearing briefs and attended the hearing.³ Representatives and counsel for Vietnamese Respondents Pulsar Products, Inc. (“Pulsar”) and Ducar Technology Company Limited (“Ducar”) (collectively “Pulsar/Ducar”) also appeared at the hearing and jointly submitted prehearing and posthearing briefs.⁴

U.S. industry data are based on the questionnaire responses from four U.S. producers that accounted for *** U.S. production of walk-behind mowers in 2020.⁵ U.S. import data are based on U.S. importer questionnaire responses from 10 firms that represented 72.2 percent of U.S. imports of walk-behind mowers from China (regardless of engine origin), 91.4 percent of U.S. imports of walk-behind mowers from Vietnam (regardless of engine origin), and 98.8 percent of U.S. imports from countries other than China and Vietnam (regardless of engine

² Ningbo Daye, Zhejiang, Sumec and Zhongian are Chinese producers of subject merchandise. Chongqing Dajiang Power Equipment Co., Ltd (“Dajiang”) was on the same briefs as Chinese Respondents but it is not a producer of subject merchandise; it produces out-of-scope merchandise (walk-behind mowers with small vertical shaft engines {“SVSE”} from China) and is therefore not an interested party. CR at VII-3. Merotec and Daye North America, Inc. are U.S. importers of subject merchandise. Confidential Report (“CR”) at IV-2; Public Report (“PR”) at IV-2. *See also* Entries of Appearances for Merotec and Daye North America. EDIS Doc. Nos. 741227 and 712552.

³ Fujian produces subject merchandise in China under contract for Masport. Masport owns the intellectual property and designs connected with the subject mowers and invoices the U.S. importer of the subject merchandise, although Fujian is the listed exporter of record. Fujian/Masport’s Posthearing Brief dated May 24, 2021 at 1; Fujian Entry of Appearance, EDIS Doc. No. 723744 and Fujian/Masport Entry of Appearance, EDIS Doc. No. 734686. CR/PR at Table VII-2.

⁴ Ducar is a Vietnamese producer and exporter and Pulsar is a U.S. importer of subject and nonsubject merchandise. Ducar/Pulsar’s Prehearing Brief dated May 11, 2021 (“Ducar/Pulsar’s Prehearing Brief” at 1; CR/PR at Table IV-1.

⁵ CR/PR at I-5.

origin) in 2020, under HTS statistical reporting number 8433.11.0050.⁶ Data concerning the subject industry are based on foreign producer questionnaire responses from ten foreign producers that accounted for all or nearly all production of walk-behind mowers in China and Vietnam.⁷

II. Domestic Like Product

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the “domestic like product” and the “industry.”⁸ 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.”⁹ 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.”¹⁰

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.¹¹

Therefore, Commerce’s determination as to the scope of the imported merchandise that is

⁶ CR/PR at I-5.

⁷ CR/PR at I-5.

⁸ 19 U.S.C. § 1677(4)(A).

⁹ 19 U.S.C. § 1677(4)(A).

¹⁰ 19 U.S.C. § 1677(10).

¹¹ 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).

subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”¹² The Commission then defines the domestic like product in light of the imported articles Commerce has identified.¹³ The decision regarding the appropriate domestic like product 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.¹⁴ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.¹⁵ The Commission looks for clear dividing lines among possible like products and disregards minor variations.¹⁶

¹² *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); see also *Hitachi Metals, Ltd. v. United States*, Case No. 19-1289, slip op. at 8-9 (Fed. Circ. Feb. 7, 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

¹³ *Cleo*, 501 F.3d at 1298 n.1 (“Commerce’s {scope} finding does not control the Commission’s {like product} determination.”); *Hosiden Corp. v. Advanced Display Mfrs.*, 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission’s determination defining six like products in investigations where Commerce found five classes or kinds).

¹⁴ See, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *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).

¹⁵ See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

¹⁶ *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.”).

A. Product Description

Commerce defined the scope of the imported merchandise under investigation as follows:

{C}ertain rotary walk-behind lawn mowers, which are grass-cutting machines that are powered by internal combustion engines. The scope of this investigation covers certain walk-behind lawn mowers, whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, and whether containing any additional features that provide for functions in addition to mowing.

Walk-behind lawn mowers within the scope of this investigation are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts. These internal combustion engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc. Walk-behind lawn mowers covered by this scope typically must be certified and comply with the Consumer Products Safety Commission Safety Standard For Walk-Behind Power Lawn Mowers under 16 CFR part 1205. However, lawn mowers that meet the physical descriptions above, but are not certified under 16 CFR part 1205 remain subject to the scope of this proceeding.

The internal combustion engines of the lawn mowers covered by this scope typically must comply with and be certified under Environmental Protection Agency air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. However, lawn mowers that meet the physical descriptions above but that do not have engines certified under 40 CFR part 1054 or other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this investigation, an unfinished and/or unassembled lawn mower means, at a minimum, a sub-assembly comprised of an engine and a cutting deck shell attached to one another. A cutting deck shell is the portion of the lawn mower— typically of aluminum or steel—that houses and protects a user from a rotating blade. Importation of the subassembly whether or not accompanied by, or attached to, additional components such as a handle, blade(s), grass catching bag, or wheel(s) constitute an unfinished lawn mower for purposes of this investigation. The inclusion in a third country of any components other than the mower subassembly does not remove the lawn mower from the scope. Lawn mowers that meet the physical description above are covered by the scope of this investigation regardless of the origin of its

engine, unless such lawn mowers contain an engine that is covered by the scope of the ongoing proceedings on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof (small vertical engines) from China. If the proceedings on small vertical engines from China are terminated, the lawn mowers containing small vertical engines from China will be covered by the scope of this proceeding.

The lawn mowers subject to this investigation are typically at subheading: 8433.11.0050. Lawn mowers subject to this investigation may also enter under Harmonized Tariff Schedule of the United States (HTSUS) 8407.90.1010 and 8433.90.1090. The HTSUS subheadings are provided for convenience and customs purposes only, and the written description of the merchandise under investigation is dispositive.¹⁷

Walk-behind mowers are generally used for the maintenance and cutting of residential grass yards; they are designed to be operated manually and move over surfaces by being either self-propelled or pushed from behind by an operator. These mowers consist of internal combustion engines with a maximum power output less than 3.7 kW, metal cutting deck shells, blades, handles, wheels, and a variety of fasteners (*i.e.*, screws, nuts, and bolts). Walk-behind mowers in the scope of these investigations can include additional equipment and components, such as grass collection bags or mulchers. Unfinished and unassembled mowers are also included within the scope, so long as they include a subassembly consisting of at least an

¹⁷ *Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 86 Fed. Reg. 27379, 27381 (Dep't Commerce, May 20, 2021) ("Commerce Final CVD-China Determination"); *Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 27384, 27386 (May 20, 2021) ("Commerce Final AD-China Determination"); *Certain Walk-Behind Lawn Mowers and Parts Thereof From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value*, 86 Fed. Reg. 27382, 27383-84 (Dep't Commerce, May 20, 2021) ("Commerce Final AD-Vietnam Determination"); *see also* Antidumping and Countervailing Duty Investigations of Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China and the Socialist Republic of Vietnam: Scope Comments Decision Memorandum for the Final Determinations dated May 14, 2021 ("Commerce Final Scope Decision Memorandum").

internal combustion engine and cutting deck shell.¹⁸ Internal combustion engines with a maximum power output less than 3.7 kW used in walk-behind mowers are typically small vertical shaft engines, with spark-ignition, air cooling, and any number of cylinders.¹⁹

Commerce's scope provides a specific exclusion for walk-behind mowers that otherwise meet the physical description set forth in the scope but that contain an engine covered by the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and up to 225cc (small vertical shaft engines or SVSE) from China.²⁰ The orders on imports of certain vertical shaft engines cover SVSE from China whether mounted on equipment or unmounted and regardless of the country where such engine is attached to a lawn mower or other power equipment.²¹ Thus, imports of walk-behind mowers from either subject country

¹⁸ CR/PR at I-12.

¹⁹ CR/PR at I-12.

²⁰ See CR/PR at I-14. Commerce's scope of investigation states as follows: "Lawn mowers that meet the physical description above are covered by the scope of this investigation regardless of the origin of its engine, unless such lawn mowers contain an engine that is covered by the scope of the ongoing proceedings on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof (small vertical engines) from China. If the proceedings on small vertical engines from China are terminated, the lawn mowers containing small vertical engines from China will be covered by the scope of this proceeding." *Id.* The Commission made affirmative determinations in the investigations on small vertical shaft engines, and thus those proceedings were not terminated. *Small Vertical Shaft Engines from China*, Inv. Nos. 701-TA-643 and 731-TA-1493 (Final), USITC Pub. 5185 (April 2021) ("SVSE Views, USITC Pub. 5185"); *Small Vertical Shaft Engines from China*, Inv. Nos. 701-TA-643 and 731-TA-1493 (Final) 86 Fed. Reg. 22975 (USITC, Apr. 30, 2021). Commerce subsequently issued antidumping and countervailing duty orders on small vertical shaft engines from China. *Certain Vertical Shaft Engines Between 99cc and Up to 225cc, and Parts Thereof From the People's Republic of China: Antidumping and Countervailing Duty Orders*, 86 Fed. Reg. 23675 (Dep't Commerce, May 4, 2021) ("SVSE Orders"). SVSE in these Views reference small vertical shaft engines as defined in the Commerce SVSE Orders.

²¹ Commerce SVSE Orders at 23678 ("Subject merchandise includes certain small vertical shaft engines produced in the subject country whether mounted on outdoor power equipment in the subject country or in a third country.")

that contain an engine subject to the orders on SVSE from China are excluded from the scope in these investigations and constitute out-of-scope merchandise.²²

Walk-behind mowers are subject to safety standards when sold in the United States. Both the American National Standards Institute's standards for Pedestrian-Controlled Mowers and Ride-On Mowers and the Consumer Products Safety Commission's Safety Standard for Walk-Behind Power Lawn Mowers apply to products covered by these investigations.²³

B. Arguments of the Parties

MTD argues that the Commission should define the domestic like product more broadly than Commerce's scope of investigation to include all walk-behind mowers that meet the physical description in the scope, including mowers containing SVSE from China that are excluded from Commerce's scope.²⁴ Similarly, Chinese Respondents argue that the Commission should define the domestic like product to include U.S.-produced mowers with and without Chinese engines.²⁵ None of the other respondents made any domestic like product arguments.

C. Domestic Like Product Analysis

In its preliminary determinations, the Commission defined the domestic like product as all walk-behind mowers coextensive with the scope of the investigations; at that time Commerce had not yet modified the scope to exclude walk-behind mowers containing engines

²² See Commerce Final Scope Decision Memorandum at 7-12 ("thus, we are continuing to exclude from the scope of the lawn mowers investigations those lawn mowers which contain engines subject to the AD and CVD orders on small vertical engines from China").

²³ CR/PR at I-12-13.

²⁴ MTD's Posthearing Brief dated May 25, 2021 ("MTD's Posthearing Brief"), Exhibit 1, Responses to Commission Questions at 6, 11-17.

²⁵ Chinese Respondents' Posthearing Brief dated May 25, 2021 ("Chinese Respondents' Posthearing Brief"), Responses to Commission Questions at 61-62.

subject to the proceedings on SVSE from China.²⁶ The Commission included unfinished walk-behind mowers in the same domestic like product as finished walk-behind mowers applying a semi-finished like product analysis.²⁷ The Commission also found that out-of-scope electric/battery-powered, robotic, and corded mowers, and mowers with a power rating greater than 3.7 kw should not be included in the same domestic like product as walk-behind lawn mowers, applying its traditional six-factor like product analysis.²⁸ None of the domestic like product issues considered in the preliminary determinations have been contested in the final phase of these investigations and there is no evidence on the record suggesting that the Commission should reconsider its findings.

²⁶ *Walk-Behind Lawn Mowers from China and Vietnam*, Inv. Nos. 701-TA-643 and 731-TA-1521-1522 (Preliminary), USITC Pub. 5091 (July 2020) (“Preliminary Determinations, USITC Pub. 5091”) at 14-15. The Commission made its preliminary determinations in its lawn mower investigations in July 2020. In its preliminary affirmative determinations of sales at less than fair value regarding mowers from China and Vietnam, issued in December 2020, Commerce modified the scope of investigation to exclude mowers containing engines subject to the small vertical shaft engine proceedings. Commerce issued a Preliminary Scope Determination Memorandum at that time explaining its decision. *Certain Walk-Behind Lawn Mowers and Parts Thereof From the People’s Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 Fed. Reg. 86529 (Dec. 30, 2020); *Certain Walk-Behind Lawn Mowers and Parts Thereof From the Socialist Republic of Vietnam: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 Fed. Reg. 86534 (Dec. 30, 2020); *Antidumping and Countervailing Duty Investigations of Lawn Mowers from the People’s Republic of China and the Socialist Republic of Vietnam: Preliminary Scope Decision Memorandum* dated Dec. 22, 2020.

²⁷ The Commission found that unfinished walk-behind lawn mowers were dedicated to the production of downstream finished walk-behind lawn mowers, that they were part of the same market, and that they shared the same physical characteristics and functions. Preliminary Determinations, USITC Pub. 5091 at 9-10.

²⁸ The Commission found that electric/battery-powered, robotic, and corded mowers and mowers with a power rating greater than 3.7 kw differed from walk-behind mowers with respect to their physical characteristics and uses, and that their physical differences translated into differences in manufacturing processes, interchangeability, producer and customer perceptions, and price. Preliminary Determinations, USITC Pub. 5091 at 11-15.

Commerce's revised scope, which is defined in part based on the origin of the engine, necessitates that we consider whether the Commission should broaden the definition of the domestic like product so that it is not coextensive with the revised scope, to include all walk-behind mowers that meet the physical description in the scope, including those mowers with engines subject to the orders on SVSE from China. As discussed above, both MTD and Chinese Respondents support a definition of the domestic like product that includes all domestically produced walk-behind mowers regardless of the engine origin (*i.e.*, with and without engines subject to the SVSE orders).

Domestically produced walk-behind mowers corresponding to the scope of the investigation and those with engines subject to the SVSE orders differ only in terms of the origin of their engine component; their physical characteristics and uses of the mowers do not differ.²⁹ Their virtually identical physical characteristics and identical uses are reflected in similarities in manufacturing processes, equipment, and employees; similarities in channels of distribution (*i.e.*, to distributors or large retailers of lawncare and home improvement goods); interchangeability; perception by producers and customers as being in the same distinct product category; and similar pricing.³⁰ We find that there is not a clear dividing line between U.S. produced walk-behind mowers with and without engines subject to the SVSE orders.

²⁹ All domestically produced mowers, regardless of the origin of the engine, are rotary walk-behind lawn mowers, grass-cutting machines that are powered by internal combustion engines with a power rating of less than 3.7 kw; they require a person to operate the mower by walking behind it and using the controls. CR at I-9-10, 1-12; MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 13.

³⁰ CR at I-13; MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 12-17.

We define the domestic like product broader than the scope to include all walk-behind mowers that meet the physical description in the scope, including those mowers with engines subject to the orders on SVSE from China.

III. Domestic Industry and Related Parties

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.”³¹ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market. None of the parties made any domestic industry or related party arguments in the final phase of these investigations.

In its preliminary determinations, the Commission found that three U.S. producers, (***) were subject to possible exclusion from the domestic industry under the related party provision because they each imported subject merchandise during the period of investigation. It further found that *** qualified as related parties through common ownership and/or affiliations with Chinese producers/exporters of walk-behind mowers.³² The Commission found that appropriate circumstances did not exist to exclude these producers from the domestic industry because the primary interest of all three U.S. producers appeared to have been in domestic production rather than importation, and neither *** appeared to derive any

³¹ 19 U.S.C. § 1677(4)(A).

³² Confidential Preliminary Determinations, EDIS Doc. No. 715245 at 16-17.

significant benefits from its corporate relationship. The Commission defined the domestic industry to consist of all domestic producers of walk-behind mowers.³³

In the final phase of these investigations, domestic producer *** is subject to the related party provision because it imported subject merchandise from 2018 to 2020, the period of investigation (“POI”).³⁴ After the modifications to Commerce’s scope, *** did not import subject merchandise but rather imported out-of-scope walk-behind mowers during the POI.³⁵ Furthermore, although *** are affiliated with Chinese producers/exporters of walk-behind mowers, their affiliated entities did not export subject merchandise to the United States.³⁶ Therefore, we find that *** are not subject to the related parties provision for purposes of the final phase of these investigations.

We next consider whether appropriate circumstances exist to exclude *** from the domestic industry. *** was a small domestic producer of walk-behind mowers during the POI; it accounted for only *** percent of U.S. production in 2019 and it did not produce walk-behind mowers in 2020.³⁷ It *** the petitions.³⁸ *** did not import subject merchandise in 2018, but imported *** units in 2019 and *** units in 2020; the ratio of its subject imports to its U.S.

³³ Confidential Preliminary Determinations, EDIS Doc. No. 715245 at 17-20.

³⁴ CR/PR at III-10 & Table III-8.

³⁵ CR/PR at III-10 & Table III-8; *** U.S. Importer Questionnaire Response, EDIS Doc. No. *** at II-5(a) and II-8(a); *** Importer Questionnaire, EDIS Doc. No. *** at II-5(a) and II-8(a).

³⁶ CR/PR at VII-3 & *** Foreign Producer Questionnaire Response, EDIS Doc. No. *** at II-8 and II-10; Email from Counsel for ***, EDIS Doc. No. ***.

³⁷ Confidential Preliminary Staff Report, EDIS Doc. No. 713856 at Table III-1; CR/PR at III-4-5 & Table III-4. *** also produced walk-behind mowers in 2018. CR/PR at Table III-8.

³⁸ CR/PR at Table III-1.

production was *** percent in 2019.³⁹ *** domestic production exceeded its imports of subject merchandise over the POI; it reported that ***.⁴⁰

Although *** and increased its imports of subject merchandise in that year, in 2019, the only other year during the POI that it imported subject imports, the ratio of its subject imports to its domestic production was *** percent and its overall imports of subject merchandise over the POI were lower than its total domestic production over this period, suggesting that on balance *** primary interest is in domestic production. Further, there is no indication that *** domestic production operations benefited from its subject imports to any significant degree. On balance, we find that appropriate circumstances do not exist to exclude *** from the domestic industry under the related party provision.

Given our domestic like product definition, we define the domestic industry to include all domestic producers of all walk-behind mowers that meet the physical description in the scope, including those containing engines subject to the orders on SVSE from China.

IV. Negligibility

A. Legal Standards

Section 771(24) of the Tariff Act, which defines “negligibility,” provides that imports from a subject country that are less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are

³⁹ CR/PR at Table III-8.

⁴⁰ CR/PR at Table III-8.

available that precedes the filing of the petition or self-initiation, as the case may be, shall generally be deemed negligible.^{41 42}

Additionally, even if subject imports are found to be negligible for purposes of present material injury, they shall not be treated as negligible for purposes of a threat analysis should the Commission determine that there is a potential that subject imports from the country concerned will imminently account for more than 3 percent (4 percent for developing countries in countervailing duty investigations) of all such merchandise imported into the United States.⁴³

B. Arguments of the Parties

MTD argues that the Commission should include in its negligibility analysis the out-of-scope walk-behind mowers from Vietnam that contain engines covered by the SVSE orders and find that subject imports from Vietnam are not negligible for purposes of its present material injury analysis.⁴⁴ In the alternative, MTD argues that the Commission should find that subject imports from Vietnam will imminently account for more than three percent of all such merchandise imported into the United States given that subject imports from Vietnam

⁴¹ 19 U.S.C. § 1677(24)(A)(i). The statute further provides that subject imports from a single country which comprise less than 3 percent of total such imports of the product may not be considered negligible if there are several countries subject to investigation with negligible imports and the sum of such imports from all those countries collectively accounts for more than 7 percent of the volume of all such merchandise imported into the United States. 19 U.S.C. § 1677(24)(A)(ii). This exception does not apply here. Although there are two subject countries in these investigations, China is well above the negligibility threshold as shown below.

⁴² In the case of countervailing duty investigations involving developing countries (as designated by the United States Trade Representative), the statute indicates that the negligibility limits are 4 percent and 9 percent, rather than 3 percent and 7 percent. 19 U.S.C. § 1677(24)(B). USTR has not designated China to be a developing country subject to the higher four percent negligibility threshold for countervailing duty investigations. *Designations of Developing and Least-Developed Countries Under the Countervailing Duty Law*, 85 Fed. Reg. 7613, 7615 (Feb. 10, 2020); 19 U.S.C. § 1677(24)(B).

⁴³ 19 U.S.C. § 1677(24)(A)(iv).

⁴⁴ MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 2-3.

increased sharply after they entered the U.S. market in 2019, particularly from 2019 to 2020. Additionally, MTD emphasizes that Ducar, the sole Vietnamese producer, has a low capacity utilization rate; that subject imports from Vietnam undersold the domestic like product in all available pricing comparisons; that Chinese producers have invested in the Vietnamese industry; and that Chinese producers have the ability and incentive to transship mowers from China to Vietnam.⁴⁵ MTD further argues that Ducar *** its production in 2021 because of the imposition of the preliminary duties in these investigations and that absent these duties, subject imports from Vietnam would continue to enter the U.S. market.⁴⁶

Ducar/Pulsar argue that subject imports from Vietnam are negligible for purposes of the Commission's present material injury analysis and that the Commission should find that there is no potential that the volume of subject imports will imminently exceed the negligibility threshold and terminate the investigation on Vietnam.⁴⁷ Ducar/Pulsar argue that exporting mowers to the United States is no longer feasible given the orders on SVSE from China and the provisional duties on walk-behind mowers from Vietnam.⁴⁸ Ducar/Pulsar also maintains that the 2022 season sales negotiations are already well underway, that it has had difficulty procuring engines from ***, and that there are high international freight costs and low profit margins in the U.S. market.⁴⁹ Furthermore, Ducar/Pulsar state that Ducar ***, which means that subject imports from Vietnam "will likely decrease significantly in the imminent future."⁵⁰

⁴⁵ MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 3-5.

⁴⁶ MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 5.

⁴⁷ Ducar/Pulsar Prehearing Brief at 3-5.

⁴⁸ Ducar/Pulsar Prehearing Brief at 5.

⁴⁹ Ducar/Pulsar's Posthearing Brief at 2, 4-8.

⁵⁰ Ducar/Pulsar's Prehearing Brief at 5.

Chinese Respondents also argue that the Commission should find that Vietnam is negligible for purposes of the Commission’s present material injury analysis.⁵¹

C. Analysis

The petitions in these investigations were filed on May 26, 2020. Although the Commission found that subject imports from both China and Vietnam were not negligible in its preliminary phase determinations, Commerce’s modification of its scope had a material impact on the negligibility data, particularly with respect to subject imports from Vietnam.⁵² In the final phase of these investigations, based on U.S. importer questionnaire responses, from May 2019 through April 2020 (the 12-month period preceding the filing of the petitions), subject imports from China were *** percent of total imports of walk-behind mowers and subject imports from Vietnam were *** percent of total imports.⁵³ We consequently find that subject imports from China are not negligible because they were above the three percent negligibility threshold for the Commission’s present material injury analysis and that subject imports from Vietnam are negligible for purposes of the Commission’s present material injury analysis because they were below the three percent negligibility threshold.⁵⁴

⁵¹ Chinese Respondents’ Prehearing Brief at 29-30.

⁵² In its preliminary determinations, the Commission found that based on U.S. importer questionnaire data, during the period May 2019 through April 2020, the 12-month period prior to the filing of the petitions, subject imports from China accounted for *** percent of total U.S. imports of walk-behind mowers by quantity and subject imports from Vietnam accounted for *** percent. Preliminary Confidential Views, EDIS Doc. No. 715245 at 20.

⁵³ CR/PR at Table IV-3.

⁵⁴ We reject MTD’s argument that the Commission should include in its negligibility analysis the out-of-scope walk-behind mowers from Vietnam that contain engines covered by the SVSE orders because those mowers are not subject merchandise. The statute is clear that only subject merchandise is in the numerator of the statutory negligibility ratio. 19 U.S.C. §§ 1671d(b)(1) & 1673d(b)(1) (“If the Commission determines that imports of the subject merchandise are negligible, the investigation shall be terminated.”). The statute also provides that “***he term ‘subject merchandise’ means the class or kind of merchandise that is within the scope of an investigation...”. 19 U.S.C. § 1677 (25).

The statute provides that for purposes of its threat analysis, the Commission shall not treat imports as negligible if it determines that there is a potential that imports will imminently account for more than the applicable negligibility threshold, which for Vietnam is three percent of total imports.⁵⁵ During the negligibility period, May 2019 through April 2020, subject import volume from Vietnam was *** units.⁵⁶ However, subject imports from Vietnam did not enter the U.S. market until 2020 and by the end of 2020 the volume of subject imports from Vietnam was *** units.⁵⁷ For the calendar year 2020, subject imports from Vietnam accounted for *** percent of total imports corresponding to Commerce’s scope of investigation in 2020, well above three percent.⁵⁸

In addition, the sole Vietnamese producer, Ducar, produced mowers virtually exclusively for export to the U.S. market.⁵⁹ Ducar has substantial unused production capacity: it was operating at *** percent capacity utilization in 2020. This level of capacity utilization would allow Ducar to produce approximately *** more walk-behind mowers on its equipment than it did in 2020.⁶⁰ Moreover, Ducar could shift capacity currently being used to make out-of-scope mowers subject to the SVSE orders (which accounted for *** percent of its 2020 overall production capacity on the same equipment as in-scope production), to subject imports on its machinery.⁶¹ Although Ducar has reported in its questionnaire that it has *** its production of

⁵⁵ 19 U.S.C. § 1677(24)(a)(iv).

⁵⁶ CR at Table IV-3.

⁵⁷ CR at Table IV-2.

⁵⁸ CR at Table IV-2. In 2020, subject imports from Vietnam were *** units and total imports corresponding to Commerce’s scope of investigations were *** units (imports of subject merchandise from subject and nonsubject sources).

⁵⁹ All but *** of the *** units it produced in 2020 were shipped to the United States. CR/PR at VII-9 & Table VII-6.

⁶⁰ Calculated unused capacity from CR/PR at Table VII-8.

⁶¹ CR at Table VII-9.

walk-behind mowers, one of its stated reasons for doing so, the provisional duties currently in place on subject imports from Vietnam, would be negated in the near future if the Commission were to find that subject imports from Vietnam were negligible for threat purposes and terminate the investigation on Vietnam.⁶² We note that Ducar procured engines from *** in 2020, that it exported mowers to the United States during the COVID-19 pandemic in 2020, and that it sharply increased its production capacity in 2020, exporting virtually all of its production to the United States. These facts contradict its claim of waning interest in the U.S. market.⁶³

We further note that Ducar/Pulsar have established a customer base in the United States; they assert that smaller U.S. purchasers like *** want to purchase subject merchandise from them because they feel that ***.⁶⁴ In addition, U.S. importer's end-of-period inventories for subject imports from Vietnam were *** units in 2020, which was equivalent to *** percent of U.S. shipments of subject imports from Vietnam in 2020.⁶⁵

Based on the foregoing, including the volume data indicating that subject imports from Vietnam accounted for substantially more than three percent of all merchandise corresponding

⁶² 19 U.S.C. § 1671d (c) (2)(A) & (B).

⁶³ Transcript of Commission Hearing dated May 21, 2021 at 186 (Lee). Ducar reported that it ***. CR/PR at VII-3. Ducar's production facility in Vietnam was formed when a Chinese company invested in it primarily in response to the section 301 tariffs on goods from China. Tr. at 186 (Lee). Ducar/Pulsar report that initially, almost all of the lawn mowers exported to the United States used Chinese small vertical shaft engines but it transitioned to non-Chinese engines in response to the antidumping and countervailing duty investigations concerning imports of SVSEs and the likelihood of impending duties on those imports. Ducar/Pulsar Prehearing Brief at 4. Thus, Ducar's production operations appear to have been influenced heavily by the goal of supplying the U.S. market and minimizing tariff exposure. These corporate relationships and history are additional evidence that if duties were to be lifted on Vietnam, Ducar would likely continue to export walk-behind mowers from Vietnam.

⁶⁴ Ducar/Pulsar's Posthearing Brief at 13.

⁶⁵ CR at Table VII-11. It was equivalent to *** percent of subject imports from Vietnam in 2020.

Id.

to the scope of the investigations in 2020, we find that there is a potential that subject imports from Vietnam will imminently account for more than 3 percent of the volume of all imported merchandise corresponding to Commerce’s scope. Therefore, we find that subject imports from Vietnam are not negligible for purposes of the Commission’s threat of material injury analysis.

Given that we find that subject imports from Vietnam are negligible for purposes of our present material injury analysis, subject imports from Vietnam are not eligible for cumulation with subject imports from China for purposes of the Commission’s material injury determinations with respect to China.⁶⁶

V. Conditions of Competition and the Business Cycle

The following conditions of competition inform our analyses of whether there is material injury by reason of subject imports from China and whether there is threat of material injury by reason of subject imports from Vietnam.

A. Demand Conditions

U.S. demand for walk-behind mowers is influenced by several factors, including the rate of home ownership, housing starts, and weather. The U.S. rate of home ownership was relatively stable over the POI except for an increase in 2020 that largely reversed itself by the end of the POI.⁶⁷ Housing starts, another indicator of demand for walk-behind mowers, increased by 26.9 percent from January 2018 to 2020, before decreasing from January 2021 to

⁶⁶ 19 U.S.C. § 1677 (24)(a)(iv) (“The Commission shall consider such imports (that are not negligible for purposes of its threat analysis) only for purposes of determining threat of material injury.”).

⁶⁷ CR/PR at Figure II-1.

April 2021.⁶⁸ Demand for walk-behind mowers is seasonal, increasing in the spring and summer months as consumers spend more time taking care of their lawns. The standard selling season is late February through July although it can be longer in warmer climates.⁶⁹

Demand for walk-behind mowers is also affected by substitutes, which include battery-operated mowers, zero turn mowers, and riding mowers. All responding U.S. producers, five of nine responding importers, and six of 12 responding purchasers reported substitutes.⁷⁰ Sales of non-gas-powered mowers have increased from 2018 to 2020 and represented approximately 25 percent of the U.S. lawn mower industry in 2019, up from 15 percent in 2017.⁷¹ According to ***, U.S. shipments of electric walk-behind rotary mowers increased by *** percent from 2017 to 2019, while U.S. shipments of gasoline walk-behind rotary mowers decreased by *** percent.⁷² Moreover, U.S. shipments of gas-powered walk-behind rotary mowers were projected to decline in 2020 and 2021, while U.S. shipments of electric mowers were projected to increase.⁷³

Market participants provided mixed responses regarding U.S. demand for walk-behind mowers since 2018. One responding U.S. producer reported that demand for walk-behind mowers had decreased, one that it had fluctuated and one that it had not changed over the

⁶⁸ CR/PR at II-11.

⁶⁹ CR/PR at II-10.

⁷⁰ CR/PR at II-13.

⁷¹ CR/PR at II-1-2, II-13.

⁷² CR/PR at II-13. U.S. shipments of electric walk-behind rotary mowers increased from *** units to *** units from 2017 to 2019, an increase of *** percent, while U.S. shipments of gasoline walk-behind rotary mowers decreased by *** percent, from *** units to *** units. *Id.*

⁷³ U.S. shipments of gas-powered walk-behind rotary mowers were projected to decline by *** percent per year in 2020 and 2021, while U.S. shipments of electric mowers were projected to increase by *** percent in 2020 and *** percent in 2021. CR/PR at II-13-14.

POI.⁷⁴ Half of the ten responding importers reported that demand in the United States had increased while three reported that it had decreased and one reported that it had fluctuated. A majority of responding purchasers (seven out of 11) reported that demand had increased, two reported that it had fluctuated, one reported that it had decreased and one that it had not changed over the POI.⁷⁵ Some responding firms noted that battery-powered mowers had been taking market share from gasoline-powered walk-behind mowers.⁷⁶

U.S. producers and U.S. importers of subject merchandise from China sold most of their products to retailers; U.S. importers of subject merchandise from Vietnam sold their products exclusively to distributors. Large purchasers of walk-behind mowers include ***.⁷⁷

Apparent U.S. consumption of walk-behind mowers declined from 2018 to 2020: it was *** units in 2018, and *** units in 2019 and in 2020.⁷⁸

B. Supply Conditions

The domestic industry held the largest share of the U.S. walk-behind mower market over the POI, followed by subject imports from China, nonsubject imports, out-of-scope imports with engines from China subject to the SVSE orders, and subject imports from Vietnam.⁷⁹

⁷⁴ CR/PR at Table II-5. U.S. producer *** reported that demand decreased slightly from 2018 to 2019; however, there was a temporary increase in demand in 2020 due to COVID-19 that is expected to reverse itself in 2021. CR/PR at II-10.

⁷⁵ CR/PR at Table II-5. Importers *** and purchaser *** reported a shift away from gasoline-powered walk-behind mowers and toward battery-powered mowers. CR/PR at II-12.

⁷⁶ Importers *** and purchaser *** reported a shift away from gasoline-powered walk-behind mowers and toward battery-powered mowers. CR/PR at II-12.

⁷⁷ CR/PR at II-4.

⁷⁸ CR/PR at Table IV-9.

⁷⁹ CR/PR at Table IV-8. Apparent U.S. consumption in these investigations consists of the following: U.S. domestic industry shipments of walk-behind mowers, U.S. shipments of subject imports from China and Vietnam, U.S. shipments of nonsubject imports of walk-behind mowers, and U.S. shipments of out-of-scope imports of walk-behind mowers with engines subject to the SVSE orders. (Continued...)

The domestic industry underwent substantial structural changes over the POI. In 2018, Husqvarna Consumer Outdoor Products N.A., Inc. (“Husqvarna”), the second-largest U.S. producer of walk-behind mowers prior to 2020, announced that it would be ceasing walk-behind mower production; it closed its production facility in McRae, Georgia in 2019.⁸⁰ Husqvarna’s closure resulted in a decrease of *** units of U.S. capacity and *** units of production.⁸¹ In addition, U.S. producer Ariens closed and sold its walk-behind mower manufacturing facility in Auburn, Nebraska in 2018.⁸² U.S. producer *** did not produce walk-behind mowers in 2020 and it instead ***.⁸³ Consequently, by the end of the POI in 2020, the only remaining U.S. producers of walk-behind mowers were MTD, which accounted for *** percent of U.S. production, and Honda Power, which accounted for *** percent.⁸⁴

The domestic industry accounted for *** percent of apparent U.S. consumption in 2020, substantially lower than its market share of *** percent in 2018.⁸⁵ The domestic industry’s production capacity fell by *** percent over the POI, largely due to *** and its capacity utilization rate increased by *** percentage points to *** percent in 2020.⁸⁶

Nonsubject imports are imports that correspond to Commerce’s scope that are not from China or Vietnam. Out-of-scope imports are imports of mowers from any source that are only out-of-scope because they contain engines subject to the SVSE orders; otherwise, they fit the parameters of Commerce’s scope in these investigations.

⁸⁰ CR/PR at Table III-4. ***.

⁸¹ CR/PR at II-7, n.20.

⁸² CR/PR at III-3 & n.3. Ariens did not provide a response to the U.S. producer questionnaire. CR/PR at III-1.

⁸³ CR/PR at III-4-5.

⁸⁴ CR/PR at Table III-1.

⁸⁵ CR/PR at Table IV-9.

⁸⁶ CR/PR at III-4-5.

Subject imports from China accounted for *** percent of apparent U.S. consumption in 2020, substantially higher than their market share of *** percent in 2018.⁸⁷ Subject imports from Vietnam entered the U.S. market in 2020 and accounted for *** percent of apparent U.S. consumption that year.⁸⁸ *** were the largest U.S. importers of subject merchandise from China; *** was the only U.S. importer of subject merchandise from Vietnam.⁸⁹

Nonsubject imports' market share increased over the POI; they accounted for *** percent of the U.S. market in 2018 and *** percent of the U.S. market in 2020.⁹⁰ All reported nonsubject imports were imported by *** and most of them were from ***.⁹¹

Imports of out-of-scope mowers with engines subject to the orders on SVSE from China accounted for *** percent of apparent U.S. consumption in 2020; their market share fluctuated but increased overall by *** percentage points during the POI.⁹² The largest importers of these out-of-scope mowers were ***.⁹³

Market participants reported that they or their suppliers experienced supply constraints for a variety of reasons including the COVID-19 pandemic and Husqvarna's exit from the market.⁹⁴

⁸⁷ CR/PR at Table C-1.

⁸⁸ CR/PR at Table IV-9 & Table C-1.

⁸⁹ CR/PR at Table IV-1.

⁹⁰ CR/PR at Table IV-9.

⁹¹ CR/PR at II-1, II-9, and Table IV-1.

⁹² CR/PR at Table IV-9.

⁹³ CR/PR at Table IV-1.

⁹⁴ U.S. producer *** reported that COVID-19 had caused supply shortages due to production disruptions; U.S. producer *** reported that it had temporary supply limitations due to the expansion of its sales channel. Importer *** reported that it experienced supply constraints when U.S. producer Husqvarna exited the market. Importers *** reported an increase in demand due to individuals staying at home, causing them to run out of stock; *** cited the lack of available domestically produced engines. Purchasers *** reported that the increase in demand and supply shortages were due to the (Continued...)

C. Substitutability and Other Conditions

All responding U.S. producers, a majority of U.S. importers, and all U.S. purchasers reported that domestically produced walk-behind mowers are always or frequently interchangeable with subject imports from both China and Vietnam.⁹⁵ U.S. producers and U.S. importers of subject merchandise reported shipping a wide range of comparable walk-behind mowers in a range of motor sizes and blade sizes.⁹⁶ In comparisons between the domestic product and subject imports from China concerning 17 purchasing factors, including availability, reliability of supply, and quality, most responding purchasers reported that U.S. product was superior or comparable to subject imports from China for all of the factors.⁹⁷ In comparisons between the domestic product and subject imports from Vietnam concerning the same 17 purchasing factors, the responding purchasers reported that the U.S. product was superior or comparable to subject imports from Vietnam for all but one of the factors.⁹⁸

Seven of 11 responding purchasers require their suppliers to become certified or qualified to sell walk-behind mowers to their firm. None of the purchasers reported that any domestic or foreign supplier had failed in its attempt to qualify walk-behind mowers, or had lost its approved status since 2018.⁹⁹ Walk-behind mowers from all sources are subject to safety standards when they are sold in the United States. Both the American National

COVID-19 pandemic. *** reported that suppliers were fulfilling orders for their large customers before their smaller ones. CR/PR at II-9.

⁹⁵ CR/PR at Table II-11.

⁹⁶ CR/PR at Table IV-5.

⁹⁷ CR/PR at Table II-10. Only one out of eight purchasers rated the U.S. product as inferior in reliability of supply in comparison with subject imports from China. *Id.*

⁹⁸ CR/PR at Table II-10. One responding purchaser reported that the U.S. product was superior in price to subject imports from Vietnam and one purchaser reported that the U.S. product was inferior to subject imports from Vietnam in terms of price. *Id.*

⁹⁹ CR/PR at II-17.

Standards Institute's standards for Pedestrian-Controlled Mowers and Ride-On Mowers and the Consumer Products Safety Commission's Safety Standard for Walk-Behind Power Lawn Mowers apply to products covered by these investigations.¹⁰⁰

In light of the foregoing, we find that there is a moderate-to-high degree of substitutability between domestically produced walk-behind mowers and subject imports from China and Vietnam.¹⁰¹

Purchasers reported that the top three factors they consider in purchasing walk-behind mowers were quality, price/cost, and availability/supply. Quality was the most frequently cited first-most important factor (cited by five firms) followed by price (two firms).¹⁰² Ten out of 12 purchasers reported that price was a very important factor in purchasing decisions; quality meets industry standards, product consistency, and reliability of supply were also cited frequently as very important factors in purchasing decisions.¹⁰³ Market participants differed regarding the importance of non-price factors in sales of walk-behind mowers when considering domestic product and subject imports from China and Vietnam.¹⁰⁴ Given the information in the record, we find that price is an important factor in purchasing decisions for

¹⁰⁰ CR/PR at I-13.

¹⁰¹ CR/PR at II-14.

¹⁰² CR/PR at II-15 and Table II-7.

¹⁰³ CR/PR at Table II-8. Eleven out of 12 purchasers rated quality meets industry standards and product consistency as very important factors in purchasing decisions, and 10 of 12 purchasers rated reliability of supply as a very important factor in purchasing decisions. CR/PR at II-16.

¹⁰⁴ A plurality of U.S. producers reported that non-price factors are sometimes important in sales of walk-behind mowers between domestic and subject sources, a majority of U.S. importers reported that they are frequently important, and a plurality of U.S. purchasers reported that they are always important when considering domestic product and subject imports from China and Vietnam. CR/PR at Table II-13.

walk-behind mowers, although quality, product consistency, and reliability of supply are also important factors.

Manufacturers of walk-behind mowers typically sell their products to large retailers or distributors of lawncare and home improvement goods.¹⁰⁵ These businesses then market and sell the walk-behind mowers to end-users.¹⁰⁶ As discussed above, there are substitutes for walk-behind mowers, including battery-operated mowers, zero turn mowers, and riding mowers. All responding U.S. producers, five of nine responding importers and six of 12 responding purchasers reported substitutes. As also discussed above, shipments of battery-powered mowers have increased, although they remain at lower overall levels than gas-powered walk-behind mowers.¹⁰⁷

*** of U.S. producers' sales of the domestic like product were made under annual contracts in 2020, while importers sold the majority of their shipments under short-term contracts, with some sales made through annual contracts and spot sales.¹⁰⁸ Price negotiations for sales of walk-behind mowers typically begin in the spring for mowers that will not be delivered until the following selling season.¹⁰⁹ U.S. producers' annual contracts contained fixed prices; U.S. importers reported short-term contracts were for 60 days *** and 120 days *** and that contracts fixed prices and sometimes quantity.¹¹⁰ U.S. producers and U.S. importers

¹⁰⁵ CR/PR at Table II-2.

¹⁰⁶ CR/PR at I-13.

¹⁰⁷ CR/PR at II-13-14.

¹⁰⁸ CR/PR at V-5 & Table V-3.

¹⁰⁹ MTD Posthearing Brief, Exhibit 1, Responses to Commissioner Questions at 31-32, 34.

¹¹⁰ CR/PR at V-5. Only two out of 10 responding importers reported that prices could be renegotiated in their annual contracts. *Id.*

offer a variety of discounts including volume or quantity discounts.¹¹¹ Walk-behind mowers can typically be segmented into three tiers: entry level or opening price point, mid-level, and premium.¹¹²

Raw materials accounted for *** percent of the cost of goods sold (“COGS”) for domestically produced walk-behind mowers in 2020. The domestic industry’s unit value of raw materials fluctuated but increased overall during the POI.¹¹³ Walk-behind mowers contain various components, including an engine, a mower deck, blades, and wheels.¹¹⁴ Some of the components for walk-behind mowers are made using steel flat products and cast aluminum, both of which are subject to the tariffs that have been applied under Section 232 of the Trade Expansion Act of 1962, as amended (“section 232 tariffs”) if they are imported.¹¹⁵ Two U.S. producers reported that the section 232 tariffs caused raw material costs for walk-behind mowers to fluctuate and one reported that they caused raw material costs to increase; five out of ten U.S. importers reported that the section 232 tariffs caused raw material costs for walk-behind mowers to increase, four reported that they did not cause raw material costs to change, and one reported that they caused raw material costs to fluctuate.¹¹⁶

Subject imports from China entering the United States under HTS subheading 8433.11.00 (the primary subheading for the subject merchandise) became subject to ad

¹¹¹ CR/PR at V-6.

¹¹² CR/PR at II-2.

¹¹³ CR/PR at Table VI-1. On a unit value basis (dollars per unit), raw materials were \$*** per unit in 2018, \$*** per unit in 2019, and \$*** per unit in 2020. *Id.*

¹¹⁴ CR/PR at V-1-2.

¹¹⁵ CR/PR at V-2 & n.8. The cutting deck of a lawn mower is typically made of aluminum or steel. CR/PR at I-9 (scope description). Various exemptions from these tariffs have been in place during the POI.

¹¹⁶ CR/PR at Table V-1.

valorem duties of 15 percent under Section 301 of the Trade Act of 1974 (“section 301 tariffs”) effective September 1, 2019; the section 301 tariffs were 7.5 percent effective February 14, 2020.¹¹⁷ Most market participants reported that the section 301 tariffs had caused the prices and the raw material costs of walk-behind mowers to increase.¹¹⁸

VI. Material Injury and Threat of Material Injury by Reason of Subject Imports

A. Legal Standards

1. Material Injury by Reason of Subject Imports

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.¹¹⁹ 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.¹²⁰ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”¹²¹ In assessing whether the domestic industry is materially injured by reason of subject imports, we

¹¹⁷ CR/PR at I-11.

¹¹⁸ Two of three responding U.S. producers reported that the section 301 tariffs had caused prices for walk-behind mowers to increase and that they had caused raw material costs to fluctuate. Seven of nine responding U.S. importers reported that the section 301 tariffs had caused prices of walk-behind mowers to increase and six of seven responding U.S. importers reported that they had caused raw material costs to increase. CR/PR at Table II-1a. All eight responding U.S. purchasers reported that the section 301 tariffs had caused prices to increase and six of seven responding U.S. purchasers reported that they had caused raw material costs to increase. CR/PR at Table II-1b.

¹¹⁹ 19 U.S.C. §§ 1671d(b), 1673d(b).

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

¹²¹ 19 U.S.C. § 1677(7)(A).

consider all relevant economic factors that bear on the state of the industry in the United States.¹²² 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.”¹²³

Although the statute requires the Commission to determine whether the domestic industry is “materially injured or threatened with material injury by reason of” unfairly traded imports,¹²⁴ 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.¹²⁵ In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.¹²⁶

¹²² 19 U.S.C. § 1677(7)(C)(iii).

¹²³ 19 U.S.C. § 1677(7)(C)(iii).

¹²⁴ 19 U.S.C. §§ 1671d(b), 1673d(b).

¹²⁵ *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).

¹²⁶ The Federal Circuit, in addressing the causation standard of the statute, observed that “{a}s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” *See also Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

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.¹²⁷ In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.¹²⁸ Nor does

¹²⁷ Uruguay Round Agreements Act Statement of Administrative Action (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.

¹²⁸ SAA at 851-52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports ... Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.” (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes.); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e.*, it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), *citing Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

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.¹²⁹ It is clear that the existence of injury caused by other factors does not compel a negative determination.¹³⁰

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.”¹³¹ 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 sources to the subject imports.”¹³² The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”¹³³

¹²⁹ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

¹³⁰ See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

¹³¹ *Mittal Steel*, 542 F.3d at 876 &78; see also *id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”) citing *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swift-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*.

¹³² *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.

¹³³ *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); see also *Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).

The 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.¹³⁴ Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.¹³⁵

2. Threat of Material Injury by Reason of Subject Imports

Section 771(7)(F) of the Tariff Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing 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."¹³⁶ The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat factors "as a whole" in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order is issued.¹³⁷ In making our determination, we consider all statutory threat factors that are relevant to this investigation.¹³⁸

¹³⁴ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

¹³⁵ *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.").

¹³⁶ 19 U.S.C. § 1677(7)(F)(ii).

¹³⁷ 19 U.S.C. § 1677(7)(F)(ii).

¹³⁸ These factors are as follows:

(I) if a countervailable subsidy is involved, (I) 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
(Continued...)

To organize our analysis, we discuss the applicable statutory threat factors using the same volume/price/impact framework that applies to our material injury analysis. Statutory factor (I) concerning countervailable subsidies will be discussed first. Statutory threat factors (II), (III), (V), and (VI) are discussed in the analysis of likely subject import volume. Statutory threat factor (IV) is discussed in the analysis of likely subject import price effects. Statutory factors (VIII) and (IX) are discussed in the analysis of likely impact. Statutory factor (VII) concerning processed agricultural products is inapplicable to these investigations.

B. Material Injury by Reason of Subject Imports from China

1. Volume of Subject imports from China

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.”¹³⁹

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,

(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,

...

(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).

19 U.S.C. § 1677(7)(F)(i).

¹³⁹ 19 U.S.C. § 1677(7)(C)(i).

The volume of subject imports from China increased from *** units in 2018 to *** units in 2019 and *** units in 2020, an increase of *** percent.¹⁴⁰ U.S. shipments of subject imports from China increased from *** units in 2018 to *** units in 2019 to *** units in 2020, for an overall increase of *** percent during the POI.¹⁴¹

As a share of apparent U.S. consumption, the volume of subject imports from China steadily rose from *** percent in 2018 to *** percent in 2019 to *** percent in 2020, an increase of *** percentage points.¹⁴²

We find the volume of subject imports from China and the increase in subject import volume to be significant in absolute terms and relative to consumption in the United States.

2. Price Effects of Subject Imports from China

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of the 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.¹⁴³

We found above in Section V.C. that there is a moderate-to-high degree of substitutability between domestically produced walk-behind mowers and subject imports from

¹⁴⁰ CR/PR at Table IV-2.

¹⁴¹ CR/PR at Table IV-8 and Table C-1. The substantially higher volume of subject imports compared to U.S. shipments of subject imports in 2020 can be attributed largely to the substantial U.S. importer inventories of subject imports from China in 2020, (*** units), which were *** percent higher in 2020 than in 2019. *Derived from* CR/PR at Table VII-11.

¹⁴² CR/PR at Table IV-9 and Table C-1.

¹⁴³ 19 U.S.C. § 1677(7)(C)(ii).

China. We further found that price is an important consideration in purchasing decisions, along with other factors.¹⁴⁴

The Commission collected quarterly price data for the total quantity and f.o.b. value of four walk-behind mower products shipped by U.S. producers and importers to unrelated U.S. retailers between January 2018 and December 2020.^{145 146} Four U.S. producers (***) and four importers of subject merchandise from China (***) provided usable price data for sales of the requested products, although no firms reported price data for all products for all quarters.

¹⁴⁴ CR/PR at II-14 and Table II-7 and Table II-8. As explained above, quality, product consistency, and reliability of supply are also important in purchasing decisions for walk-behind mowers.

¹⁴⁵ CR/PR at V-6-V-7. The pricing products were:
Product 1. – Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50” to 20.49” for cutting decks, and without a grass-catching bag.
Product 2. – Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50” to 21.49” for cutting decks, and without a grass-catching bag.
Product 3. – Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50” to 21.49” for cutting decks, and with a grass-catching bag.
Product 4. – Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5” to 21.49” for cutting decks, and with a grass-catching bag.

¹⁴⁶ Chinese Respondents argue that the pricing product definitions include multiple models which may contain different features and result in differences in the prices for the mowers, and that prices vary by retailer. Chinese Respondents’ Posthearing Brief at 5, Responses to Commission Questions at 21-24, Exhibit 2. Chinese Respondents, however, did not provide any comments on the Commission’s draft questionnaires in these investigations, including any concerns regarding the proposed pricing products or suggestions of alternative pricing products for the Commission to use in these investigations, pursuant to 19 C.F.R. 207.20(b), nor have they otherwise suggested alternative data on record that would allow an apples-to-apples comparison of subject imports and domestic product prices. Accordingly, we rely on data from these product definitions as the most specific record evidence available for prices of specific models for walk-behind mowers shipped to retailers.

Additionally, we note that Chinese Respondents’ analysis of pricing data are based in part on retail prices rather than f.o.b. prices shipped to retailers. Chinese Respondents’ Posthearing Brief at Exhibit 2. The Commission collected price data for the f.o.b. value of domestic like product and subject imports shipped to unrelated U.S. retailers by U.S. producers and U.S. importers during the POI and landed duty-paid purchase cost data for subject imports imported for retail sale. Sales from retailers such as *** to their customers are not at the same level of trade as the price data and purchase cost data that we have analyzed.

Price data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. shipments of walk-behind mowers and *** percent of U.S. shipments of subject imports from China.¹⁴⁷

Subject imports from China undersold the domestic like product in *** out of 48 quarterly price comparisons at an average underselling margin of *** percent; the quantity of subject imports in these underselling comparisons was *** units.¹⁴⁸ Subject imports from China oversold the domestic like product in *** out of 48 quarterly price comparisons at an average overselling margin of *** percent; the quantity of subject imports in these overselling comparisons was *** units, a substantially smaller amount than the quantity in the underselling comparisons.¹⁴⁹ In total, subject imports from China undersold the domestic like product in *** percent of the quarterly comparisons but the quarters in which subject imports undersold the domestic like product accounted for *** percent of the reported volumes of subject imports encompassed by the quarterly comparisons.¹⁵⁰

The Commission also collected landed, duty-paid import purchase cost and quantity data for the same four pricing products from firms that imported walk-behind mowers from China for retail sale.¹⁵¹ Two importers reported useable import purchase cost data for Products 1-3 for subject imports from China; these data accounted for *** percent of subject imports from China in 2020, and an additional importer reported importing for internal consumption or

¹⁴⁷ CR/PR at V-7.

¹⁴⁸ CR/PR at Table V-14.

¹⁴⁹ CR/PR at Table V-14.

¹⁵⁰ CR/PR at V-26.

¹⁵¹ CR/PR at V-6.

retail sale but did not report purchase cost data.¹⁵² Landed duty-paid costs for walk-behind mowers from China were below the price of domestically produced walk-behind mowers in *** out of *** quarterly comparisons at an average price-cost differential of *** percent; the quantity of subject imports in these comparisons was 297,997 units, the vast majority of quantity in these data.¹⁵³ Landed duty-paid costs for walk-behind mowers from China were above the price of domestically produced walk-behind mowers in one quarterly comparison at an average price-cost differential of 1.8 percent; the quantity of subject imports in that comparison was 16 units.¹⁵⁴

The Commission also requested that importers reporting import purchase cost data provide additional information regarding the costs and benefits of directly importing walk-behind mowers. Neither of the two importers that reported useable purchase cost data reported that they incurred additional costs beyond landed duty-paid costs by importing walk-behind mowers directly rather than purchasing from a U.S. producer or a U.S. importer. Responding to a question regarding whether they compared costs of importing to alternative sources of supply, two of three importers reported that they compare costs of importing to the cost of purchasing from a U.S. producer in determining whether to import walk-behind mowers, and the third importer reported that it compares costs of importing to the cost of

¹⁵² No importers reported purchase cost data for pricing Product 4 imported from China. CR/PR at V-16 & n.20.

¹⁵³ CR/PR at Table V-15.

¹⁵⁴ CR/PR at Table V-15.

purchasing from a U.S. importer.¹⁵⁵ None of the importers identified benefits from importing walk-behind mowers directly instead of purchasing from a U.S. producer or importer.¹⁵⁶

Firms were also asked whether the import cost (both excluding and including additional costs) of walk-behind mowers they imported is lower than the price of purchasing walk-behind mowers from a U.S. producer or importer. One firm (***) reported that the import cost is lower both including and not including additional costs.¹⁵⁷ None of the importers provided estimates on the amount they saved by importing walk-behind mowers rather than purchasing from a U.S. importer or U.S. producer.

We have also considered lost sales information in our underselling analysis. Four U.S. producers reported that they had lost sales.¹⁵⁸ Of the 13 purchasers that responded to the Commission's questionnaires, three, ***, reported that since 2018, they had purchased subject imports from China instead of U.S.-produced product and that the prices for the subject imports from China were lower than the prices for the domestic like product; while each of these purchasers provided nonprice reasons for purchasing subject imports in their questionnaire responses, the *** response invites closer scrutiny.¹⁵⁹

*** was the *** importer of subject merchandise from China in 2020 and *** of subject merchandise during the POI.¹⁶⁰ ***; its imports of subject merchandise from China were *** units in 2019 and *** units in 2020, a *** percent increase.¹⁶¹ The large increase in subject

¹⁵⁵ CR/PR at V-16.

¹⁵⁶ CR/PR at V-16,

¹⁵⁷ CR/PR at V-16.

¹⁵⁸ CR/PR at V-28. None of the U.S. producers reported that they had to reduce prices.

¹⁵⁹ CR/PR at Table V-17. ***, ***. CR/PR at Table V-17.

¹⁶⁰ CR/PR at Table IV-1 and Table V-16.

¹⁶¹ CR/PR at IV-3.

imports from China imported by *** accounted for a substantial portion of the total increase in the volume of subject imports from China during the POI.¹⁶² Specifically, *** imports of subject merchandise from China accounted for *** percent of the total increase in subject imports from China during the POI,¹⁶³ and they also accounted for *** percent of the increase in shipments of subject imports over the POI.¹⁶⁴

Furthermore, this substantial increased volume imported by *** is tied to the large quantities of subject imports from China that were lower-priced than the domestic like product in 2020.¹⁶⁵ *** accounted for all of the purchase cost data provided for pricing Product 1 from China; these data consistently show that the purchase cost of the imports was lower than the price of the domestic like product, with an average price/cost differential of *** percent.¹⁶⁶

¹⁶² *** Importer Questionnaire Response, EDIS Doc. No. *** at II-5a; CR/PR at IV-3.

¹⁶³ *Derived from* *** Importer Questionnaire Response, EDIS Doc. No. *** at II-5a and CR/PR at Table IV-2. *** imports of subject merchandise from China in 2020 (*** units) constituted *** percent of total subject imports from China in 2020 (*** units). *Id.*

¹⁶⁴ *Derived from* *** Importer Questionnaire Response, EDIS Doc. No. *** at II-5a and CR/PR at Table IV-8. Shipments of subject imports from China (including shipments for internal consumption/retail sale) increased by *** units from 2018 to 2020; ***'s subject imports increased by *** units during that period. *See id.* (***.)

¹⁶⁵ CR/PR at Table V-8.

¹⁶⁶ CR/PR at Tables V-8, V-15. The import purchase cost data reported by *** show that its subject imports from China undersold the domestic like product: the landed duty-paid values reported by *** for Products 1 and 2 were below the prices for the domestic like product in *** quarterly comparisons, covering a quantity of *** units of subject imports for Product 1 and *** units for Product 2. *See* CR/PR at Tables V-8, V-9; *** Importer Questionnaire Response at III-3a. (The *** of the purchase cost data reported for subject imports from China for pricing products 1 and 2 were reported by ***) As reviewed above, neither of the two importers that reported useable purchase cost data, including ***, reported that they incurred additional costs beyond landed duty-paid costs by importing walk-behind mowers directly rather than purchasing from a U.S. producer or a U.S. importers. CR/PR at V-16; *** Importer Questionnaire Response at III-3e. MTD argues that opening price point walk-behind mowers were substantially impacted by subject imports over the POI. *See* MTD Posthearing Brief at 8 (“Subject imports have entered the U.S. market and competed against domestic producers in the OPP {opening price point} segment where they have rapidly captured significant portions of U.S. market share.”).

*** representative reported to Commission staff that ***.¹⁶⁷ In its questionnaire response, “***.”¹⁶⁸ Therefore, although *** answered “no” to the question of whether price was the primary reason for purchasing subject imports instead of domestic product, its narrative response in fact indicates that the reason for its shift to subject imports was price.

Other evidence in the record supports the conclusion that price is a primary factor for *** purchasing decisions. *** reported that price is the most important factor in its purchasing decisions.¹⁶⁹ It also reported that it always chooses producers based on their ability to deliver product on time and on cost.^{170 171} Further, *** reported that it negotiates cost, frequency and method of distribution and engine type with its supplier,¹⁷² and that it usually purchases the walk-behind mowers that are offered at the lowest price.¹⁷³

In light of this additional evidence, including *** repeated emphasis on the importance of price and its acknowledgement that it shifted to subject imports because of their low price point, we find that *** imported subject imports from China in large quantities for price reasons, which caused the domestic industry to lose sales and market share.¹⁷⁴ Subject imports

¹⁶⁷ Email from *** to Investigator Nitin Joshi dated April 7, 2021, EDIS Doc. No. 741583; *** Purchaser Questionnaire Response, EDIS Doc. No. 738951 at III-11 (“***”).

¹⁶⁸ CR/PR at Table V-17.

¹⁶⁹ *** Purchaser Questionnaire Response, EDIS Doc. No. 738951 at III-22. In another response, *** reported that price is very important in its purchasing decisions. *Id.* at III-23.

¹⁷⁰ *** Purchaser Questionnaire Response, EDIS Doc. No. 738951 at III-10.

¹⁷¹ Chinese Respondents argue that ***. Chinese Respondents’ Posthearing Brief at 4-5. *** itself, however, does not mention this alleged concern in its questionnaire response, and ***, and the record does not otherwise support this characterization.

¹⁷² *** Purchaser Questionnaire Response, EDIS Doc. No. 738951 at III-17.

¹⁷³ *** Purchaser Questionnaire Response, EDIS Doc. No. 738951 at III-26. *** also reported that domestically produced and Chinese-origin walk-behind mowers both always meet minimum quality specifications. *Id.* at III-25.

¹⁷⁴ As noted above, *** imports of low-priced subject imports from China accounted for a substantial portion of the increase in subject import volume and market share. ***’s increase in subject (Continued...)

gained *** percentage points of U.S. market share over the full POI, and *** percentage points of U.S. market share from 2019 to 2020, as the domestic industry lost *** percentage points of market share over the POI and *** percentage points from 2019 to 2020.¹⁷⁵ As noted above, the volume of subject imports by *** accounted for the majority of the increase in the volume of subject imports from China during the POI, as well as the vast majority of the increase in shipments of subject imports, and, therefore, a substantial portion of the gain in market share by subject imports during that period. Husqvarna's exit from the market created an opening for the remaining domestic producers to increase sales, but rather than gain sales at one of the largest purchasers, MTD contends that *** decreased by *** units from 2019 to 2020 as *** subject imports from China increased by *** units.¹⁷⁶

In light of the record evidence demonstrating that prices and purchase costs for large quantities of subject imports from China were substantially lower than the prices for the domestic like product, our findings that there is a moderate-to-high degree of substitutability between the domestic like product and subject products from China and that price is an important factor in purchasing decisions, we find that the underselling by subject imports from China is significant. The underselling resulted in lost sales by the domestic industry and a shift in U.S. market share to subject imports at the direct expense of the domestic industry.

imports accounted for *** percent of the increase in shipments of subject imports from China from 2018 to 2020 (*** of *** units) and *** percent of the increase in shipments of subject imports from China from 2019 to 2020 (*** of *** units). *Derived from* *** Importer Questionnaire Response at II-5a; CR/PR at Table IV-8.

¹⁷⁵ CR/PR at Table C-1. Nonsubject imports, including imports from Vietnam, gained *** percentage points of market share over the POI and *** percentage points from 2019 to 2020. Out-of-scope mowers with Chinese engines increased their market share slightly by *** percentage points over the full POI, with a slight decrease of *** percentage points from 2019 to 2020. Thus, subject imports from China gained market share nearly entirely at the expense of the domestic industry.

¹⁷⁶ MTD's Posthearing Brief, Exhibit 10, Exhibit 15 at 1-2.

We have also considered price trends for the domestic like product and subject imports from China. Domestic prices increased for all four pricing products over the POI; domestic producers' prices for Product 1 increased by *** percent; for Product 2, they increased by *** percent; for Product 3, they increased by *** percent; and for Product 4, they increased by *** percent.¹⁷⁷ U.S. importer prices for subject imports from China decreased for three of the four pricing products over the POI; for Product 1, they decreased by *** percent; for Product 3, they decreased by *** percent; and for Product 4, they decreased by *** percent. U.S. importer prices for subject imports from China for Product 2 increased by *** percent.^{178 179}

We have also examined whether subject imports prevented price increases, which otherwise would have occurred, to a significant degree. The industry's COGS to net sales ratio fluctuated and decreased by *** percentage points over the POI,¹⁸⁰ as the industry's unit total net sales value increased at a greater rate than unit raw materials cost and total per-unit COGS.¹⁸¹ The relative increase in the AUV of net sales (*** percent over the POI) outpaced the relative increase in unit raw materials (*** percent) and unit total COGS (*** percent).¹⁸² Thus, the record indicates that the industry was able to pass along increased costs. Indeed, as noted above, purchaser *** response indicates that *** switch to subject imports.¹⁸³

¹⁷⁷ CR/PR at Table V-12.

¹⁷⁸ CR/PR at Table V-12.

¹⁷⁹ Purchase cost data for walk-behind mowers from China were contained in a limited number of quarters and did not lend themselves to a meaningful price trend analysis. CR/PR at V-23, n.22.

¹⁸⁰ CR/PR at Table C-1.

¹⁸¹ CR/PR at Table VI-2. Unit total net sales value increased by \$*** over the POI, while unit raw materials costs increased by \$***, and unit COGS increased by \$***. *Id.*

¹⁸² CR/PR at Table VI-2.

¹⁸³ CR/PR at Table V-17.

We find that subject imports from China undersold the domestic like product to a significant degree, which resulted in lost sales and market share. Consequently, we find that subject imports from China had significant price effects on the prices for the domestic like product.

3. Impact of the Subject Imports from China¹⁸⁴

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”¹⁸⁵ 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 debts, research and development, and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”¹⁸⁶

¹⁸⁴ The statute instructs the Commission to consider the “magnitude of the dumping margin” in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final determination, Commerce found weighted-average dumping margins ranging from 98.73 to 274.29 percent for Chinese producers/exporters of walk-behind mowers. Commerce Final AD Determination, 86 Fed. Reg. at 27385. We take into account in our analysis the fact that Commerce has made final findings that all subject producers are selling subject imports from China in the United States at less than fair value. In addition to this consideration, our impact analysis on subject imports from China has considered other factors affecting domestic prices. Our analysis of the significant price effects of subject imports from China, described in both the price effects discussion and below, is particularly probative to an assessment of the impact of the subject imports.

¹⁸⁵ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 (“In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

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

The domestic industry's trade and financial indicators were mixed over the POI. U.S. producers' capacity decreased by *** percent from 2018 to 2020; it was *** units in 2018, *** units in 2019, and *** units in 2020.¹⁸⁷ Husqvarna *** and MTD announced the closure of its manufacturing plant in Leitchfield, Kentucky in October 2019 and sold the property in December 2020.¹⁸⁸ U.S. producer's walk-behind mower production decreased by *** percent from 2018 to 2020, largely due to *** and ***; U.S. production was *** units in 2018, *** units in 2019, and *** units in 2020.¹⁸⁹ The domestic industry's capacity utilization increased by *** percentage points from 2018 to 2020; it was *** percent in 2018, *** percent in 2019, and *** percent in 2020.¹⁹⁰

The domestic industry's U.S. shipments declined from 2018 to 2020 by *** percent; they were *** units in 2018, *** units in 2019, and *** units in 2020.¹⁹¹ The domestic industry's market share by quantity declined by *** percentage points between 2018 and 2020; its market share was *** percent in 2018, *** percent in 2019, and *** percent in 2020.¹⁹² End-of-period inventories fell by *** percent, from *** units in 2018 to *** units in 2019 and *** units in 2020.¹⁹³

Employment-related indicators declined between 2018 and 2020, with the exception of hourly wages and productivity, both of which increased. Production and related workers

¹⁸⁷ CR/PR at III-4 and Table III-4 and Table C-1.

¹⁸⁸ CR/PR at Table III-3. MTD argues that competition from subject imports from China and Vietnam were a factor in its reorganization of its operations, which included closing its Leitchfield, Kentucky plant. MTD's Posthearing Brief, Exhibit 1, Responses to Commission Questions at 21.

¹⁸⁹ CR/PR at III-4-5 and Table III-4 and Table C-1.

¹⁹⁰ CR/PR at Table III-4 and Table C-1.

¹⁹¹ CR/PR at Table III-6 and Table C-1.

¹⁹² CR/PR at Table IV-9.

¹⁹³ CR/PR at Table III-7 and Table C-1.

("PRWs") decreased by *** percent from 2018 to 2020.¹⁹⁴ Total hours worked decreased by *** percent from 2018 to 2020.¹⁹⁵ Wages paid decreased by *** percent and hourly wages increased by *** percent from 2018 to 2020.¹⁹⁶ Productivity increased by *** percent from 2018 to 2020.¹⁹⁷ Unit labor costs increased by *** percent from 2018 to 2020.¹⁹⁸

The domestic industry's financial performance indicators were mixed during the POI. Net sales revenues decreased by *** percent over the POI; they were \$*** in 2018, \$*** in 2019, and \$*** in 2020.¹⁹⁹ The value of total sales revenue decreased at a slightly lower rate than COGS during the POI.²⁰⁰ Gross profit declined by *** percent over the POI; it was \$*** in 2018, \$*** in 2019, and \$*** in 2020.²⁰¹ The domestic industry's operating income increased by *** percent over the POI; it was \$*** in 2018, \$*** in 2019, and \$*** in 2020.²⁰² The domestic industry's operating income margin increased by *** percentage points over the POI; it was *** percent in 2018, *** percent in 2019, and *** percent in 2020.²⁰³ The domestic industry experienced *** in 2020.²⁰⁴

¹⁹⁴ PRWs were *** in 2018, *** in 2019, and *** in 2020. CR/PR at Table III-9 and Table C-1.

¹⁹⁵ Total hours worked were *** hours in 2018, *** hours in 2019, and *** hours in 2020. Hours worked per PRW were *** in 2018, *** in 2019, and *** in 2020. CR/PR at Table III-9 and Table C-1.

¹⁹⁶ Wages paid were \$*** in 2018, \$*** in 2019, and \$*** in 2020. Hourly wages (dollars per hour) were \$*** in 2018, \$*** in 2019, and \$*** in 2020. CR/PR at Table III-9 and Table C-1.

¹⁹⁷ Productivity (in units per 1,000 hours) was *** in 2018, *** in 2019, and *** in 2020. CR/PR at Table III-9 and Table C-1.

¹⁹⁸ Unit labor costs (in dollars per unit) were \$*** in 2018, \$*** in 2019, and \$*** in 2020. CR/PR at Table III-10 and Table C-1.

¹⁹⁹ CR/PR at Table VI-1 and Table C-1.

²⁰⁰ See CR/PR at Table VI-1 and Table C-1. Total net sales value decreased by *** percent, while total COGS decreased by *** percent, over the POI. *Id.* Total COGS was \$*** in 2018, \$*** in 2019, and \$*** in 2020. *Id.*

²⁰¹ CR/PR at Table VI-1 and Table C-1.

²⁰² CR/PR at Table VI-1 and Table C-1.

²⁰³ CR/PR at Table VI-1 and Table C-1.

²⁰⁴ CR/PR at Table VI-1 and Table C-1.

The industry's capital expenditures increased by *** percent over the POI; they were \$*** in 2018, \$*** in 2019, and \$*** in 2020.²⁰⁵ Research and development expenses declined by *** percent over the POI; they were \$*** in 2018, \$*** in 2019, and \$*** in 2020.²⁰⁶ Net asset values increased from \$*** in 2018 to \$*** in 2019 and \$*** in 2020; operating return on assets declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020.²⁰⁷

Three U.S. producers reported that subject imports from China had negative effects on their investment and growth and development; one producer, *** reported that they did not. U.S. producer ***²⁰⁸

As discussed above, significant volumes of lower-priced subject imports caused the domestic industry to lose sales and market share, which reduced the industry's output and revenues from what they would have been otherwise. We acknowledge that downward trends in the domestic industry's capacity, production, shipment, and employment indicators over the POI partly reflect Husqvarna's exit. Given Husqvarna's status as the second-largest domestic producer of walk-behind mowers prior to 2020, however, the remaining U.S. producers reasonably should have expected to gain additional sales when Husqvarna exited the market,

²⁰⁵ CR/PR at Table VI-5 and Table C-1.

²⁰⁶ CR/PR at Table VI-5 and Table C-1.

²⁰⁷ CR/PR at Table VI-6.

²⁰⁸ We note that these questions asked U.S. producers of walk-behind mowers to describe any actual negative effects of imports of walk-behind mowers from both China and Vietnam. CR/PR at VI-16 & Table VI-8. We note that the parties disagree as to why Husqvarna exited the U.S. walk-behind mower industry. MTD Posthearing Brief at 4; Chinese Respondents' Posthearing Brief at 4.

allowing them to increase their production, shipments and employment, but instead, the domestic industry lost substantial sales to subject imports over the POI, particularly ***.²⁰⁹

Chinese Respondents argue that subject imports from China did not injure the domestic industry even though subject imports increased over the POI because the imports were needed to supply high demand in 2020 and to fill the supply gap created by Husqvarna's exit. Chinese Respondents contend that the domestic industry was unable to increase its shipments of walk-behind mowers to the U.S. market during the POI because it experienced supply constraints due to COVID-19.²¹⁰

The record does not support respondents' claim that the domestic industry could not supply more of the U.S. market during the POI due to supply constraints. *** acknowledged ***.²¹¹ Yet, the domestic industry (including MTD) had the available production capacity to supply substantially more walk-behind mowers than it in fact supplied; the domestic industry's capacity utilization rate was only *** percent in 2018, *** percent in 2019, and *** percent in 2020; *i.e.*, thus the domestic industry was utilizing *** of its production capacity in 2020 when subject imports sharply increased.²¹² As further discussed below, engine supply shortages alleged by the Chinese Respondents should not have prevented MTD from being able to

²⁰⁹ The primary remaining domestic producers in 2020, MTD and Honda, had *** production capacity, production, and capacity utilization between 2019 and 2020, indicating that these firms obtained little of Husqvarna's sales after its exit. CR/PR at Table III-4. Their employment levels *** in 2020 relative to 2018 levels. U.S. Producer Questionnaire Responses, EDIS Docs. *** at II-10.

²¹⁰ Chinese Respondents' Prehearing Brief at 22-23.

²¹¹ CR/PR at II-9; Tr. at 40-41 (McConoughey).

²¹² CR/PR at Table III-4. We also note that production for the 2020 selling season commenced in 2019, well before the impact of COVID-19 began. Tr. at 45 (Moll); Tr. at 78-79 (Trumpler). Although Chinese Respondents argue that MTD was not a viable alternative to Husqvarna, ***, Chinese Respondents' Posthearing Brief, Responses to Commission Questions at 5, there is no indication that MTD's unused production capacity was unavailable for sales to Walmart, ***.

increase production of walk-behind mowers in 2020. Furthermore, Walmart started importing subject imports from China in 2019, before any supply constraints associated with COVID-19.²¹³ During the POI, *** was able to produce and supply the *** walk-behind mowers that ***; ***.²¹⁴

Chinese Respondents also argue that nonsubject imports increased over the POI due to supply constraints in 2020 and that the high average unit values at which they entered the U.S. market reflected the tightness of the U.S. market given that purchasers were unable to obtain supply from domestic sources.²¹⁵ Yet, nonsubject imports, *** of which were imported from ***, mostly from ***,²¹⁶ have higher average unit values than subject imports from China because *** typically supplies mid-level or premium walk-behind mowers which generally have additional or premium features such as grass bags, higher engine displacement, or larger blades.²¹⁷ *** provided pricing and purchase cost data only for Product 3, a product with a grass bag, and a high engine displacement between 160 and 180cc.²¹⁸ Thus, the higher AUVs of the nonsubject imports did not result from tight supply in the U.S. market, but rather the product mix of these imports. Moreover, the increase in nonsubject imports in 2020 was affected by Commerce's modification of its scope; when *** imports of out-of-scope walk-

²¹³ CR/PR at IV-3.

²¹⁴ MTD Posthearing Brief, Exhibit 2; Email from *** to Investigator Nitin Joshi dated April 7, 2021, EDIS Doc. No. 741583.

²¹⁵ Chinese Respondents' Posthearing Brief at 4-5, Responses to Commission Questions at 56-57.

²¹⁶ CR/PR at IV-3-4, VII-17 & Table IV-1.

²¹⁷ *** Importer Questionnaire Response, EDIS Doc. No. 739353 at II-7d, II-10d.

²¹⁸ CR/PR at Table H-1. Nonsubject import prices were generally higher than prices for the domestic like product and the subject imports from China; however, nonsubject import purchase costs were lower than domestic prices in the available comparisons and in one comparison with subject imports from China. CR/PR at H-3. These nonsubject import purchase cost data accounted for *** percent of nonsubject imports in 2020. *Id.*

behind mowers from *** are taken into account, there is no sharp increase in 2020 for *** imports of walk-behind mowers (including both in-scope and out-of-scope from nonsubject sources); in fact there is a small decrease.²¹⁹

Chinese Respondents further argue that subject imports from China increased in 2020 due to increased demand resulting from the COVID pandemic. We note, however, that in this market, mower sales are typically contracted for in the year prior to their delivery.²²⁰ Chinese Respondents acknowledge that most of the subject imports from China for the 2020 season had already arrived in the United States by late March or April of 2020.²²¹ Furthermore, there are average lead times of 120 days for subject imports from China, which limits their responsiveness to changes in demand.²²² Thus, only a limited portion of the subject imports in 2020 may have been exported to the United States in response to increased demand in 2020.²²³

Chinese Respondents also argue that MTD had difficulty supplying walk-behind mowers in late March to April 2020 because MTD had difficulty obtaining engines at that time.²²⁴ As the Commission stated in the recent *Small Vertical Shaft Engines* investigations, however, Briggs & Stratton was meeting MTD's demand forecasts through at least the first half of 2020, and there was a surge in imports of small vertical shaft engines prior to August 2020 and a

²¹⁹ *Derived from* *** Importer Questionnaire Response, EDIS Doc. No. 739353 at II-7a, II-10a. Combined, *** nonsubject imports and out-of-scope imports from *** were *** units in 2018, *** units in 2019, and *** units in 2020; they fluctuated and decreased by *** percent over the POI.

²²⁰ Tr. at 123-124 (Ragland).

²²¹ Chinese Respondents' Prehearing Brief at 2.

²²² Chinese Respondents' Posthearing Brief, Responses to Commission Questions at 9.

²²³ Chinese Respondents' Posthearing Brief, Responses to Commission Questions at 8-9. Indeed, Chinese Respondents themselves contend that only approximately *** percent of the total shipments of subject imports from China were exported to the United States due to increased demand in 2020. *Id.* at 9.

²²⁴ MTD's Prehearing Brief dated May 11, 2021 at 2.

subsequent substantial buildup in inventories, which indicate that supply was available and thus engine sourcing should not have prevented MTD from being able to increase production of walk-behind mowers in 2020.²²⁵

We have also considered whether there are other factors that may have had an impact on the domestic industry during the POI to ensure that we are not attributing injury from such other factors to subject imports. Although nonsubject imports and out-of-scope imports²²⁶ increased their market share over the POI, they did not increase market share as much as subject imports and do not explain the increase in subject imports by ***. Furthermore, nonsubject imports largely compete in the midrange to premium portions of the walk-behind mower market whereas subject imports were focused in the opening price point segment of the market.²²⁷ In addition, although apparent U.S. consumption did decline somewhat from 2018 to 2020, this does not explain the domestic industry's lost sales and market share directly attributable to lower-priced subject imports; indeed, despite the overall decline in apparent U.S. consumption, the volume of subject imports from China increased significantly during the POI. Thus, none of the nonsubject imports, the out-of-scope imports, or the decline in

²²⁵ *Small Vertical Shaft Engines from China*, Inv. Nos. 701-TA-643 and 731-TA-1493 (Final), USITC Pub. 5185 (April 2021) at 37-38, 47, 51. We recognize that witnesses for MTD stated that there were interruptions in production due to engine supply issues, but these interruptions were brief and largely confined to the second half of the year. Tr. 40 (McConoughey), 41 (Moll).

²²⁶ Out-of-scope imports accounted for approximately *** percent of apparent U.S. consumption over the POI; their market share increased by *** percent. Their AUVs were well above those of subject imports. CR/PR at Table C-1.

²²⁷ As explained above, *** which previously sourced the *** of its walk-behind mowers from *** specifically sought mowers in the *** opening price point portion of the market and *** accounted for the *** of the increase in subject import volume in 2020. See Email from *** to Investigator Nitin Joshi dated April 7, 2021, EDIS Doc. No. 741583; *** Importer Questionnaire Response at II-5a; CR/PR at IV-3.

apparent U.S. consumption explain the sales and market share lost by the domestic industry to subject imports from China.²²⁸

For the reasons discussed above, we conclude that subject imports from China had a significant impact on the domestic industry. We accordingly determine that the domestic industry was materially injured by reason of subject imports from China.

C. Threat of Material Injury by Reason of Subject Imports from Vietnam

A. Cumulation for Threat

1. Legal Standards

For purposes of determining if a threat of material injury exists, cumulation is discretionary. Under section 771(7) (H) of the Tariff Act, the Commission may “to the extent practicable” cumulatively assess the volume and price effects of subject imports from all countries as to which petitions were filed on the same day if subject imports compete with each other and the domestic like product and the other requirements for cumulation for material injury analysis are satisfied.²²⁹

2. Analysis

The petitions on China and Vietnam were filed on the same day.²³⁰ We address below whether there is a reasonable overlap of competition between subject imports from Vietnam, subject imports from China, and the domestic like product.²³¹

²²⁸ Out of scope imports’ volume increased by about *** percent but their market share only slightly increased and their AUVs were well above those of subject imports. CR/PR at Table C-

²²⁹ 19 U.S.C. § 1677(7)(H).

²³⁰ CR/PR at I-1.

²³¹ None of the parties addressed whether the Commission should cumulate subject imports from China and Vietnam for purposes of its threat analysis; however, MTD presents its threat arguments based on cumulated subject imports. MTD Prehearing Brief at 35-41.

Fungibility. A majority of U.S. producers, importers, and purchasers reported that subject imports from the subject countries are always or frequently used interchangeably with each other and with the domestic like product.²³² As stated in Section III.C. above, we found that there is a moderate-to-high degree of substitutability between domestically produced walk-behind mowers and walk-behind mowers from subject sources.²³³ In comparisons with the domestic like product concerning 16 non-price factors, majorities or pluralities of purchasers found subject imports from China comparable in 13 factors and subject imports from Vietnam comparable in 9 factors.²³⁴ In comparisons of subject imports from China and subject imports from Vietnam concerning the same 16 non-price factors, purchasers found subject imports from China and subject imports from Vietnam comparable with respect to 15 factors.²³⁵

U.S. producers and U.S. importers of subject imports from China and Vietnam all reported either producing and/or importing the walk-behind mowers with the following characteristics: push only, self-propelled, with a pull start only, with a button or auto start system, with or without a grass discharge bag, and with a steel cutting deck; furthermore, they all reported selling walk-behind mowers in an overlapping range of motor sizes.²³⁶ We find that there is a substantial degree of fungibility between and among subject imports from each source and the domestic like product.

²³² CR/PR at Table II-11.

²³³ CR/PR at II-14.

²³⁴ CR/PR at Table II-10.

²³⁵ CR/PR at Table II-10.

²³⁶ CR/PR at Table IV-5. In addition, a majority of U.S. shipments of subject imports from China and Vietnam were private label mowers and a substantial share of U.S. shipments of domestic product were private label mowers, particularly in 2019 and 2020. CR/PR at Table D-1.

Channels of Distribution. U.S. shipments of walk-behind mowers are sold mainly to retailers, with a much smaller share shipped to distributors and a very small amount to end users. U.S. shipments of subject imports from China are sold almost entirely to retailers with a very small amount sold to distributors. U.S. shipments of subject imports from Vietnam were sold to distributors. Consequently, during the period there was substantial overlap with respect to channels of distribution for U.S. shipments of subject imports from China and U.S. shipments of domestic like product in the retailer channel, some overlap between U.S. shipments of domestic like product and U.S. shipments of subject imports from Vietnam in the distributor channel, and minimal overlap between U.S. shipments of subject imports from China and subject imports from Vietnam in the distributor channel.²³⁷

Geographic Overlap. U.S. producers reported selling walk-behind mowers to all regions in the contiguous United States. U.S. importers of subject imports from China and Vietnam also reported selling walk-behind mowers to all regions in the contiguous United States.²³⁸

Simultaneous Presence in Market. Imports of walk-behind mowers from China were present in the U.S. market in all but one month from January 2018 to January 2021. Imports of walk-behind mowers from Vietnam were present in the U.S. market in all but two months from November 2019 to January 2021.²³⁹

Conclusion. The information in the record supports a finding that there is a substantial degree of fungibility between imports from each subject country and the domestic

²³⁷ CR/PR at Table II-3.

²³⁸ CR/PR at II-8.

²³⁹ CR/PR at Table IV-7; these import data include both subject imports of walk-behind mowers from China and Vietnam and out-of-scope mowers from China and Vietnam.

like product, and that imports from each of the subject countries and the domestic like product are sold in similar channels of distribution, albeit in differing concentrations. The record also shows that imports from each of the subject countries and the domestic like product compete in similar geographic markets and that walk-behind mowers from all sources have been simultaneously present in the U.S. market, particularly in 2020. 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 between imports from each subject country.

In considering whether to exercise our discretion to cumulate subject imports from China and Vietnam, we also note that the only producer of subject merchandise in Vietnam, Ducar, has ties to a producer of mowers in China, being ***.²⁴⁰ Indeed, representatives from Ducar indicated that *** had established Ducar so that it could continue to supply the U.S. market with mowers after the imposition of section 301 tariffs on imports from China.²⁴¹ These corporate relationships between producers in China and Vietnam provide further evidence that it is appropriate to examine subject imports from these countries on a cumulated basis.²⁴²

We exercise our discretion to cumulate subject imports from China and Vietnam for purposes of conducting a threat analysis in our determination regarding subject imports from Vietnam.

²⁴⁰ CR/PR at VII-3.

²⁴¹ Hearing Tr. at 186 (Lee).

²⁴² We acknowledge that *** relied on engines subject to the small vertical shaft engines orders for its mower production during the POI, and thus did not export subject merchandise. CR/PR at Table I-1. Nonetheless, Ducar initially relied entirely on ***. *Compare* CR/PR at Tables VII-8 and I-5. Thus, we find *** could also reasonably acquire such engines to supply the U.S. market with subject merchandise in future.

B. Analysis of Statutory Threat Factors

1. Nature of Countervailable Subsidies

In its final countervailing duty determination concerning walk-behind mowers from China, Commerce found the following subsidy programs to be countervailable: policy loans to the walk-behind lawn mower industry, export buyers credit program, income tax reduction for high or new technology enterprises, income tax deductions for research and development under the enterprise income tax law, provision of cold-rolled steel for less than adequate remuneration, provision of electricity for less than adequate remuneration, grants self-reported by Zhejiang Dobest, and grants self-reported by Ningbo Daye.²⁴³ Commerce determined that the export buyers credit program was an export subsidy.²⁴⁴

2. Likely Subject Import Volume

In the absence of antidumping and countervailing duty orders, we find that cumulated subject imports from China and Vietnam, which increased substantially in the latter part of the POI, will likely continue at their current significant volume or substantially increase in the imminent future. U.S. shipments of cumulated subject imports increased sharply over the POI by *** percent; they were *** units in 2018, *** units in 2019, and *** units in 2020.²⁴⁵

Cumulated subject imports also quickly penetrated the U.S. market over the POI. U.S. market

²⁴³ Issues and Decision Memorandum for the Final Affirmative Determination in the Countervailing Duty Investigation of Certain Walk-Behind Lawn Mowers and Parts Thereof from the People's Republic of China dated May 14, 2021 ("Commerce CVD Issues and Decision Memorandum") at 10-13. In its final determinations, Commerce found countervailable subsidy rates of 20.98 percent for Zhejiang Amerisun Technology Co., Ltd, 14.17 percent for Ningbo Daye Garden Machinery Co., Ltd. and 16.29 percent for all others. Final Commerce CVD-China Determination at 27380.

²⁴⁴ Commerce CVD Issues and Decision Memorandum at 53.

²⁴⁵ CR/PR at Table C-1. The volume of cumulated subject imports increased from *** units in 2018 to *** units in 2019, to *** units in 2020. CR/PR at Table IV-2.

share for cumulated subject imports was *** percent in 2018, *** percent in 2019, and *** percent in 2020; cumulated subject imports gained *** percentage points of market share over the POI.^{246 247}

Subject producers in China and Vietnam have excess production capacity. Production capacity for the cumulated subject industries increased from *** units in 2018 to *** units in 2019, to *** units in 2020 and it is projected to remain at high levels, *** units in 2021 and 2022.²⁴⁸ Subject producers in both China and Vietnam have the ability to shift production from other products, including out-of-scope mowers with SVSE from China, to subject merchandise.^{249 250} Production for the cumulated subject industries increased from *** units in 2018 to *** units in 2019, and *** units in 2020 and it is projected to remain at high levels, *** units in 2021 and 2022.²⁵¹ Although capacity utilization for the subject industries increased over the POI, there was unused capacity of approximately *** units at the end of 2020.²⁵²

Subject producers in China and Vietnam are export-oriented and focused on the U.S. market. Export shipments from the subject countries to the United States increased sharply over the POI; they were *** units in 2018, *** units in 2019, and *** units in 2020. Export

²⁴⁶ CR/PR at Table IV-9 and Table C-1.

²⁴⁷ Chinese Respondents argue that subject import volume is not likely to substantially increase in the imminent future due to the fact that subject imports were pulled into the U.S. market during the POI due to unique circumstances – Husqvarna’s exit from the market and increased demand in 2020. Chinese Respondents’ Prehearing Brief at 44-45. As explained in the text, we find that cumulated subject imports from China and Vietnam will either likely continue at their current significant volume or substantially increase in the imminent future.

²⁴⁸ CR/PR at Table VII-10.

²⁴⁹ CR/PR at Table VII-5 and Table VII-9.

²⁵⁰ Chinese Respondents argue that *** Chinese Respondents Prehearing Brief at 47-48. Chinese producer, ***. CR/PR at VII-3, VII-1.

²⁵¹ CR/PR at Table VII-10.

²⁵² CR/PR at Table VII-10.

shipments are projected to remain at high levels, *** units in 2021 and 2022.²⁵³ Although Ducar cites difficulties in procuring engines for its walk-behind mower production, the alleged supply constraints appear to be in the nature of longer delivery times rather than a fundamental inability to source engines.²⁵⁴ As a share of total shipments, exports to the United States increased from *** percent in 2018, to *** percent in 2019, to *** percent in 2020.²⁵⁵ Thus, the cumulated subject industries are heavily reliant on the U.S. market, having exported over half of their shipments to the United States in 2020 and are projected to continue to do so in 2021 and 2022.²⁵⁶ We also note that in November 2020, Daye North America, Chinese producer Daye's wholly-owned importer, opened a distribution center in South Carolina, which demonstrates additional commitment to the U.S. market, and which MTD argues will facilitate the distribution of walk-behind mowers in the United States.²⁵⁷

Although Ducar/Pulsar contends that it is not engaged in negotiations for the 2022 season and therefore will be unable to increase exports to the U.S. in the imminent future, it also notes that negotiations typically run through the summer, which suggests that Ducar/Pulsar would still have time to negotiate for 2022 sales in the event that orders were not imposed.²⁵⁸

In addition, Pulsar, the sole importer of subject imports from Vietnam over the POI, reported that it sold subject merchandise using short-term contracts and that the length of

²⁵³ CR/PR at Table VII-10.

²⁵⁴ See Ducar/Pulsar Posthearing Brief at 6.

²⁵⁵ CR/PR at Table VII-10.

²⁵⁶ CR/PR at Table VII-10.

²⁵⁷ MTD Posthearing Brief at 13-14 & Exhibit 3. See also, Tr. at 126-127 (Ragland).

²⁵⁸ Ducar/Pulsar Posthearing Brief at 4-5.

those contracts was typically 120 days.²⁵⁹ Given the short length of these contracts, Ducar/Pulsar would have the ability to quickly re-enter the U.S. market if they chose to do so, even though Ducar reports that ***.²⁶⁰ We note that the volume of subject imports from Vietnam increased from *** in 2019 to *** units in 2020.²⁶¹

End-of-period inventories in the subject countries fluctuated and increased to some extent over the POI, but remained below *** percent of shipments.²⁶² However, U.S. importer end-of-period inventories in the United States increased sharply over the POI, from *** units in 2018, to *** units in 2019, to *** units in 2020; in 2020 these inventories equated to *** percent of U.S. shipments of cumulated subject imports.²⁶³

Based on the foregoing, we find that cumulated subject imports will likely continue to focus on the United States in the imminent future and remain at the high levels at the end of the POI or substantially increase in the imminent future.

3. Likely Price Effects of Cumulated Subject Imports

We find that cumulated subject imports are likely to enter the U.S. market at prices that are likely to have significant price effects on the domestic like product. As observed in Section VI.B.2, the record indicates that there is a moderate-to-high degree of substitutability between subject imports from China and Vietnam and the domestic like product and that price is an

²⁵⁹ Pulsar Importer Questionnaire Response, EDIS Doc. No. 744044 at III-7 and III-8.

²⁶⁰ Ducar/Pulsar Posthearing Brief at 2. As noted above in our analysis of negligibility, given that Ducar reported its halt in mower production was partly a result of the imposition of provisional duties in these investigations, we find that this current status does not support that future subject import volumes from Vietnam would cease.

²⁶¹ CR/PR at Table IV-2. U.S. shipments of subject imports from Vietnam increased from *** in 2019 to *** units in 2020. CR/PR at Table C-1.

²⁶² CR/PR at Table VII-10.

²⁶³ CR/PR at Table VII-11.

important factor in purchasing decisions for walk-behind mowers. We have already found that the underselling by subject imports from China is significant and that it caused the domestic industry to lose substantial sales and market share. The Commission also collected monthly pricing data for the four pricing products from ***, an importer of subject merchandise from Vietnam. *** provided usable pricing data for sales that accounted for *** percent of subject imports from Vietnam.²⁶⁴ Subject imports from Vietnam undersold the domestic like product in all *** available quarterly price comparisons at average underselling margins of *** percent; the quantity of subject imports involved in those price comparisons was *** units.²⁶⁵ *** reported that it purchased subject imports from Vietnam instead of the domestic like product, that subject imports were priced lower than the domestic like product, and that price was a primary reason for its purchase of subject imports from Vietnam; Menards reported that it purchased *** units of subject imports from Vietnam due to their lower price.²⁶⁶ ²⁶⁷

In light of these findings, we find that cumulated subject imports and the domestic like product are likely to continue to compete against each other in the imminent future and that price will continue to be an important factor in purchasing decisions. Given these considerations and the underselling by the cumulated subject imports observed during the POI,

²⁶⁴ CR/PR at V-7.

²⁶⁵ CR/PR at Table V-14. Pricing data for subject imports from Vietnam were limited to the *** of 2020 for pricing Products 1, 2, and 3. *Id* at n.18. Price data for subject imports from Vietnam were limited and did not lend themselves to a meaningful price trend analysis. There were no purchase cost data reported for subject imports from Vietnam. CR/PR at Table V-13, note and V-23, n.22.

²⁶⁶ CR/PR at Table V-7. This volume of confirmed lost sales equates to *** of the total volume of subject imports from Vietnam during the POI. See CR/PR at Table IV-2.

²⁶⁷ Ducar/Pulsar argue that ***. Ducar/Pulsar Prehearing Brief at 10. In addition to the confirmed lost sale due to the lower price of subject imports from Vietnam, ***. *** Purchaser Questionnaire Response, EDIS Doc. 737788 at II-2. This confirms that Menards sourced mowers from Vietnam due to their lower prices.

which resulted in lost sales and market share for the domestic industry, we find that the cumulated subject imports will likely continue to enter the U.S. market at low prices and will likely have significant price effects on the prices for the domestic like product.

4. Likely Impact of the Subject Imports²⁶⁸

As discussed in Section VI.B.3., we have already found that subject imports from China had a significant impact on the domestic industry. The already significant volume of cumulated subject imports from China and Vietnam which increased substantially in the latter part of the POI is likely to continue at its current high levels or substantially increase in the imminent future. Cumulated subject imports from China and Vietnam are likely to continue to undersell the domestic like product. The substantial and increasing volume of low-priced subject imports will likely take market share and sales from domestic producers. These lost sales will negatively affect the domestic industry's production, capacity utilization, shipments, employment, revenues, profits, and ability to make capital improvements.²⁶⁹ Thus, we find that the likely

²⁶⁸ The statute instructs the Commission to consider the "magnitude of the dumping margin" in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final antidumping duty determination, Commerce found weighted-average dumping margins ranging from 148.35 to 176.37 percent for Vietnamese producers/exporters of walk-behind mowers. 86 Fed. Reg. at 27383. We take into account in our analysis the fact that Commerce has made final findings that all subject producers in Vietnam are selling subject imports from Vietnam in the United States at less than fair value. In addition to this consideration, our likely impact analysis on cumulated subject imports has considered other factors affecting domestic prices. Our analysis of the significant likely price effects of cumulated subject imports, described in both the likely price effects discussion and below, is particularly probative to an assessment of the likely impact of the cumulated subject imports.

²⁶⁹ Although the domestic industry's gross profits improved in 2020, its operating income and operating margin decreased. CR/PR at Table C-1. Furthermore, in response to a question regarding the anticipated negative effects of subject imports on investment, growth, and development, ***. CR/PR at Table VI-8.

high levels of cumulated subject imports will likely have a significant impact on the domestic industry in the imminent future.

VII. Conclusion

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of walk-behind mowers from China that are sold in the United States at less than fair value and are subsidized by the government of China. We also determine that an industry in the United States is threatened with material injury by reason of subject imports of walk-behind mowers from Vietnam.²⁷⁰

²⁷⁰ Based on the record of these investigations, we would not have found material injury by reason of subject imports from Vietnam but for the suspension of liquidation of entries of subject merchandise from Vietnam. See 19 U.S.C. § 1673d(b)(4)(B).

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 MTD Products, Inc. (“MTD”), Valley City, Ohio, on May 26, 2020, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized imports of certain walk-behind lawn mowers (“walk-behind mowers”)¹ from China and less-than-fair-value (“LTFV”) imports of walk-behind mowers from China and Vietnam. The following tabulation provides information relating to the background of these investigations.^{2 3}

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 Appendix B is reserved for the witnesses appearing at the Commission’s hearing.

Effective date	Action
May 26, 2020	Petitions filed with Commerce and the Commission; institution of Commission investigations (85 FR 33710, June 2, 2020)
June 22, 2020	Commerce's notice of initiation (85 FR 37417, June 22, 2020 (antidumping) and 85 FR 37426, June 22, 2020 (countervailing duty))
July 16, 2020	Commission's preliminary determinations (85 FR 43257, July 16, 2020)
October 30, 2020	Commerce's preliminary countervailing duty determination (85 FR 68848, October 30, 2020)
December 30, 2020	Commerce's preliminary antidumping duty determinations (85 FR 86529 (China) and 85 FR 86534 (Vietnam), December 30, 2020)
December 30, 2020	Scheduling of final phase of Commission investigations (86 FR 7565, January 29, 2021)
May 18, 2021	Commission's hearing
May 20, 2021	Commerce's final countervailing duty determination (86 FR 27379, May 20, 2021)
May 20, 2021	Commerce's final antidumping duty determinations (86 FR 27384 (China) and 86 FR 27382 (Vietnam), May 20, 2021)
June 16, 2020	Scheduled date for the Commission's vote
June 28, 2021	Scheduled date for Commission's views

Statutory criteria

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

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

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

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

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

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

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

Organization of report

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

Market summary

Walk-behind mowers are generally used by consumer households; however, they may also be used by commercial users to cut grass. The leading U.S. producers of walk-behind mowers in 2020 were Honda Power Equipment Mfg., Inc. (“Honda Power”), and MTD,⁶ while leading producers of walk-behind mowers outside the United States include Ningbo Daye Garden Machinery Co., Ltd. (“Daye”) and Sumec Hardware & Tools Co., Ltd. (“Sumec”) of China and Ducar Technology Co., Ltd. (“Ducar”) of Vietnam. The leading U.S. importers of subject walk-behind mowers from China are Daye and Walmart and Pulsar Products Inc (“Pulsar”), while the leading importer of subject walk-behind mowers from Vietnam is Pulsar. The leading importer of walk-behind mowers from nonsubject sources (United Kingdom and Mexico) is The Toro Company (“Toro”).

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

⁶ Prior to 2020, Husqvarna Consumer Outdoor Products N.A., Inc. (“Husqvarna”) was the largest U.S. producer. Husqvarna announced in July 2018 that it would exit the walk-behind mower market, and in June 2019 closed its production facility in McRae, Georgia.
<http://www.husqvarnagroup.com/en/press/increased-focus-core-brands-husqvarna-and-gardena-and-restructuring-consumer-brands-division>; <http://www.husqvarnagroup.com/en/press/further-information-about-restructuring-measures-related-consumer-brands-division-and-third>;

Apparent U.S. consumption of walk-behind mowers totaled approximately *** units (\$***) in 2020. Currently, three firms (Husqvarna ceased production in 2019 and Briggs and Stratton halted production in 2020) are known to produce walk-behind mowers in the United States. U.S. producers' U.S. shipments of walk-behind mowers totaled *** units (\$***) in 2020, and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. shipments of imports from subject sources (imports from China and Vietnam of walk-behind mowers without SVSE from China) totaled *** units (\$***) in 2020 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. shipments of imports from nonsubject sources and imports of walk-behind mowers with SVSE from China from all sources totaled *** units (\$***) in 2020 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, tables C-1 and C-2. Except as noted, U.S. industry data are based on questionnaire responses of four firms that accounted for *** of U.S. production of walk-behind mowers during 2020. U.S. imports are based on usable questionnaire responses that were received from 10 firms that represented 72.2 percent of U.S. imports from China (regardless of engine origin), 91.4 percent imports from Vietnam (regardless of engine origin), and 98.8 percent of U.S. imports from countries other than China and Vietnam (regardless of engine origin) in 2020 under HTS statistical reporting number 8433.11.0050. Subject country data are based on questionnaires responses of ten foreign producers that accounted for all or nearly all production of walk-behind mowers in China and Vietnam.

Previous and related investigations

The Commission has not conducted any other investigation on walk-behind mowers, but has conducted a countervailing and antidumping investigations on certain small vertical shaft engines (“SVSE”), a product related to walk-behind mowers.⁷ On March 18, 2020, Briggs & Stratton Corporation, Wauwatosa, Wisconsin, filed petitions with the Commission and Commerce, alleging that an industry in the United States is materially injured or threatened with material injury by reason of subsidized imports of SVSE from China and LTFV imports of SVSE from China.⁸ The Commission determined that an industry in the United States was materially injured by reason of imports from China of SVSE that were sold at LTFV and subsidized by the government of China. The Commission completed and filed its determinations in these final investigations on April 26, 2021.⁹ The Commission also made affirmative critical circumstances findings in these antidumping and countervailing duty investigations. As a result, certain imports from China will be subject to retroactive countervailing and/or antidumping duties. Commerce published the countervailing duty and antidumping duty orders on subject imports of SVSE from China on May 4, 2021.¹⁰

Commerce proceedings

On April 26, 2017, Commerce initiated an investigation under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), to determine the effects on the national security of imports of steel and aluminum. Further information regarding this investigation is presented in Part V of this report.

⁷ SVSEs are spark-ignited, non-road, vertical shaft engines, whether finished or unfinished, whether assembled or unassembled, whether mounted or unmounted, primarily used in walk-behind lawn mowers. Engines meeting this physical description may also be for other non-hand-held outdoor power equipment, including but not limited to, pressure washers. The subject engines are spark ignition, single-cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 99 cubic centimeters (cc) and a maximum displacement of up to, but not including, 225cc. Typically, engines with displacements of this size generate gross power of between 1.95 kilowatts (kw) to 4.75 kw.

⁸ 85 FR 16958, March 25, 2020.

⁹ 85 FR 27243, May 7, 2020.

¹⁰ 86 FR 23675, May 4, 2021.

Nature and extent of subsidies and sales at LTFV

Subsidies

On May 20, 2021 Commerce published a notice in the *Federal Register* of its final determination of countervailable subsidies for producers and exporters of product from China.¹¹ Table I-1 presents Commerce’s findings of subsidization of walk-behind mowers in China.

Table I-1
Walk-behind Mowers: Commerce’s final subsidy determination with respect to imports from China

Entity	Final countervailable subsidy margin (percent)
Zhejiang Amerisun Technology Co., Ltd	20.98
Ningbo Daye Garden Machinery Co., Ltd	14.17
All Others	16.29

Note: For further information on programs determined to be countervailable, see Commerce’s associated Issues and Decision Memorandum.

Source: 86 FR 27379, May 20, 2021

Sales at LTFV

On May 20, 2021, Commerce published a notice in the *Federal Register* of its final determinations of sales at LTFV with respect to imports from China and Vietnam.¹² Tables I-2 and I-3 present Commerce’s dumping margins with respect to imports of walk-behind mowers from China and Vietnam, respectively.

¹¹ 86 FR 27379, May 20, 2021

¹² 86 FR 27384 and 86 FR 27382, May 20, 2021

Table I-2**Walk-behind mowers: Commerce's final weighted-average LTFV margins with respect to imports from China**

Exporter/Producer	Final dumping margin (percent)
Ningbo Daye Garden Machinery Co., Ltd	98.73
Chongqing Dajiang Power Equipment Co., Ltd	98.73
MTD Machinery (Suzhou) Co., Ltd	98.73
Qianjiang Group Wenling Jennfeng Industry Inc	98.73
Sumec Hardware & Tools Co., Ltd	98.73
Zhejiang KC Mechanical & Electrical Co., Ltd	98.73
Zhejiang Amerisun Technology Co., Ltd	98.73
Zhejiang Dobest Power Tools Co., Ltd	98.73
Zhejiang YAT Electrical Appliance Co., Ltd	98.73
Zhejiang Zhongjian Technology Co., Ltd	98.73
China-Wide Entity	274.29

Source: 86 FR 27834, May 20, 2021

Table I-3**Walk-behind mowers: Commerce's final weighted-average LTFV margins with respect to imports from Vietnam**

Exporter/Producer	Final dumping margin (percent)
Ducar Technology Co., Ltd	148.35
Vietnam-Wide Entity	176.37

Source: 86 FR 27382, May 20, 2021

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:¹³

The merchandise covered by this investigation consists of certain rotary walk-behind lawn mowers, which are grass-cutting machines that are powered by internal combustion engines. The scope of the investigation covers certain walk-behind lawn mowers, whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, and whether containing any additional features that provide for functions in addition to mowing.

Walk-behind lawn mowers within the scope of this investigation are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts (kw). These internal combustion engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc. Walk-behind lawn mowers covered by this scope typically must be certified and comply with the Consumer Products Safety Commission (CPSC) Safety Standard For Walk-Behind Power Lawn Mowers under the 16 CFR part 1205. However, lawn mowers that meet the physical descriptions above, but are not certified under 16 CFR part 1205 remain subject to the scope of this proceeding.

The internal combustion engines of the lawn mowers covered by this scope typically must comply with and be certified under Environmental Protection Agency (EPA) air pollution controls title 40, chapter I, subchapter U, part 1054 of the Code of Federal Regulations standards for small non-road spark-ignition engines and equipment. However, lawn mowers that meet the physical descriptions above but that do not have engines certified under 40 CFR part 1054 or other parts of subchapter U remain subject to the scope of this proceeding.

For purposes of this investigation, an unfinished and/or unassembled lawn mower means at a minimum, a sub-assembly comprised of an engine and a cutting deck shell attached to one another. A cutting deck shell is the portion of the lawn mower—typically of aluminum or steel—that houses and protects a user from a rotating blade. Importation of the subassembly whether or not accompanied by, or attached to, additional components such as a handle, blade(s), grass catching bag, or wheel(s) constitute an unfinished lawn mower for purposes of this investigation. The inclusion in a third country of any components

¹³ 86 FR 27379, May 20, 2021

other than the mower subassembly does not remove the lawn mower from the scope. Lawn mowers that meet the physical description above are covered by the scope of this investigation regardless of the origin of its engine, unless such lawn mowers contain an engine that is covered by the scope of the ongoing proceedings on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof (small vertical engines) from China. If the proceedings on small vertical engines from China are terminated, the lawn mowers containing small vertical engines from China will be covered by the scope of this proceeding.

Tariff treatment

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations is imported under statistical reporting number 8433.11.0050 of the Harmonized Tariff Schedule of the United States (“HTS”) (covering powered mowers for lawns, with the cutting device rotating in a horizontal plane, under 3.7 kW). Walk-behind mowers subject to these investigations, including subassemblies, may also be imported under HTS statistical reporting numbers 8433.90.1010, 8433.90.1090, and 8407.90.1010, provisions which include parts and assemblies of mowers or separately imported engines for mowers. The 2021 general rate of duty is free for HTS subheadings 8433.11.00, 8433.90.10, and 8407.90.10. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Section 301 tariff treatment

Products of China imported into the United States and subject to these investigations were also assessed additional duties under Section 301 of the Trade Act of 1974. HTS subheading 8433.11.00 was included in the list of articles subject to the additional 10 percent ad valorem duties effective September 1, 2019. These additional duties were increased to 15 percent ad valorem (effective September 1, 2019) and were then reduced to 7.5 percent, effective February 14, 2020.¹⁴

The product

Description and applications

Lawn mowers, in general, are defined as lawn and garden equipment with the purpose of maintaining and cutting grass surfaces. Lawn mowers house spinning blades that perform the cutting process as they are moved over grass surfaces. Lawn mowers can differ by how these blades are powered with typical mowers being manually powered, electrically powered, or gas-powered. Manually powered lawn mowers require an operator to physically push or pull the mower to power a mechanism to spin the cutting blades. Electrically powered lawn mowers use an engine to spin the cutting blades that can either be powered by a rechargeable battery or by a cord connected to an outlet or other source of power. Gas-powered lawn mowers also use an engine to spin the cutting blades, but this engine is powered by gasoline that is stored in

¹⁴ 84 FR 43304, August 20, 2019; 84 FR 45821, August 30, 2019; and 85 FR 3741, January 22, 2020.

a tank on the mower. Gas-powered engines for mowers are typically more powerful (e.g. more torque) than electrically powered engines, have longer operating times due to gas tanks versus batteries, and have greater range compared to corded electric mowers. Gas-powered mowers with more powerful engines are also able to power larger cutting blades. These characteristics make gas-powered mowers more suitable for cutting larger areas of grass than electrically powered mowers.¹⁵

Lawn mowers also can differ in how they are operated, consisting of walk-behind mowers, ride-on mowers, remote-controlled mowers, robotic mowers, and tow-behind mowers. Walk-behind mowers require a person to operate the mower by walking behind it and using the controls. If a walk-behind mower includes an engine with a transmission, the mower provides its own forward movement, otherwise the mower's forward motion is solely powered by the operator. Ride-on mowers contain transmissions for forward movement and are designed with seating or standing areas for the operator to "ride-on" and control the lawn mower while it is in operation. Remote controlled mowers are also powered by an engine and transmission, but instead of having an operator walk-behind or ride-on the mower, the operator can control the mower from a distance using a controller remotely connected to the lawn mower. Robotic mowers do not require an operator but are instead operated by a computer that automatically controls the lawn mower. Lastly, tow-behind mowers are designed to be attached to other equipment or vehicles that provide the forward movement.

Walk-behind mowers are generally used for the maintenance and cutting of residential grass yards. Walk-behind mowers are designed to be manually operated and move over surfaces by being either self-propelled or pushed from behind by an operator. These mowers consist of internal combustion engines with a maximum power output less than 3.7kW, metal cutting deck shells, blades, handles, wheels, and a variety of fasteners (i.e. screws, nuts, and bolts). Internal combustion engines with a maximum power output less than 3.7kW used in walk-behind mowers are typically small vertical shaft engines, with spark-ignition, air cooling, and any number of cylinders. The engine powers a horizontal, rotating cutting blade, and if coupled with a transmission, provides forward propulsion. Walk-behind mowers can also include additional equipment and components, such as grass collection bags or mulchers, but mowers without additional equipment and components are still defined as walk-behind mowers in the scope of these investigations. Similarly, unfinished and unassembled mowers are also included within the scope of these investigations, so long as they include a subassembly

¹⁵ Watson, "Electric vs Gas Lawn Mowers: Which is Best?" GardenBeast, October 19, 2019, <https://gardenbeast.com/electric-vs-gas-lawn-mowers/>.

consisting of at least an internal combustion engine and cutting deck shell. Walk-behind mowers are subject to safety standards when sold in the United States. Both the American National Standards Institute's standards for Pedestrian-Controlled Mowers and Ride-On Mowers and the Consumer Products Safety Commission's Safety Standard for Walk-Behind Power Lawn Mowers apply to products covered by these investigations.

Manufacturers of walk-behind mowers mostly sell their products to distributors or large retailers of lawncare and home improvement goods. These businesses then market and sell the walk-behind mowers to homeowners and other end-users. Product descriptions, applications, and distribution channels are typically the same between domestic and imported products.

Figure I-1
Walk-behind mowers



Push mower (no transmission)



Self-propelled mower (transmission)

Source: <https://www.mtdproducts.com/>

Manufacturing processes

Walk-behind mowers contain hundreds of individual parts, but the main components consist of engines, cutting deck shells, blades, handles, and wheels. The main structural components (e.g. cutting deck shells) are manufactured from sheet metal that undergoes tool and die operations, stamping, metal forming, and welding until it is in the desired form. Other metal components, such as the handle, are manufactured from metal tubing. This metal tubing is bent, flattened, and hole-punched until it is in the desired form and can accommodate the wiring and other mechanical attachments for the mower's operational controls. Other components of walk-behind mowers are manufactured using a plastic resin that is injected, along with colorants, into pre-designed molds. Examples of plastic parts include wheels, clips

that attach to the cutting deck shell, and various safety shields. Engines, wiring harnesses, cables, and various fasteners are often purchased by walk-behind mower manufacturers, rather than produced in-house.

Manufactured metal components that will be exposed as part of the finished product are painted. This painting process involves attaching the parts to a conveyor rack, after which they are cleaned, rinsed, and then coated with electrostatically charged paint powders. Finally, the parts are heated in an oven until they are cured and form an enamel-like coating.

After the walk-behind mower components have been manufactured or purchased, they are moved along an assembly line for final assembly. There are both human and robotic steps to the assembly line. The typical order in which walk-behind mowers are assembled begins with the cutting deck after which wheels, axes, and plastic clips are attached. Next, the engine is attached to the existing frame, the mower is inverted, and the blades are subsequently attached. Lastly, the handle is attached and operational controls are assembled. Various safety and quality control checks are performed throughout the manufacturing and assembly processes. Safety and instructional labels are also added to the product at various times throughout the process. Domestic and imported products have essentially the same manufacturing processes.

Domestic like product issues

No issues with respect to domestic like product have been raised in these investigations. In the preliminary phase of these investigations, the petitioner proposed a single domestic like product coextensive with the scope of the investigations.^{16 17} The respondents did not contest the definition of the domestic like product in the preliminary phase of these investigations.¹⁸

¹⁶ Petitioner's postconference brief, p. 48.

¹⁷ In the preliminary phase of these investigations, U.S. producers were asked about the comparability between unfinished walk-behind mowers (e.g. engine and a cutting deck shell) and finished walk-behind mowers. All five firms stated that the unfinished lawn mower is dedicated to the production of the downstream article (finished lawn mower) and perceive the respective markets to be one market. Three of the four responding firms reported that there are no differences in the physical characteristics and functions of the upstream (unfinished lawn mower) and downstream articles (finished lawn mower). The remaining firm, ***. Two of the four responding firms stated that there are no significant difference in the cost or value between unfinished lawn mowers and finished lawn mowers. The other two firms stated ***. Three of the four responding firms reported that they would describe the processes used to transform the upstream unfinished lawn mowers into the downstream finished lawn mower product as significant and particularly labor or capital intensive. The remaining firm, ***. U.S. producers questionnaire, preliminary phase, II-9 and II-15.

¹⁸ Respondent Sumec's postconference brief, p. 20.

In these final phase investigations, the petitioner and Chinese respondents both contend that the Commission should define the domestic like product to include all walk-behind mowers, both those with and those without SVSE from China. Petitioner states that walk-behind mowers both with SVSE from China and those without SVSE from China are gas-powered lawn mowers with a rating less than 3.7kw that are viewed as a distinct and separate category from battery-powered lawn mowers, corded lawn mowers or those with a rating greater than 3.7kw. Petitioner argues that all such walk-behind mowers comprise a continuum of a single domestic like product with no clear dividing lines between such mowers.¹⁹ Chinese Respondents also argue that walk-behind mowers with U.S. engines and walk-behind mowers with Chinese engines constitute the same domestic like product and that all such walk-behind mowers compete directly with each other and that there is no clear dividing lines between such mowers within the Commission's traditional like product factors.²⁰

In these final phase investigations, no party requested data or other information necessary for analysis of the domestic like product.²¹

¹⁹ MTD's posthearing Brief, Responses to Commissioner Questions at 12-14.

²⁰ Chinese Respondents' posthearing brief, Responses to Commission questions, p. 62

²¹ Comments on draft questionnaires on behalf of petitioner MTD, September 1, 2020.

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

U.S. market characteristics

Walk-behind mowers are gas-powered machines with an internal combustion engine that can be either self-propelled¹ or non-self-propelled (pushed).² Walk-behind mowers generally meet the American National Standards Institute (ANSI) standards for pedestrian-controlled mowers and ride-on mowers. Domestic and imported product sold in the United States must be certified and comply with the Consumer Products Safety Commission safety standard for walk-behind power mowers.³ Most domestic and imported walk-behind mowers are sold to large department and home improvement retailers.⁴ There is a spectrum of walk-behind mowers from “simpler” mowers, marketed towards consumers with limited disposable income or first-time home buyers, to “premium price point products” with more powerful engines.⁵ Additional features beyond the type of propulsion system (self and non-self propelled) include grass-catching bags, electric starting capabilities, and engine size, all of which will increase the price of the mower and provide differentiation for customers.⁶

Major sources of walk-behind mowers in the United States from 2018-20 include U.S. producer and importer MTD, U.S. producer Husqvarna, as well as imports from China and Mexico.⁷ Husqvarna closed its production facilities in ***, citing ***. Mexico was the largest nonsubject source of imports over the period, and shipments of Vietnamese walk-behind mowers were present beginning in 2019.

Petitioner asserted gas-powered walk-behind mowers have lost market share to non-gas-powered mowers during the period of investigation. Non-gas-powered mowers include

¹ A self-propelled lawn mower has a drive system and “operator presence controls.” Petitioner’s walk-behind mowers preliminary postconference brief, Exhibit 41, p. 9.

² Walk-behind mowers subject to these investigations have a power rating of less than 3.7 kilowatts, which account for *** of walk-behind mowers in the U.S. market. Petition, pp. 19-21.

³ Petition, pp. 7-8 and 19.

⁴ Petition, p. 26.

⁵ Hearing transcript, p. 4 (Trumpler).

⁶ Petitioner’s postconference brief, Exhibit 41, p. 9.

⁷ U.S. producer *** did not respond to many questions related to the conditions of competition in the walk-behind mower market in these final phase investigations, noting that ***. Importer *** was the only importer to report imports and shipments of product from Vietnam. It also imported and sold walk-behind mowers from China.

battery-powered walk-behind mowers, corded mowers, and robotic and remote-controlled mowers.⁸ Non-gas-powered mowers accounted for approximately 25 percent of the total U.S. walk-behind mower (gas-powered and non-gas-powered) market in 2019, up from 15 percent in 2017.⁹ Petitioner explained that walk-behind mowers can typically be segmented into three tiers: entry level or opening price point (OPP), mid-level, and premium.¹⁰

Apparent U.S. consumption of walk-behind mowers decreased during 2018-20, from *** units to *** units. Overall, apparent U.S. consumption in 2020 was *** percent lower than in 2018.

Impact of section 301 tariffs

As discussed in part I, walk-behind mowers have been subject to Section 301 tariffs beginning in August 2019.¹¹ In addition, the vertical shaft engines used to manufacture walk-behind mowers were subject to Section 301 tariffs beginning in August 2018, and most engines received exclusions from Section 301 tariffs in July, September, and October 2019.^{12 13} U.S. producers ***, 9 of 10 responding importers, and 7 of 8 responding purchasers reported that Section 301 tariffs had an impact on the walk-behind mower market.¹⁴ Firms' reported impacts of the Section 301 tariffs on overall U.S. demand, supply, prices, demand, and raw material costs are shown in table II-1.¹⁵ U.S. producers' responses were mixed, and most importers reported that the Section 301 tariffs increased

⁸ Petition, pp. 19-21.

⁹ Hearing transcript, p. 9 (Trumpler) and petitioner's postconference brief, Exhibit 41, pp. 4-5.

¹⁰ Petitioner's posthearing brief, p. 8.

¹¹ The USTR imposed a 10 percent ad valorem tariff on mowers under HTS subheading 8433.11.00 on August 20, 2019, which was later increased to 15 percent on September 1, 2019. The tariff was reduced to 7.5 percent effective February 14, 2020.

¹² The USTR imposed a 25 percent ad valorem tariff on vertical shaft engines, a component for walk-behind mowers, under HTS subheading 8407.90.10, on August 16, 2018. Petition, p. 7.

¹³ Petitioner noted that MTD purchases some vertical shaft engines from China but most of its engines are from domestic sources. Hearing transcript, p. 19 (Trumpler). MTD applied for exclusions on its vertical shaft engines with the USTR, and was granted an exclusion from the section 301 tariffs in September 2019. Small Vertical Shaft Engines from China, Inv. Nos. 701-TA-637 and 731-TA-1471 (Preliminary), USITC Publication 5034 (March 2020), pp. 19-21.

¹⁴ U.S. producers *** did not report information on the impact of section 301 tariffs on the walk-behind mower market. *** did not respond to most of the questions regarding the impact of the section 301 tariffs because it did not have "significant insight" into the impact as it "sells a relatively small amount of walk-behind mowers." Importer *** reported that section 301 tariffs did not have an impact on its business.

¹⁵ U.S. producers *** are also importers. Their U.S. producer and importer responses are presented separately throughout this section unless otherwise indicated.

prices and raw material costs of walk-behind mowers, but that there was no impact on U.S., Chinese, and other country supply or demand. Most purchasers reported that the Section 301 tariffs increased prices and raw material costs; but had no impact on supply from China or other countries.

Table II-1a
Walk-behind mowers: Impact of Section 301 tariffs reported by U.S. producers and importers

	U.S. producers				U.S. importers			
	Increased	No change	Decreased	Fluctuated	Increased	No change	Decreased	Fluctuated
U.S. supply	0	1	1	0	0	4	2	0
China supply	1	1	0	0	1	3	3	0
Other country supply	0	2	0	0	1	3	0	0
Prices	2	0	1	0	7	1	1	0
U.S. demand	0	1	1	0	2	4	1	0
Raw material costs	1	0	0	2	6	1	0	0

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

Table II-1b
Walk-behind mowers: Impact of Section 301 tariffs reported by U.S. purchasers

	U.S. purchasers			
	Increased	No change	Decreased	Fluctuated
U.S. supply	3	3	1	1
China supply	1	3	2	1
Other country supply	0	4	0	0
Prices	8	0	0	0
U.S. demand	3	3	0	0
Raw material costs	6	1	0	0

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

In discussing the impact of the Section 301 tariffs, importer *** reported that imports from China were limited, and that retail prices of sold merchandise has increased between \$10 to \$20. Importer *** reported that it declared a “Chapter 98” provision on the engines in its imported lawn mowers to defray the impact of section 301 duties.¹⁶ U.S. producer *** stated that prices on its product have increased due to the

¹⁶ Chapter 98 is a special classification provision on imported goods. *** reported that ***, its foreign supplier of subject product, ***, and that the engines are exported to China for insertion into the finished mower, which is then shipped back to the United States. *** can deduct the value of the domestically produced engine from the dutiable value of the walk-behind mower at the time of entry.

Section 301 tariffs; however, the Section 301 tariffs appeared to have no effect on the prices of Chinese product—resulting in decreased demand for U.S.-produced lawn mowers. Purchasers *** reported subcomponents (wheels, grass catchers, etc.) bought from China did increase in price with Section 301 tariffs; as a result, there was a passthrough increase in the cost on domestically sourced product. Purchaser *** reported that producers *** have raised their prices due to the Section 301 tariffs, and purchasers *** added that the Section 301 tariffs has created a price increase to end users.

U.S. purchasers

The Commission received 13 usable questionnaire responses from firms that had purchased walk-behind mowers since January 2018, including ***.^{17 18} Ten responding purchasers are retailers, two are distributors, one (***) purchased for resale, and one (***) purchased to supplement its own production. In general, responding U.S. purchasers were located throughout the United States. Large purchasers of walk-behind mowers include ***.

Channels of distribution

U.S. producers sold most of their products to retailers. Subject importers sold almost exclusively sold Chinese product to retailers and exclusively sold Vietnamese product to distributors; importers of walk-behind mowers from nonsubject countries sold exclusively to distributors, as shown in table II-2.

¹⁷ The following firms provided purchaser questionnaire responses: ***. *** is a related sales arm of *** and purchased all their walk-behind mowers for internal consumption.

¹⁸ Of the 13 responding purchasers, 9 purchased the domestic walk-behind mowers, 5 purchased imports of the subject merchandise from China, 1 purchased imports of the subject merchandise from Vietnam, and 2 purchased imports of walk-behind mowers from other sources.

Table II-2

Walk-behind mowers: U.S. producers' and importers' U.S. shipments, by sources and channels of distribution, 2018-20

Item	Calendar year		
	2018	2019	2020
	Share of U.S. shipments (percent)		
U.S. producers: to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***
U.S. importers: China to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***
U.S. importers: Vietnam to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***
U.S. importers: Subject to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***
U.S. importers: Nonsubject to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***
U.S. importers: All sources to Retailers	***	***	***
to Distributors	***	***	***
to End users	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.
 Note: Walk-behind mowers with Chinese-produced SVSE are excluded from this calculation.

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

Geographic distribution

U.S. producers and importers reported selling walk-behind mowers to all regions in the United States (table II-3). For U.S. producers, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

Table II-3
Walk-behind mowers: Geographic market areas in the United States served by U.S. producers and U.S. importers

Region	U.S. producers	China	Vietnam	Subject U.S. importers
Northeast	3	8	***	8
Midwest	3	8	***	8
Southeast	3	8	***	8
Central Southwest	3	8	***	8
Mountains	2	8	***	8
Pacific Coast	3	8	***	8
Other	2	6	***	6
All regions (except Other)	2	8	***	8
Reporting firms	3	8	1	8

Note: All other U.S. markets, including AK, HI, PR, and VI.

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

Supply and demand considerations

U.S. supply

Table II-4 provides a summary of the supply factors regarding walk-behind mowers from U.S. producers and from subject countries.¹⁹ The sole responding Vietnamese producer, Ducar, ***.

¹⁹ The analysis in this section excluded Chinese and Vietnamese produced walk-behind mowers with Chinese produced SVSEs.

Table II-4

Walk-behind mowers: U.S. and foreign industry factors that affect ability to increase shipments to the United States

Country	Capacity		Capacity utilization (percent)		Ratio of inventories to total shipments (percent)		Shipments by market (percent)		Able to shift to alternate products
	2018	2020	2018	2020	2018	2020	Home market shipments	Exports to non-U.S. markets	No. of firms reporting "yes"
United States	***	***	***	***	***	***	***	***	3 of 4
China	***	***	***	***	***	***	***	***	4 of 8
Vietnam	***	***	***	***	***	***	***	***	***

Note: Responding U.S. producers accounted for virtually all of U.S. production of walk-behind mowers in 2020. Responding foreign producer/exporter firms accounted for virtually all of U.S. imports of walk-behind mowers from China and Vietnam during 2020. 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."

Note: The table excludes walk-behind mowers with Chinese-produced SVSEs.

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

Domestic production

Based on available information, U.S. producers of walk-behind mowers have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced walk-behind mowers to the U.S. market. The main contributing factors to this degree of responsiveness of supply are ample unused capacity, the ability to shift shipments from inventories, and the ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include the limited ability to shift shipments from alternate markets.

U.S. producer Husqvarna closed its production facility in *** causing a decrease in overall U.S. capacity;²⁰ overall U.S. production decreased as well but at a lower rate, resulting in an increase of capacity utilization. The remaining U.S. producers' capacity *** from 2018-20. *** reported *** as its major export markets.²¹ Reported production constraints include process times on assembly lines (***), maintenance shutdowns, inventory audits, and holidays (***), and constraints related to painting, fabricating, and welding (***). Other products that producers reportedly can produce on the same equipment as walk-behind mowers are snow blowers,

²⁰ Husqvarna's closure resulted in a decrease of *** units of U.S. capacity and *** units of production.

²¹ *** reported that its exports are ***, and *** did not report exporting their walk-behind mowers.

pressure washers, tillers, edgers, chipper shredder vacuums, trimmers, and other types of lawn mowers such as battery powered, zero turn²² and riding mowers.²³ Factors affecting U.S. producers' ability to shift production include set-up and tooling changes, seasonal demand, time constraints, and the availability of purchased components and raw materials.

Subject imports from China

Based on available information, Chinese producers of walk-behind mowers have the ability to respond to changes in demand with moderate-to-large changes in the quantity of shipments of walk-behind mowers to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of some unused capacity, the ability to shift shipments from alternate markets, and the ability to switch production to or from alternate products. Factors mitigating responsiveness of supply include somewhat limited availability of inventories.

Reported Chinese capacity was relatively stable from 2018 to 2020, and production increased by *** percent during the same period, resulting in an increase of capacity utilization from *** percent to *** percent.²⁴ There are some production constraints, including equipment, space restrictions, raw material supply, power outages, and labor shortages. Major export markets include Australia, Canada, New Zealand, and Europe, and other than the Section 301 tariffs there are no reported trade actions on Chinese produced walk-behind mowers. Other products that responding Chinese producers reportedly can produce on the same equipment as walk-behind mowers are chainsaws, brush cutters, lawn scarifiers,²⁵ and tillers. Factors affecting foreign producers' ability to shift production include improvements to production lines, tooling changes, and efficiency losses.

²² Zero turn mowers are a type of riding mower with a turning radius that is effectively zero, has a mowing deck in the front of the machine instead of underneath, and are built based on front-wheel-steering designs.

²³ *** reported that it could not switch production to other products because of separate tooling among products.

²⁴ *** reported that it ***.

²⁵ A lawn scarifier is a garden tool designed to cut through the soil, helping to remove dead moss and other debris like grass cuttings. It is sometimes referred to as a "dethatcher".

Subject imports from Vietnam

Based on available information, the sole reporting Vietnamese producer, Ducar, has the ability to respond to changes in demand with large changes in the quantity of shipments of walk-behind mowers to the U.S. market. The main contributing factors to this degree of responsiveness of supply are ***. Factors mitigating responsiveness of supply include the ***.

Ducar opened its facility in ***, and its capacity utilization was *** percent in 2020. Its *** shipments were ***. Other products that Ducar reportedly can produce on the same equipment as walk-behind mowers are ***. Factors limiting Ducar's ability to shift production include ***.

Imports from nonsubject sources

Nonsubject imports accounted for *** percent of total U.S. imports in 2020. Mexico accounted for almost all nonsubject imports during 2018-20.

Supply constraints

U.S. producer *** reported that it "occasionally" cannot supply domestically produced walk-behind mowers to smaller customers because it produces *** and that it cannot supply its imported product due to long lead times from China. U.S. producer *** reported that it had temporary limitations due to the expansion of its sales channel. U.S. producer *** reported that COVID-19 had caused supply shortages due to production disruptions. Importers *** reported an increase in demand due to individuals staying at home, causing them to run out of stock. Importer *** cited the lack of availability of domestically produced engines. Importer *** reported it experienced supply constraints when U.S. producer Husqvarna exited the market.²⁶

Purchasers *** reported that the increase in demand and supply shortages were due to the COVID-19 pandemic. *** added that the shortage was due to the lack of engine supply from domestic manufacturers. Purchaser *** stated that *** has limited its allocated supply and ***

²⁶ *** and imports product from China.

stated that Toro refuses to sell gas-powered products to it. *** reported that suppliers are fulfilling orders for their large customers over their smaller customers.

New suppliers

Four of 12 purchasers indicated that new suppliers entered the U.S. market since January 1, 2018. Purchasers cited Pulsar Products (Vietnam), YAT USA Inc (China), Daye International (China), Merotec, Mowox, Sunseeker, and Yardmax.

U.S. demand

Based on available information, the overall demand for walk-behind mowers is likely to experience moderate changes in response to changes in price. The main contributing factor is the availability of substitute products, including non-gas-powered mowers, and increasing purchases for new and existing home use. The majority of mowers purchased are to replace existing units that have reached the end of their product life with the remainder of the share driven by homes sales and new housing starts.

Business cycles

All three responding U.S. producers, all ten responding importers, and a majority of responding purchasers (10 of 13) indicated that the market was subject to business cycles or unique conditions of competition. Specifically, demand for walk-behind mowers is seasonal and is higher in the spring and summer. U.S. producer *** noted that the standard selling season is late February through July, and that sales can be year-round in some areas of warm climate; with the season being extended due to the summer months lasting longer before turning cold. Purchaser *** stated that walk-behind lawn mowers are seasonally driven by weather and the peak season for walk-behind mowers is February through June differing by geography. *** added that weather and new home sales also have an impact on the demand.

Demand trends

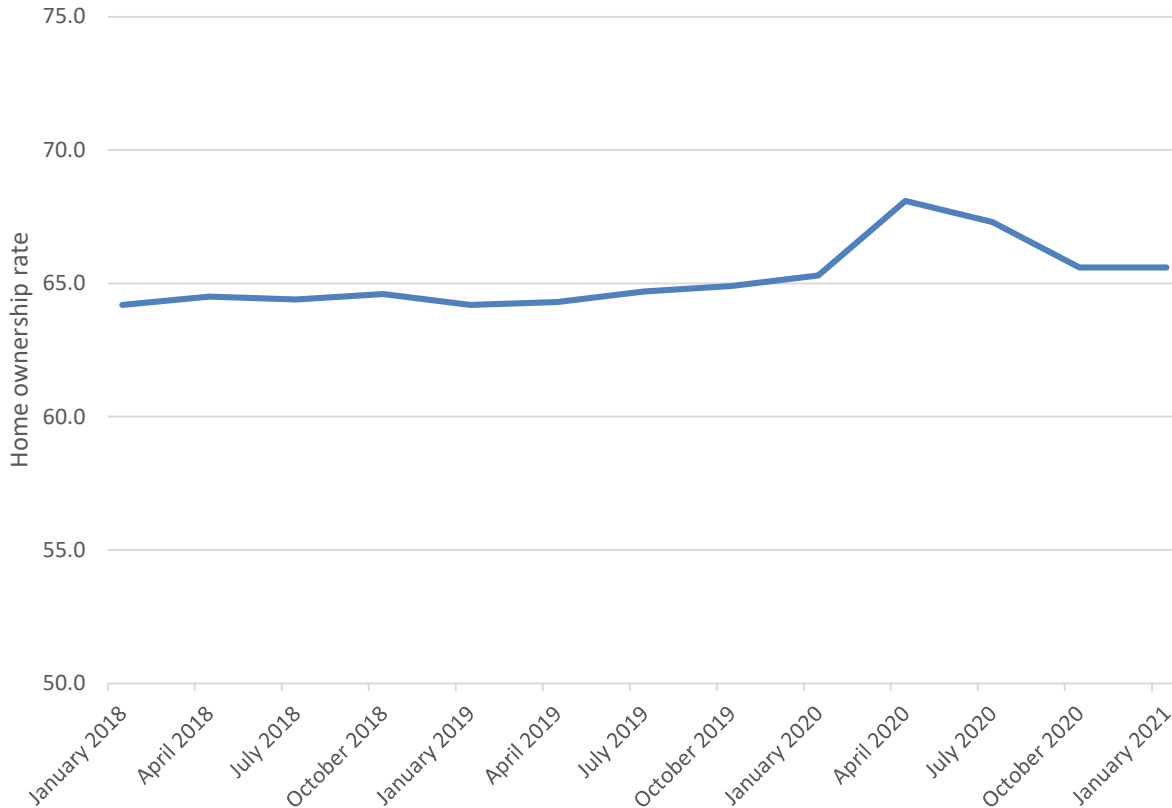
The demand for lawn and garden equipment, including walk-behind mowers, is influenced by the rate of home ownership.²⁷ The quarterly rate of homeownership has

²⁷ "The primary end users of {lawn and garden equipment} products are homeowners that need to maintain their lawns. As the homeownership rate increases, downstream demand for industry products increases in turn." IBIS World Report, Lawn and Garden Equipment Manufacturing in the U.S., July 2019.

remained relatively stable, increasing slightly from 64.2 percent in January 2018 to 65.6 percent in January 2021.²⁸

Figure II-1

Homeownership: Quarterly homeownership rate for the United states, percent, seasonally adjusted, January 2018 to January 2021



Source: U.S. Census Bureau, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/RSAHORUSQ156S>, May 28, 2021.

Housing starts, one indicator of demand for walk-behind mowers,²⁹ increased by 26.9 percent from January 2018 to December 2020 (figure II-2). From January 2021 to April 2021, the most recently available data, housing starts decreased by 3.4 percent. Petitioner also noted that weather plays the largest factor in the demand and sales of walk-behind mowers.³⁰

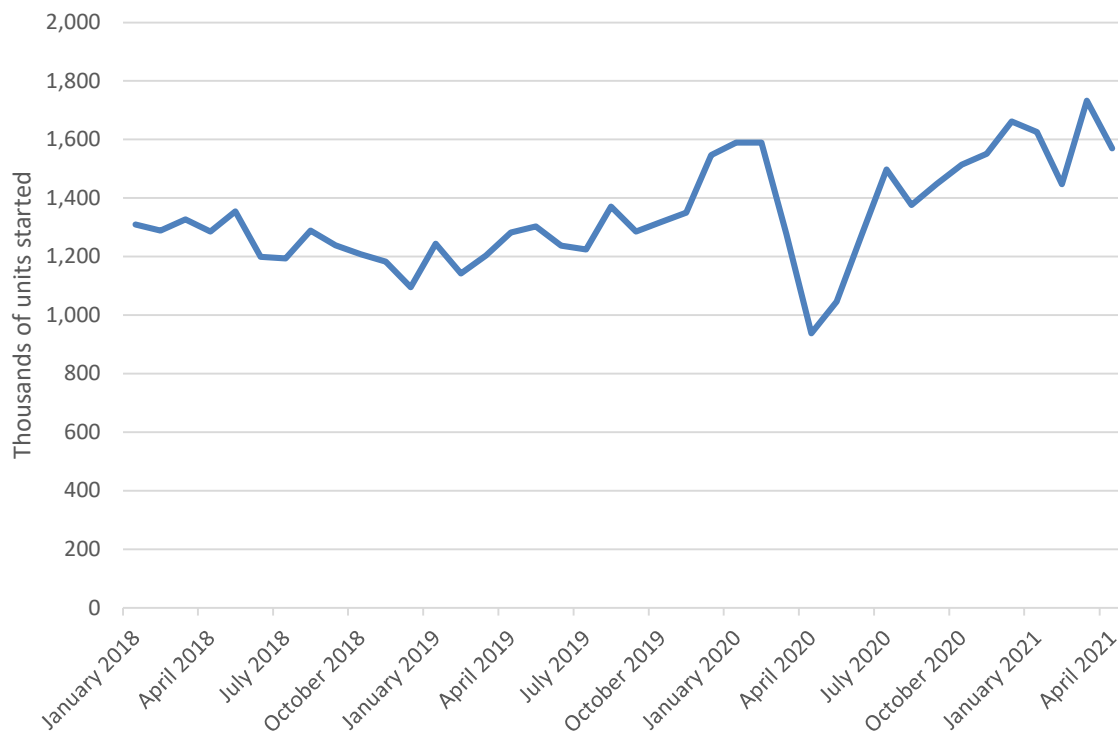
²⁸ The homeownership rate is the proportion of households that is owner-occupied.

²⁹ Petitioner’s postconference brief, Exhibit 41, p. 3.

³⁰ Petitioner’s prehearing brief, p. 10.

Figure II-2

Housing starts: New privately-owned housing units started, thousands of units, monthly, seasonally adjusted annual rate, January 2018 to April 2021



Source: U.S. Census Bureau and U.S. Department of Housing and Urban Development, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/HOUST>, May 28, 2021.

Firms were divided in their responses regarding U.S. demand for walk-behind mowers since January 1, 2018 (table II-5). U.S. producer *** reported that demand decreased slightly from 2018 to 2019. However, due to COVID-19, there was a temporary increase in demand in 2020 that is expected to begin to revert back in 2021. Importers *** and *** also reported that demand has increased due to COVID-19, with *** reporting a shortage of supply due to the exit of *** from the supply market. Importer *** noted that while the gas walk-behind mower industry is “robust” it is “being cannibalized” by battery operated walk-behind mowers. Importer *** agreed that there has been an industry shift towards battery-operated mowers due to the decreasing costs of “longer lasting” lithium-ion batteries. Generally, purchasers reported that demand for mowers has increased due to people staying at home during the COVID-19 pandemic. Purchaser *** reported that consumer demand has decreased for all gas-powered products as it shifts to battery-powered product, and *** added that demand has increased due to the growth in new home sales.

Table II-5**Walk-behind mowers: Firms' perceptions regarding demand in the United States and outside of the United States**

Item	Number of firms reporting			
	Increase	No change	Decrease	Fluctuate
Demand inside the United States:				
U.S. producers	0	1	1	1
Importers	5	1	3	1
Purchasers	7	1	1	2
Demand outside the United States:				
U.S. producers	0	0	0	2
Importers	1	0	2	2
Purchasers	1	0	0	1
Demand outside the United States:				
U.S. producers	2	0	0	0

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

Most U.S. producers (2 of 3 responding) and importers (8 of 10 responding) reported that there were no changes in the marketing or product mix of walk-behind mowers. Producer ***, however, reported that OEMs continue to develop and offer innovative solutions, but imports are leveraging technology to over-spec and undersell the U.S. market. Importer *** also noted that there are more battery products available.

Substitute products

Substitutes for walk-behind mowers include zero turn mowers, riding mowers, and battery-operated mowers. All responding U.S. producers, five of nine responding importers, and six of 12 responding purchasers reported substitutes.

As noted above, sales of non-gas-powered mowers have increased from 2018-20 and represent approximately 25 percent of the U.S. lawn mower industry. According to ***, U.S. shipments of electric walk-behind rotary mowers increased from *** units to *** units from 2017-19, an increase of *** percent, while U.S. shipments of gasoline walk-behind rotary mowers decreased by *** percent, from *** units to *** units. U.S. shipments of gas-powered walk-behind rotary mowers were projected to decline by *** percent per year in 2020 and 2021, while U.S. shipments of electric mowers were projected to increase by *** percent in 2020

and *** percent in 2021.^{31 32} Petitioner argued that battery-operated mowers are typically smaller and less powerful than gas-powered mowers, and corded lawn-mowers are used for smaller areas as they are limited to the range of the cord. It added that lawn mowers with a power rating greater than 3.7 kilowatts are used for commercial landscaping needs.³³

Substitutability issues

The degree of substitution between domestic and imported walk-behind mowers 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 walk-behind mowers and walk-behind mowers imported from subject sources. Factors limiting substitutability include product range, quality, and servicing of the product.

Lead times

U.S.-produced walk-behind mowers are primarily shipped from U.S. inventories while imported product is mostly produced-to-order with some sales of product shipped from inventory. U.S. producers reported that *** percent of their commercial shipments were from U.S. inventories, with lead times averaging 5 days. The remaining *** percent of their commercial shipments were produced-to-order, with lead times averaging *** days. Importers reported that *** percent of their commercial shipments were produced-to-order, with lead times averaging 120 days; *** percent from inventories, with lead times averaging 9 days; and the remaining shipments *** percent were from foreign inventories, with lead times averaging 60 days.

³¹ Shipments of gas-powered walk-behind rotary mowers may include out-of-scope products such as mowers with a power rating greater than 3.7 kilowatts. As noted above, walk-behind mowers subject to these investigations have a power rating of less than 3.7 kilowatts, which account for *** percent of walk-behind mowers in the U.S. market. Electric products include corded and cordless units.

³² ***, Petition, exhibit I-1.

³³ Petitioner's postconference brief, pp. 42-44.

Knowledge of country sources

Twelve purchasers indicated they had marketing/pricing knowledge of domestic product, seven of Chinese product, one of Vietnamese product, and two of nonsubject countries' product.

As shown in table II-6, a plurality of purchasers always make purchasing decisions based on the producer. Purchaser responses on how frequently they make purchasing decisions based on the country of origin were mixed, but the majority (6) reported they never make decisions based on country of origin and five reported that they sometimes do. Most of the purchasers' customers sometimes or never make purchasing decisions based on the producer or country of origin. Of the four purchasers that reported that they always make decisions based on the manufacturer, three firms cited customers' brand awareness and demand, and one cited a manufacturer's ability to deliver product on time and on cost.

Table II-6

Walk-behind mowers: Purchasing decisions based on producer and country of origin since 2018

Purchaser/customer decision	Always	Usually	Sometimes	Never
Purchases based on producer:				
Purchaser's decision	4	2	3	3
Purchaser's customer's decision	1	2	3	3
Purchases based on country of origin:				
Purchaser's decision	0	1	5	6
Purchaser's customer's decision	0	0	5	4

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

Factors affecting purchasing decisions

The most often cited top three factors firms consider in their purchasing decisions for walk-behind mowers were quality (11 firms), price/cost (8 firms), and availability/supply (one firm) as shown in table II-7. Quality was the most frequently cited first-most important factor (cited by 5 firms), followed by price (2 firms); quality was also the most frequently reported second-most important factor (5 firms); and price was the most frequently reported third-most important factor (three firms).

Table II-7

Walk-behind mowers: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Item	1st	2nd	3rd	Total
	Number of firms (number)			
Quality	5	5	1	11
Price / Cost	2	3	3	8
Availability / Supply	1	0	0	1
All other factors	4	3	7	NA

Note: Other factors include packaging standards for ecommerce, availability and location of fulfillment centers and distribution centers, U.S. network of service centers, and marketing programs.

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

Most purchasers (9 of 12) reported that they sometimes purchase the lowest-priced product. One purchaser reported it usually does, and two purchasers reported that they never do.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 17 factors in their purchasing decisions (table II-8). The factors rated as very important by more than half of responding purchasers were quality meets industry standards and product consistency (11 each); price and reliability of supply (10 each); quality exceeds industry standard (9); availability and delivery time (8 each); branding and engine warranties (7 each); and technical service and product range (6 each). Factors for which more firms reported they were somewhat or not important than they were very important included minimum quantity requirements, packaging, payment terms, U.S. transportation costs, discount offered, and delivery terms.

Table II-8**Walk-behind mowers: Importance of purchase factors, as reported by U.S. purchasers, by factor**

Factor	Very important	Somewhat important	Not important
Availability	8	4	0
Branding	7	3	2
Delivery terms	3	7	2
Delivery time	8	3	1
Discount offered	2	7	3
Engine warranties	7	4	1
Minimum quality requirements	4	2	6
Packaging	2	8	2
Payment terms	3	7	2
Price	10	1	1
Product consistency	11	0	1
Product range	6	4	1
Quality meets industry standards	11	0	0
Quality exceeds industry standards	9	2	1
Reliability of supply	10	1	1
Technical support/service	6	5	1
U.S. transportation costs	3	4	4

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

Supplier certification

Seven of 11 responding purchasers require their suppliers to become certified or qualified to sell walk-behind mowers to their firm. Purchasers reported that the time to qualify a new supplier ranged from 10 to 120 days. None of the purchasers reported that any domestic or foreign supplier had failed in its attempt to qualify walk-behind mowers, or had lost its approved status since 2018.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2018 (table II-9). One purchaser reported that it had decreased domestic purchases of walk-behind mowers reporting a decrease in consumer demand. Four purchasers reported increased domestic purchases of walk-behind mowers by adding domestic product to its product offerings (two purchasers) and due to the overall increased demand (two purchasers). Five purchasers reported increasing purchases from China due to price, brand preference, engine preference, and adding a new product. One purchaser reported that it had reduced purchases from China because it purchased Chinese product previously as an “opportunity buy” that was no longer available. Two purchasers reported increasing purchases from Vietnam due to increased pricing from U.S. manufacturers forcing it to search for lower price alternatives in order to hit key price points.

Table II-9**Walk-behind mowers: Changes in purchase patterns from U.S., subject, and nonsubject countries**

Source of purchases	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	0	1	4	4	4
China	3	1	5	0	1
Vietnam	7	0	2	0	0
All other sources	5	0	3	0	0
Sources unknown	6	0	0	1	0

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

Importance of purchasing domestic product

Six of 8 responding purchasers reported that most or all of their purchases did not require purchasing U.S.-produced product. No purchasers reported that domestic product was required by law; one reported it was required by their customers (for 100 percent of its purchases), and one reported other preference for domestic product (location of factory in the U.S.).

Comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing walk-behind lawn mowers produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 17 factors (table II-10) for which they were asked to rate the importance.

Most responding purchasers reported that U.S. product was comparable to Chinese product for eight of the factors (delivery terms, discount offered, packaging, payment terms, price, quality meets industry standards, quality exceeds industry standards, and reliability of supply) while most purchasers reported that U.S. product was superior regarding branding, delivery time, engine warranties, and product consistency. Purchasers were evenly split with respect to availability, minimum quality requirements, product range, technical support/service, and U.S. transportation costs. Among the three responding purchasers, most reported that U.S. and Vietnamese product were comparable for eight factors (delivery terms, discount offered, minimum quality requirements, packaging, payment terms, quality meets industry standards, reliability of supply, and technical support/service); most reported that U.S. product was superior for seven factors (availability, branding, delivery time, engine warranties, product range, quality exceeds industry standards, and U.S. transportation cost); one purchaser each stated that the Vietnamese product was priced lower than the U.S. product and U.S. product was priced higher than Vietnamese product; and one purchaser each reported that U.S. product was superior and comparable to Vietnamese product on product consistency.

Most responding purchasers reported U.S.-produced and nonsubject countries walk-behind mowers were comparable for all factors with no comparisons made for branding and engine warranties. Most responding purchasers reported that Chinese and Vietnamese walk-behind mowers were comparable to nonsubject countries for all factors with no comparisons made for branding, discount offered, engine warranties, and quality meets industry standards.

Regarding the factors purchasers rated as “very important” (table II-8), U.S. and Chinese walk-behind mowers were rated comparable on quality meets industry standards, price, reliability of supply, and quality exceeds industry standards. U.S.-produced walk-behind mowers were ranked superior regarding product consistency, delivery time, branding, and engine warranties. Purchasers were split on whether availability and product range of domestically produced walk-behind mowers was superior or comparable compared to Chinese product. On the same factors rated as “very important”, U.S. and Vietnamese mowers were rated comparable on reliability of supply, quality meeting industry standards, and technical support/service. U.S. produced walk-behind mowers were ranked superior regarding availability, branding, delivery time, engine warranties, product range, and quality exceeding industry standards. Purchasers were split on whether product consistency was superior or comparable compared to Vietnamese product and whether price was superior or inferior.

Table II-10

Walk-behind mowers: Purchasers' comparisons of domestic and imported products

Factor	Number of firms reporting								
	United States vs. China			United States vs. Vietnam			China vs. Vietnam		
	S	C	I	S	C	I	S	C	I
Availability	4	4	0	2	1	0	0	1	0
Branding	5	3	0	2	1	0	1	0	0
Delivery terms	2	6	0	1	2	0	0	1	0
Delivery time	6	2	0	2	1	0	0	1	0
Discount offered	2	6	0	1	2	0	0	1	0
Engine warranties	5	3	0	2	1	0	0	1	0
Minimum quality requirements	4	4	0	1	2	0	0	1	0
Packaging	2	6	0	1	2	0	0	1	0
Payment terms	3	5	0	1	2	0	0	1	0
Price	0	5	2	1	0	1	0	1	0
Product consistency	5	2	0	1	1	0	0	1	0
Product range	4	4	0	2	1	0	0	1	0
Quality meets industry standards	1	7	0	1	2	0	0	1	0
Quality exceeds industry standards	2	6	0	2	1	0	0	1	0
Reliability of supply	2	5	1	1	2	0	0	1	0
Technical support/service	4	4	0	1	2	0	0	1	0
U.S. transportation costs	4	4	0	2	1	0	0	1	0

Table continued on next page.

Table II-10--Continued

Walk-behind mowers: Purchasers' comparisons of domestic and imported products

Factor	Number of firms reporting								
	United States vs. Nonsubject			China vs. Nonsubject			Vietnam vs. Nonsubject		
	S	C	I	S	C	I	0	1	0
Availability	1	4	0	0	1	0	0	1	0
Branding	0	0	0	0	0	0	0	0	0
Delivery terms	2	3	0	0	1	0	0	1	0
Delivery time	2	3	0	0	1	0	0	1	0
Discount offered	1	4	0	0	0	0	0	1	0
Engine warranties	0	0	0	0	0	0	0	0	0
Minimum quality requirements	1	4	0	0	1	0	0	1	0
Packaging	1	4	0	0	1	0	0	1	0
Payment terms	1	4	0	0	1	0	0	1	0
Price	0	4	0	0	1	0	0	1	0
Product consistency	2	3	0	0	1	0	0	1	0
Product range	2	3	0	0	1	0	0	1	0
Quality meets industry standards	2	3	0	0	0	0	0	1	0
Quality exceeds industry standards	2	3	0	0	1	0	0	1	0
Reliability of supply	1	4	0	0	1	0	0	1	0
Technical support/service	2	3	0	0	1	0	0	1	0
U.S. transportation costs	1	4	0	0	1	0	0	1	0

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

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

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

Comparison of U.S.-produced and imported walk-behind mowers

In order to determine whether U.S.-produced walk-behind mowers can generally be used in the same applications as imports from China and Vietnam, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-11, all responding U.S. producers reported that domestically produced and Chinese product are always interchangeable, and domestically produced and Vietnamese product is always or frequently interchangeable. Almost all importers reported that U.S., Chinese, and Vietnamese product are always or frequently interchangeable. A majority of purchasers reported that domestically produced and Chinese walk-behind mowers are always interchangeable, and were split on whether Vietnamese product was always or frequently interchangeable. U.S. producer *** reported

that subject product is offered with the same “general mix” of product specifications.³⁴ Importer ***reported that the interchangeability is primarily related to the engine source, and that the mostly Chinese built "no name" engines are perceived as lower quality often without strong aftermarket support; making it difficult for consumers to find a dealer for mower repairs.

Table II-11
Walk-behind mowers: Interchangeability between product produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers			
	A	F	S	N	A	F	S	N	A	F	S	N
U.S. vs. subject countries:												
U.S. vs. China	3	1	0	0	4	4	2	0	6	3	0	0
U.S. vs. Vietnam	1	1	0	0	2	3	0	0	3	3	0	0
Subject countries comparisons:												
China vs. Vietnam	1	1	0	0	2	1	0	0	2	1	0	0
Nonsubject countries comparisons:												
U.S. vs. nonsubject	1	1	0	0	2	2	1	0	3	3	0	0
China vs. nonsubject	1	1	0	0	2	1	1	0	3	1	0	1
Vietnam vs. nonsubject	1	1	0	0	2	1	0	0	1	1	0	0

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

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

As can be seen from table II-12, most responding purchasers reported that domestically produced product always met minimum quality specifications. Purchasers had more mixed responses with respect to the subject countries. Two of the eight responding purchasers reported that Chinese walk-behind mowers always met minimum quality specifications, five reported that they usually did, and one reported that they sometimes did. One purchaser reported “always”, and one purchaser responded “usually” regarding Vietnamese product meeting minimum quality specifications.

³⁴ These specifications include add-ons and special components, similar sized engines, similar cutting-widths and deck sizes, grass-catching bags, self-propelled capabilities, and electric starters.

Table II-12
Walk-behind mowers: Ability to meet minimum quality specifications

Source	Always	Usually	Sometimes	Rarely or never
United States	7	4	0	0
China	2	5	1	0
Vietnam	1	1	0	0
All other sources	2	4	0	0

Note: Purchasers were asked how often domestically produced or imported walk-behind mowers meets minimum quality specifications for their own or their customers' uses.

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

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of walk-behind mowers from the United States, subject, or nonsubject countries. As seen in table II-13, U.S. producers reported that non-price factors are sometimes important when considering domestic and Chinese and Vietnamese imports, while most importers reported that they are frequently important regardless of source. In contrast, purchasers reported that such differences were always important, with half of responding purchasers reported differences other than price were always important between U.S. and Chinese walk-behind mowers (5 of 10) and between U.S. and Vietnamese walk-behind mowers (3 of 6).

Table II-13
Walk-behind mowers: Perceived importance of factors other than price between product produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers				
	A	F	S	N	A	F	S	N	A	F	S	N	
U.S. vs. subject countries:													
U.S. vs. China	0	1	2	1	2	6	1	1	5	1	2	2	
U.S. vs. Vietnam	0	0	2	0	0	3	1	0	3	2	1	0	
Subject countries comparisons:													
China vs. Vietnam	0	0	2	0	0	1	1	0	1	1	1	0	
Nonsubject countries comparisons:													
U.S. vs. nonsubject	0	0	2	0	0	3	1	0	3	1	2	1	
China vs. nonsubject	0	0	2	0	0	1	1	1	2	0	1	1	
Vietnam vs. nonsubject	0	0	2	0	0	1	1	0	1	0	1	0	

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

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

U.S. producers *** report that quality, availability, and brand are important non-price factors. Importer *** cited the ability to provide aftermarket service

to the lawn mowers as a key consideration. Importers *** stated that product range is an important non-price factor. Additionally, importer *** added the U.S. has the key advantages of quality and technical support over China. Purchaser *** stated that the quality of the walk-behind lawn mower, along with brand, deck size, engine power, and cut quality are the primary non-price factors. *** based its purchasing decision on quality, features, and performance; and *** stated that it considers brand, product range, and technical support.

Elasticity estimates

This section discusses elasticity estimates; parties did not comment on these estimates.

U.S. supply elasticity

The domestic supply elasticity for walk-behind mowers measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of walk-behind mowers. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced walk-behind mowers. Analysis of these factors earlier indicate that the U.S. industry has the ability to substantially increase or decrease shipments to the U.S. market; an estimate in the range of 6 to 8 is suggested.

U.S. demand elasticity

The U.S. demand elasticity for walk-behind mowers measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of walk-behind mowers. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products. Based on the available information, the aggregate demand for walk-behind mowers is likely to be moderately inelastic; a range of -0.5 to -1.0 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.³⁵ Product differentiation, in turn, depends upon

³⁵ The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced walk-behind mowers and imported walk-behind mowers is likely to be in the range of 3 to 5.

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

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidies and dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of five firms that accounted for all or nearly all of U.S. production of walk-behind mowers during 2020.

U.S. producers

The Commission issued a U.S. producer questionnaire to five firms based on information contained in the petitions. Four firms provided usable data on their operations.¹ Staff believes that these responses represent all or nearly all of U.S. production of walk-behind mowers during 2018-20.

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

¹ One of the five firm (Ariens) left the market in 2018 and did not provide a response to the U.S. producer questionnaire. <https://mowerselect.com/mower-news/mower-manufacturer-ariens-to-shut-down-manufacturing-facility/#:~:text=Mower%20News,Mower%20Manufacturer%20Ariens%20To%20Shut%20Down%20Manufacturing%20Facility,happen%20by%20October%2015th%2C%202018.>

Table III-1

Walk-behind mowers: U.S. producers of walk-behind mowers, their positions on the petition, production locations, and shares of reported production, 2020

Firm	Position on petition	Production location(s)	Share of production (percent)
Briggs & Stratton	***	Wauwatosa, WI Poplar Bluff, MO	***
Honda Power	***	Swepsonville, NC	***
Husqvarna	***	McRae, GA	***
MTD	Petitioner	Valley City, OH Tupelo, MS Willard, OH	***
Total			***

Note: ***'s plant closed in March 2019. ***. Email from ***, March 30, 2021.

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

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

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

Table III-2

Walk-behind mowers: U.S. producers' ownership, related and/or affiliated firms

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

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

As indicated in table III-2, two U.S. producer (***) are related to a foreign producer of the walk-behind mower in China. In addition, as discussed in greater detail below, *** U.S. producer, ***, directly imports subject merchandise and *** of the U.S. producers indicated that they purchase the subject merchandise from U.S. importers.²

² In addition, *** imported walk-behind mowers with SVSE from China during 2018-20.

During 2018-20, two U.S. producers, Ariens and Husqvarna, closed walk-behind mower manufacturing facilities. In September 2018, Ariens sold its production facility in Auburn, Nebraska.³ On July 17, 2018, Husqvarna, the second largest U.S. producer at that time, announced that it was exiting certain low-margin petrol-powered product segments, including walk-behind mowers.⁴ In *** Husqvarna ceased production of walk-behind mowers and in June 2019 officially closed its production facility.⁵ In July 2020 Briggs and Stratton filed petitions for a court-supervised voluntary reorganization under Chapter 11 of the U.S. bankruptcy code and entered into a definitive stock and asset purchase agreement with KPS Capital Partners, LP, under which the latter agreed to acquire substantially all of the company's assets and assume certain customer, employee and vendor liabilities, and act as the stalking-horse bidder through a court-supervised sale process.⁶ The transaction was completed on September 15, 2020.⁷

Table III-3 presents U.S. producers' reported changes in operations since January 1, 2018. ***.

³ www.anewspaper.net/news/fast-global-solutions-finalizes-acquiring-former-ariens-company's-auburn-plant.

⁴ <http://www.husqvarnagroup.com/en/press/increased-focus-core-brands-husqvarna-and-gardena-and-restructuring-consumer-brands-division> and <http://www.husqvarnagroup.com/en/press/further-information-about-restructuring-measures-related-consumer-brands-division-and-third>.

⁵ <https://www.13wmaz.com/article/news/we-will-bounce-back-we-will-telfair-co-community-feels-loss-of-husqvarna-plant-before-official-closure/93-bb62701d-1a8b-46c7-b46d-def3e0496e4d>.

⁶ https://www.briggsandstratton.com/na/en_us/news-room/briggs-and-stratton-enters-into-sale-agreement-and-initiates-voluntary-reorganization-under-chapter-11.html; <https://www.lawnandlandscape.com/article/briggs-stratton-enters-sales-agreement-initiates-reorganization/>; and https://www.kpsfund.com/docs/default-source/newsandpressreleases/briggs-stratton-closing-tombstone_final.pdf?sfvrsn=61069a5a_4

⁷ <https://www.kpsfund.com/news/press-releases/2020/09/22/briggs-stratton-announces-completion-of-sale-to-kps-capital-partners>.

Table III-3

Walk-behind mowers: U.S. producers' reported changes in operations, since January 1, 2018

Item / Firm	Reported changed in operations
Plant closings:	
***	***
***	***
Relocations:	
***	***
Expansions:	
***	***
***	***
Consolidations:	
***	***
Other:	
***	***
***	***

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

U.S. production, capacity, and capacity utilization

Table III-4 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. U.S. producers' capacity decreased by *** percent from 2018 to 2020, largely due to ***. Domestic producers' walk-behind mower production decreased by *** percent from 2018

to 2020, largely due to *** and ***.⁸ Capacity utilization increased by *** percentage points from 2018 to 2020, from *** to *** percent.⁹

⁸ Email from ***, March 30, 2021.

⁹ *** stated that the difference between normal operating capacity and higher actual production output is due to daily overtime and Saturday production. Email from ***, June 26, 2020.

Table III-4
Walk-behind mowers: U.S. producers' production, capacity, and capacity utilization, 2018-20

Item	Calendar year		
	2018	2019	2020
	Capacity (units)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Production (units)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Capacity utilization (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Share of production (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

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

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

Figure III-1
Walk-behind mowers: U.S. producers' production, capacity, and capacity utilization, 2018-20

* * * * *

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

Alternative products

As shown in table III-5, walk-behind mowers constituted approximately *** percent of the product produced on the same equipment as walk-behind mowers during 2018-20 by U.S. producers.¹⁰ For three of the four responding U.S. firms, walk-behind mowers accounted for at least 90 percent of their overall U.S. production on this equipment. The remaining firm, **, accounted for at least *** percent of U.S. producers' aggregate out-of-scope production in each year during 2018-20.

¹⁰ Other products produced included out-of-scope walk-behind mowers with engines greater than 3.7 kilowatts and outdoor power equipment including tillers, edgers, chipper shredder vacuums, wheeled string trimmers, snow blowers, and pressure washers.

Table III-5

Walk-behind mowers: U.S. producers' overall plant capacity and production on the same equipment as production of walk-behind mowers, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Overall capacity	***	***	***
Production:			
Walk-behind mowers	***	***	***
WB mowers > 3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***
	Ratios and shares (percent)		
Overall capacity utilization	***	***	***
Production:			
Walk-behind mowers	***	***	***
WB mowers > 3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***

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

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

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

Table III-6 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments decreased by *** percent from 2017 to 2018 and by *** percent in 2019, largely driven by **. The unit value of U.S. shipments increased by *** percent from 2018 to 2019 and by *** percent in 2020.

Commercial U.S. shipments, by quantity and value, decreased overall during 2018-20, by *** percent and *** percent, respectively. Transfers to related firms and internal consumption accounted for less than 17.0 and 0.05 percent of total US shipments, respectively in any year during 2018-20. **. ¹¹

¹¹ **. The company reported that it **. **'s U.S. producer questionnaire response, section II-11.

Table III-6
Walk-behind mowers: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Commercial U.S. shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	***	***	***
Export shipments	***	***	***
Total shipments	***	***	***
	Value (1,000 dollars)		
Commercial U.S. shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	***	***	***
Export shipments	***	***	***
Total shipments	***	***	***
	Unit value (dollars per unit)		
Commercial U.S. shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	***	***	***
Export shipments	***	***	***
Total shipments	***	***	***
	Share of quantity (percent)		
Commercial U.S. shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	***	***	***
Export shipments	***	***	***
Total shipments	***	***	***
	Share of value (percent)		
Commercial U.S. shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	***	***	***
Export shipments	***	***	***
Total shipments	***	***	***

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

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

U.S. producers' inventories

Table III-7 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. U.S. producers' end-of-period inventories decreased by *** percent from 2018 to 2019, and by *** percent in 2020. The lower inventories during 2018-20 were primarily due to ***.

Table III-7
Walk-behind mowers: U.S. producers' inventories, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. producers' end-of-period inventories	***	***	***
	Ratio (percent)		
Ratio of inventories to.-- U.S. production	***	***	***
U.S. shipments	***	***	***
Total shipments	***	***	***

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

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

U.S. producers' imports and purchases

U.S. producers' imports of walk-behind mowers are presented in table III-8. *** reported imports of subject merchandise from China (without Chinese SVSE) in ***; its *** imports of subject merchandise accounted for *** percent of its U.S. production in that period. *** reported imports of walk-behind mowers from China with Chinese SVSE in 2019 which accounted for *** percent of the firm's U.S. production in that period. *** reported imports of walk-behind mowers from China with Chinese SVSE in *** which accounted for less than *** percent of the firm's U.S. production in that period. No U.S. producers purchased walk-behind mowers imported from China or Vietnam.

Table III-8
Walk-behind mowers: U.S. producers' U.S. production and imports, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
*** U.S. production	***	***	***
*** U.S. imports from China (Subject)	***	***	***
	Ratio (percent)		
*** ratio to U.S. production of imports from China (Subject)	***	***	***
	Narrative		
*** reason for importing	***		
	Quantity (units)		
*** U.S. production	***	***	***
*** U.S. imports from China (with China SVSE)	***	***	***
	Ratio (percent)		
*** ratio to U.S. production of imports from China (with China SVSE)	***	***	***
	Narrative		
*** reason for importing	***		
	Quantity (units)		
*** U.S. production	***	***	***
*** U.S. imports from China (with China SVSE)	***	***	***
	Ratio (percent)		
*** ratio to U.S. production of imports from China (with China SVSE)	***	***	***
	Narrative		
*** reason for importing	***		

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

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

U.S. employment, wages, and productivity

Table III-9 shows U.S. producers' employment-related data. The number of production and related workers ("PRWs") for U.S. producers decreased by *** percent from 2018 to 2020, to reach *** PRWs. ***. Hourly wages increased by *** percent between 2018 to 2020. Productivity increased by *** percent from 2018 to 2020. Unit labor costs increased from 2018 to 2019 by *** percent, then increased from 2019 to 2020 by *** percent.

Table III-9

Walk-behind mowers: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 2018-20

Item	Calendar year		
	2018	2019	2020
Production and related workers (PRWs) (number)	***	***	***
Total hours worked (1,000 hours)	***	***	***
Hours worked per PRW (hours)	***	***	***
Wages paid (\$1,000)	***	***	***
Hourly wages (dollars per hour)	***	***	***
Productivity (units per 1,000 hours)	***	***	***
Unit labor costs (dollars per unit)	***	***	***

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

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

U.S. importers

The Commission issued importer questionnaires to 130 firms believed to be importers of walk-behind mowers, as well as to all U.S. producers of walk-behind mowers.¹ Usable questionnaire responses were received from 10 companies² representing 72.2 percent of U.S. imports from China (regardless of engine origin), 91.4 percent of imports from Vietnam (regardless of engine origin), and 98.8 percent of U.S. imports from nonsubject countries (regardless of engine origin) in 2020 under HTS statistical reporting number 8433.11.0050.

Table IV-1 lists all responding U.S. importers of walk-behind mowers from subject and nonsubject 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 provided by U.S. Customs and Border Protection (“Customs”), may have accounted for more than one percent of total 2020 imports from each subject country under the HTS statistical reporting numbers 8433.11.0050.

² Three firms (***) reported that they had not imported walk-behind mowers from any source into the United States since January 1, 2018.

Table IV-1
Walk-behind mowers: U.S. importers, their headquarters, and share of total imports by source, 2020

Firm	Headquarters	Share of imports by source (percent)			
		China (without SVSE)	Vietnam (without SVSE)	Subject sources	Nonsubject sources
American Honda	Torrance, CA	***	***	***	***
Briggs & Stratton	Wauwatosa, WI	***	***	***	***
Daye	Charlotte, NC	***	***	***	***
Generac	Waukesha, WI	***	***	***	***
Merotec	Kennesaw, GA	***	***	***	***
MTD	Valley City, OH	***	***	***	***
Power Distributors	Columbus, OH	***	***	***	***
Pulsar Products	Ontario, CA	***	***	***	***
Toro	Bloomington, MN	***	***	***	***
Walmart	Bentonville, AR	***	***	***	***
Total		***	***	***	***

Table continued.

Table IV-1—Continued
Walk-behind mowers: U.S. importers, their headquarters, and share of total imports by source, 2020

Firm	Headquarters	Share of imports by source (percent)		
		All import sources (scope)	All import sources (out-of-scope)	All import sources
American Honda	Torrance, CA	***	***	***
Briggs & Stratton	Wauwatosa, WI	***	***	***
Daye	Charlotte, NC	***	***	***
Generac	Waukesha, WI	***	***	***
Merotec	Kennesaw, GA	***	***	***
MTD	Valley City, OH	***	***	***
Power Distributors	Columbus, OH	***	***	***
Pulsar Products	Ontario, CA	***	***	***
Toro	Bloomington, MN	***	***	***
Walmart	Bentonville, AR	***	***	***
Total		***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.
 Note: Subject merchandise are walk-behind mowers from China and Vietnam without small vertical shaft engines from China ("without SVSE").

Note: All import sources (out-of-scope) merchandise include walk-behind mowers from China and Vietnam with small vertical shaft engines from China ("with SVSE") and from sources other than China and Vietnam, regardless of engine source.

Note: Nonsubject imports correspond to the merchandise described in the scope, but they are from a nonsubject country.

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

U.S. imports

Tables IV-2 and figure IV-1 present data for U.S. imports of walk-behind mowers from China, Vietnam, and all other sources.³

U.S. imports of walk-behind mowers from subject sources increased *** percent by quantity and *** percent by value between 2018 and 2019 and increased *** percent by quantity and *** ***.⁴ Six firms imported subject walk-behind mowers from China (without Chinese SVSE) during 2018-20. Three firms (***) imported subject walk-behind mowers from China (without Chinese SVSE) during the period which data was collected, while two additional firms (***) started importing subject walk-behind mowers from China (without Chinese SVSE) in 2019.⁵ One firm, Pulsar, began importing subject walk-behind mowers from Vietnam (without Chinese SVSE) in 2020.

One firm (***) imports of walk-behind mowers from nonsubject sources decreased slightly *** percent by quantity and increased *** percent by value between 2018 and 2019, then increased *** percent by quantity and increased *** percent by value between 2019 and 2020. During the period for which data were collected, four firms, ***, imported walk-behind mowers with China SVSE from all sources that included walk-behind mowers from China and Vietnam with Chinese SVSE.⁶

In 2018, imports from nonsubject sources, largely from Mexico, accounted for *** percent of imports. The share of imports from nonsubject sources declined *** percentage points, in terms of quantity, in 2019 and *** percentage points in 2020, accounting for *** percent of all imports in 2020.

The average unit values of imports from subject sources decreased each year between 2018 and 2020, resulting in a total decrease of *** percent over this period. The average unit value of import from nonsubject sources, which were consistently higher than subject imports, increased by *** percent between 2018 and 2019, and increased *** percent in 2020.

As a ratio to U.S. production, imports from subject sources increased *** percentage points from 2018 to 2019, then increased *** percentage points between 2019 and 2020. As a ratio to U.S. production, imports from nonsubject sources increased *** percentage points from 2018 to 2019, then increased *** percentage points between 2019 and 2020.

³ Appendix E presents data on U.S. imports of walk-behind mowers excluding walk-behind mowers with SVSE from China

⁴ Email from ***, April 7, 2021.

⁵ ***. *** Importers questionnaire, II-4. ***. *** Importer questionnaire, II-10.

⁶ ***. *** Importer questionnaire, II-4.

Table IV-2
Walk-behind mowers: U.S. imports by source, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***
	Value (1,000 dollars)		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***
	Unit value (dollars per unit)		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***

Table continued on next page.

Table IV-2-Continued
Walk-behind mowers: U.S. imports by source, 2018-20

	Share of quantity (percent)		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***
	Share of value (percent)		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***
	Ratio to U.S. production		
U.S. imports of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. imports of mowers with China SVSE from all sources	***	***	***
U.S. imports of mowers regardless of engine origin	***	***	***

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

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

Figure IV-1
Walk-behind mowers: U.S. imports quantities and average unit values, 2018-20

* * * * *

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

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.⁷ 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.⁸ Based on responses to the Commission's questionnaire, subject imports from China accounted for *** percent and subject imports from Vietnam accounted for *** percent of total imports of walk-behind mowers by quantity during May 2019 through April 2020.⁹ Table IV-3 presents U.S. imports from May 2019 through April 2020, the 12 months preceding the petition.

⁷ 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)).

⁸ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

⁹ Based on official Commerce statistics using HTS statistical reporting number 8433.11.0050, China accounted for *** percent and Vietnam accounted for *** percent of total imports of walk-behind mowers by quantity during May 2019 through April 2020.

Table IV-3

Walk-behind mowers: U.S. imports in the twelve month period preceding the filing of the petition, May 2019 through April 2020

Item	May 2019 through April 2020	
	Quantity (units)	Share quantity (percent)
U.S. imports from.-- China	***	***
Vietnam	***	***
All other sources	***	***
All import sources	***	***

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

Source: Compiled from data submitted in response to Commission questionnaires. Data in this table are limited to merchandise that matches Commerce's scope.

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

Tables IV-4 and IV-5 and figure IV-2 present U.S. producers' and U.S. importers' U.S. shipments of walk-behind mowers by product type.

No U.S. producers or U.S. importers reported any unfinished walk-behind mowers.¹⁰ The majority of subject imports and U.S. producers' shipments were private label walk-behind mowers, the majority of nonsubject imports were branded, except for nonsubject imports from Vietnam. Most U.S. producers and importers reported producing and/or importing walk-behind mowers with both push-only and self-propelled; pull-only start and push button/auto start; and with or without grass discharge bags. All of the responding firms offered walk-behind mowers with steel cutting decks. The responding firms reported offering walk-behind mowers with a variety of motor sizes and blade sizes.

¹⁰ An unfinished (unassembled) walk-behind mower is defined as at a minimum, a sub-assembly comprised of an engine and a cutting deck shell attached to one another.

Table IV-4

Walk-behind mowers: U.S. producers' and U.S. importers' U.S. shipments by product type, 2020

Item	Calendar year 2020		
	Branded	Private label	All product types
Quantity (Units)			
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
U.S. producers and U.S. importers	***	***	***

Table continued on next page.

Table IV-4—Continued

Walk-behind mowers: U.S. producers' and U.S. importers' U.S. shipments by product type, 2020

Item	Calendar year 2020		
	Branded	Private label	All product types
	Share of quantity down (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
U.S. producers and U.S. importers	***	***	***
	Share of quantity across (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
U.S. producers and U.S. importers	***	***	***

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

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

Figure IV-2
Walk-behind mowers: U.S producers' and U.S. importers' U.S. shipments by product type, 2020

* * * * *

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

Table IV-5
Walk-behind mowers: Product mix for U.S. producers and U.S. importers, 2020

Product Mix	U.S. producers	China	Vietnam	Nonsubject imports
Propulsion.--				
Push only mowers	4	8	***	***
Self-propellant mowers	4	9	***	***
Start.--				
Pull start only	4	9	***	***
Button or auto start system	4	7	***	***
Discharge bag.--				
Grass discharge bag	4	8	***	***
No grass discharge bag	4	8	***	***
Cutting deck.--				
Steel cutting deck	4	9	***	***
Aluminum cutting deck	---	2	***	***
Other cutting deck	1	---	***	***
Motor sizes.--				
129 cc and lower	2	4	***	***
130 cc and 139 cc	2	2	***	***
140 cc and 149 cc	2	5	***	***
150 cc and 159 cc	2	6	***	***
160 cc and 169 cc	4	6	***	***
170 cc and greater	4	6	***	***
Blade sizes.--				
Less than 21" blades	2	6	***	***
21" blades	4	8	***	***
Greater than 21" blades	2	3	***	***

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

Geographical markets

Walk-behind mowers produced in the United States and imported into the United States are shipped nationwide.¹¹ Table IV-6 presents U.S. import quantities of walk-behind mowers by sources and border of entry during 2020.¹² In 2020, official import statistics show that U.S. imports from China entered all U.S. regions, while U.S. imports from Vietnam entered through

¹¹ See Part II for additional information on geographic markets.

¹² The "East" border of entry includes the following Customs entry districts for walk-behind mowers: Charleston, SC; New York, NY; Norfolk, VA; Philadelphia, PA; and Savannah, GA. The "North" border of entry includes the following Customs entry districts for walk-behind mowers: Chicago, IL; Cleveland, OH; Detroit, MI; Duluth, MN; Great Falls, MT; and Minneapolis, MN. The "South" border of entry includes the following Customs entry districts for walk-behind mowers: Dallas-Fort Worth, TX; El Paso, TX; Houston-Galveston, TX; Miami, FL; Mobile, AL; and New Orleans, LA. The "West" border of entry includes the following Customs entry districts for walk-behind mowers: Los Angeles, CA; San Francisco, CA; and Seattle, WA.

the North, South and West borders of entry, and U.S. imports from nonsubject sources entered all U.S. regions, with the vast majority through the South border of entry.

Table IV-6
Walk-behind mowers: U.S. imports by border of entry 2020

Item	Border of entry				
	East	North	South	West	All borders
	Quantity (units)				
U.S. imports from.-- China	454,607	144,733	241,433	73,288	914,061
Vietnam	---	171,679	3,591	20,533	195,803
Subject sources	454,607	316,412	245,024	93,821	1,109,864
Subject sources less Vietnam	454,607	144,733	241,433	73,288	914,061
Nonsubject sources	536	764	758,284	1	759,585
Nonsubject sources plus Vietnam	536	172,443	761,875	20,534	955,388
All import sources	455,143	317,176	1,003,308	93,822	1,869,449
	Share across (percent)				
U.S. imports from.-- China	49.7	15.8	26.4	8.0	100.0
Vietnam	---	87.7	1.8	10.5	100.0
Subject sources	41.0	28.5	22.1	8.5	100.0
Subject sources less Vietnam	49.7	15.8	26.4	8.0	100.0
Nonsubject sources	0.1	0.1	99.8	0.0	100.0
Nonsubject sources plus Vietnam	0.1	18.0	79.7	2.1	100.0
All import sources	24.3	17.0	53.7	5.0	100.0
	Share down (percent)				
U.S. imports from.-- China	99.9	45.6	24.1	78.1	48.9
Vietnam	---	54.1	0.4	21.9	10.5
Subject sources	99.9	99.8	24.4	100.0	59.4
Subject sources less Vietnam	99.9	45.6	24.1	78.1	48.9
Nonsubject sources	0.1	0.2	75.6	0.0	40.6
Nonsubject sources plus Vietnam	0.1	54.4	75.9	21.9	51.1
All import sources	100.0	100.0	100.0	100.0	100.0

Note: Imports from China and Vietnam include walk-behind mowers with and without SVSE from China.

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

Source: Compiled from official U.S. import statistics for HTS statistical reporting number 8433.11.0050, accessed March 10, 2021.

Presence in the market

Table IV-7 and figures IV-3 and IV-4 present monthly official U.S. import statistics by source. The monthly import statistics indicate that U.S. imports of walk-behind mowers from China were present for 36 months of the 37 months during January 2018 to January 2021. Over

the same period, U.S. imports of walk-behind mowers from Vietnam started in November 2019 and were present for 13 of the 15 months.

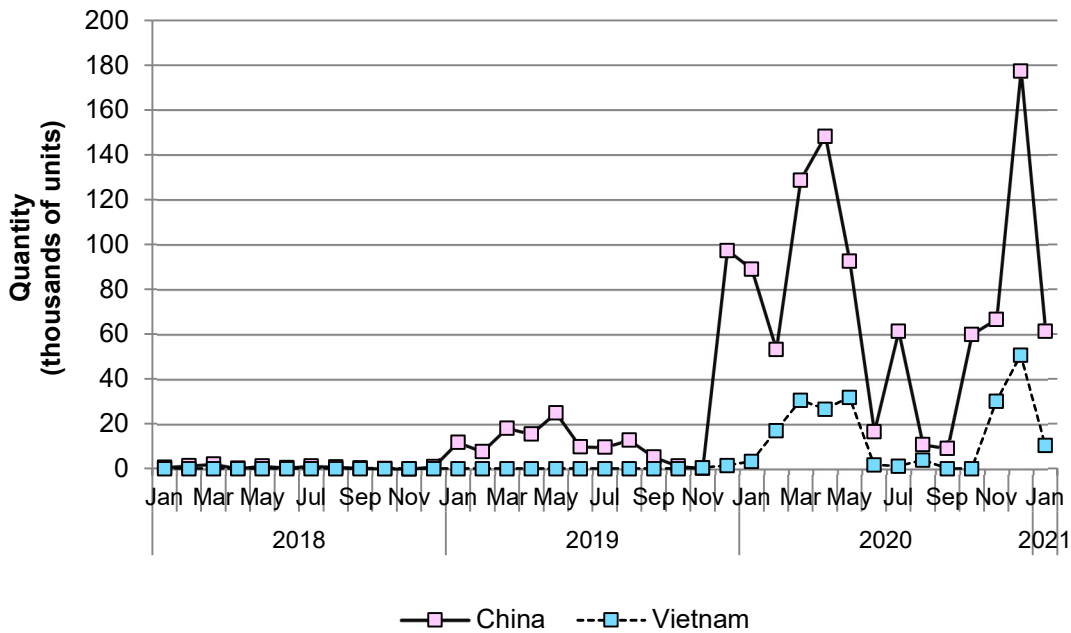
Table IV-7
Walk-behind mowers: U.S. imports by month, January 2018 through January 2021

U.S. imports	China	Vietnam	China and Vietnam	Other sources	All import sources
Quantity (units)					
2018.--					
January	646	---	646	124,016	124,662
February	1,410	---	1,410	115,198	116,608
March	2,089	---	2,089	112,605	114,694
April	166	---	166	105,771	105,937
May	1,274	---	1,274	75,794	77,068
June	568	---	568	30,666	31,234
July	1,186	---	1,186	13,567	14,753
August	816	---	816	8,409	9,225
September	357	---	357	4,511	4,868
October	12	---	12	20,462	20,474
November	---	---	---	48,164	48,164
December	978	---	978	61,219	62,197
2019.--					
January	11,832	---	11,832	103,927	115,759
February	7,703	---	7,703	92,899	100,602
March	18,103	---	18,103	106,207	124,310
April	15,519	---	15,519	97,601	113,120
May	25,001	---	25,001	107,489	132,490
June	9,825	---	9,825	27,097	36,922
July	9,696	---	9,696	16,311	26,007
August	12,805	---	12,805	19,969	32,774
September	5,287	---	5,287	9,321	14,608
October	1,219	---	1,219	30,708	31,927
November	187	342	529	71,293	71,822
December	97,369	1,368	98,737	58,333	157,070
2020.--					
January	89,095	3,192	92,287	97,495	189,782
February	53,258	16,897	70,155	116,875	187,030
March	128,816	30,444	159,260	113,477	272,737
April	148,384	26,464	174,848	23,205	198,053
May	92,668	31,749	124,417	21,095	145,512
June	16,572	1,590	18,162	69,272	87,434
July	61,306	1,046	62,352	85,668	148,020
August	10,726	3,729	14,455	61,043	75,498
September	9,142	---	9,142	56,184	65,326
October	59,903	---	59,903	41,392	101,295
November	66,655	30,036	96,691	28,876	125,567
December	177,536	50,656	228,192	45,003	273,195
2021.--					
January	61,322	10,380	71,702	78,707	150,409

Note: Imports from China and Vietnam include walk-behind mowers with and without SVSE from China.

Source: Compiled from official U.S. import statistics for HTS statistical reporting number 8433.11.005, accessed June 9, 2020.

Figure IV-3
Walk-behind mowers: U.S. imports from China and Vietnam by month, January 2018 through January 2021



Note: Imports from China and Vietnam include walk-behind mowers with and without SVSE from China.

Source: Compiled from official U.S. import statistics for HTS statistical reporting number 8433.11.0050, accessed March 10, 2021.

Apparent U.S. consumption

Table IV-8 and figure IV-4 present data on apparent U.S. consumption for walk-behind mowers. Apparent U.S. consumption of walk-behind mowers decreased *** percent by quantity and *** percent by value between 2018 and 2019, then between 2019 and 2020 decreased *** percent by quantity but increased *** percent by value.

Table IV-8

Walk-behind mowers: U.S. shipments of domestic product, U.S. shipments of imports, and apparent U.S. consumption, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.--			
China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
Apparent U.S. consumption	***	***	***
	Value (1,000 dollars)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.--			
China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
Apparent U.S. consumption	***	***	***

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

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

Figure: IV-4
Walk-behind mowers: Apparent U.S. consumption, 2018-20

* * * * *

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

U.S. market shares

U.S. market share data for walk-behind mowers are presented in table IV-9. U.S. producers' share of apparent U.S. consumption by quantity, decreased *** percentage points between 2018 and 2019 and *** percentage points in 2020, while the market share of subject imports increased *** percentage points in 2019 and *** points in 2020 and market share of nonsubject imports increased *** and *** percentage points in 2019 and 2020, respectively.

Table IV-9
Walk-behind mowers: Market shares, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Apparent U.S. consumption	***	***	***
	Share of quantity (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.--			
China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***
	Value (1,000 dollars)		
Apparent U.S. consumption	***	***	***
	Share of value (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments of mowers without China SVSE.--			
China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. importers' U.S. shipments of mowers with China SVSE from all sources	***	***	***
U.S. importers' U.S. shipments of mowers regardless of engine origin	***	***	***

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

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

Part V: Pricing data

Factors affecting prices

Raw material costs

The engine is the main component for walk-behind mowers. Other components for walk-behind mowers, such as the cutting deck, can be made from sheet metal and tubing or plastic resin.^{1 2} Sheet metal is die cut and stamped to shape, and may be welded, cleaned, and painted.³ Many components for walk-behind mowers are made in vertically integrated manufacturing processes.⁴ Raw materials as a share of the cost of goods sold (“COGS”) were relatively stable from 2018-20, decreasing slightly from *** percent to *** percent.

One of three *** U.S. producers reported that raw material prices had increased since January 2018, and the remaining two U.S. producers *** reported that prices had fluctuated. Five of 10 responding importers reported that raw material prices had increased, one reported they had fluctuated, and four reported there was no change. Importers *** reported that the industry is showing an increase in its material costs. Importer *** reported that prices for aluminum, steel, and plastic resin, key components in their product, are rising. Additionally, most U.S. producers and importers cited the Section 301 and 232 tariffs as reasons for increasing raw material costs.⁵

Petitioner stated that its purchasing cycle for engines and other major components begins in the spring of the year prior to the sale of the finished lawn mower and that there is a lagged effect of rising raw material prices.⁶

¹ Walk-behind mowers are made up of “hundreds of parts and components,” and the major components include the engine, cutting deck (blade housing), cutting blade, handle, and wheels. Petition, p. 11.

² Plastic resin is used in injection molding operations to form various parts of walk-behind mowers including the front and rear clips that attach to the mower deck, shields, discharge chutes, mulching plugs, wheels, wheel treads, and hub caps. Petition, pp. 12-13.

³ Petition, p. 12.

⁴ Petition, p. 12.

⁵ See Part II for a discussion on the impact of the Section 301 tariffs.

⁶ Petitioner specifically noted that the effect of the increased raw material prices due to the Section 232 and 301 tariffs are noticeable in its sales in the 2019 season and are not reflected in the 2018 prices. Preliminary hearing transcript, p. 20 (Trumpler).

Impact of the section 232 tariffs

U.S. producers and importers⁷ reported that the Section 232 tariffs⁸ caused an increase in raw material costs and prices of walk-behind mowers. The mower deck is typically made of steel, which would be subject to Section 232 tariffs if it is produced with imported steel. U.S. producer *** reported that the Section 232 tariffs led to a “short term increase” in the prices of raw materials, but that prices then reverted to their normal level. It added that it initially sought to increase prices of its *** but then decreased prices of the *** when raw material prices declined.⁹ U.S. producer *** reported that price increases for mowers were not commensurate with the raw material cost increases. It also reported that it uses a “considerable amount” of steel flat products and cast aluminum, both of which are subject to the Section 232 tariffs, for the cutting deck, which is the second most substantial component by weight in walk-behind mowers.

⁷ U.S. producers *** are also importers. Their U.S. producer and importer responses are presented separately throughout this section unless otherwise indicated.

⁸ The President announced in March 2018 that additional 25 percent ad valorem national security duties are to be applied, under Section 232 of the Trade Expansion Act of 1962, as amended, to most steel mill products imported from all countries, except initially Canada and Mexico; and subsequently Argentina, Australia, Brazil, the European Union (“EU”) member states, and Korea, effective March 23, 2018. The exemptions were subsequently modified with annual import quota limits for Korea, effective May 1, 2018; and for Argentina and Brazil, effective June 1, 2018; but were not continued for Canada, Mexico, and the EU member states, effective June 1, 2018. The exemptions were continued, effective August 13, 2018, for Argentina, Australia, Brazil, and Korea; but the duty rate was doubled to 50 percent for Turkey. More recently, the exemptions were reinstated for Canada and Mexico, effective May 20, 2019; and the duty rate was cut back to 25 percent for Turkey, effective May 21, 2019. For more information, see <https://www.cbp.gov/trade/remedies/232-tariffs-aluminum-and-steel>.

⁹ As noted earlier, engines are a major cost component of walk-behind mowers.

Table V-1

Walk-behind mowers: Firms' responses regarding the impact of the Section 232 tariffs

Item	Number of firms reporting			
	Increase	No change	Decrease	Fluctuate
232: Impact on raw material costs.-- U.S. producers	1	---	---	2
U.S. importers	5	4	---	1
232: Impact on prices.-- U.S. producers	2	---	---	1
U.S. importers	4	5	---	2

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

U.S. inland transportation costs

One of three responding U.S. producers and half (four of eight) importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 0.5 to 3.0 percent while most importers reported costs of 0.3 to 13.2 percent.

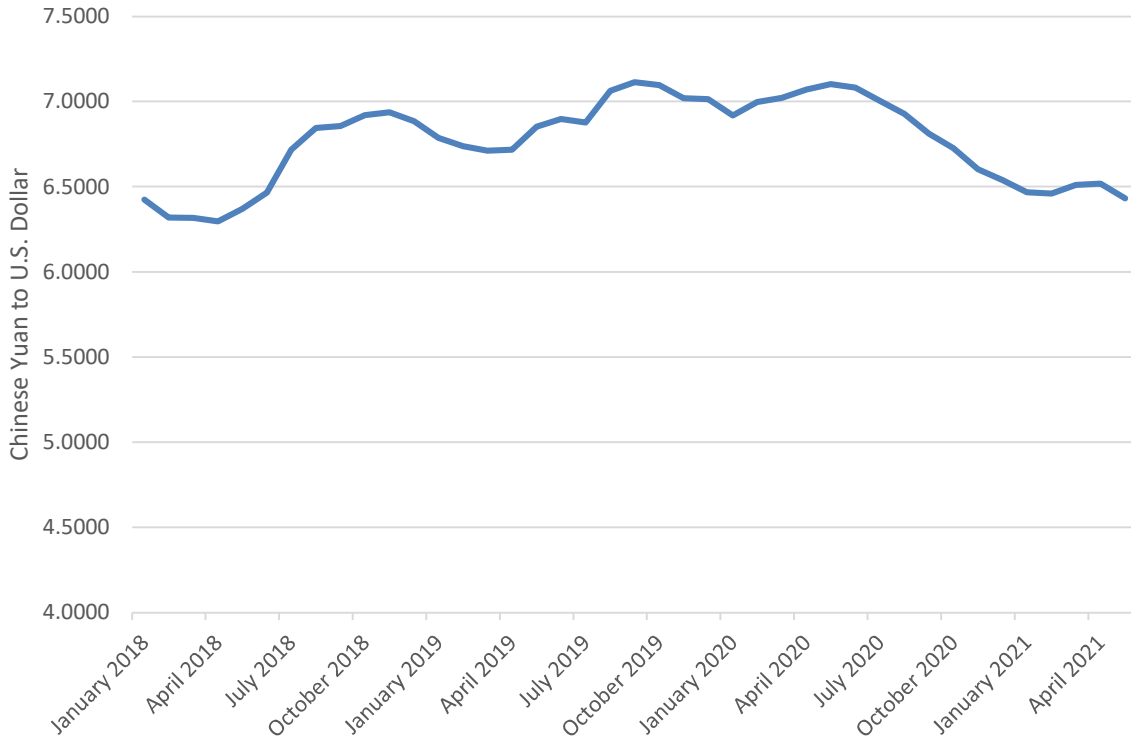
Exchange rates

Petitioner stated that China's currency "severely appreciated" in the first quarter of 2018, which impacted MTD's purchasing costs generally.^{10 11} The yuan to dollar exchange rate appreciated by 9.2 percent from January 2018 to December 2019, after which it depreciated by 6.8 percent through December 2020. From January 2021 to May 2021, the exchange rate remained relatively stable, with the yuan depreciating slightly by 0.54 percent.

¹⁰ Petitioner's postconference brief, p. 24.

¹¹ MTD reported that it purchased some vertical shaft engines from China for walk-behind mowers, but that most of its engines are from domestic sources. Petitioner's postconference brief, p. 23.

Figure V-1
Foreign exchange rate: Chinese Yuan to U.S. Dollar, monthly, not seasonally adjusted, January 2018 to May 2021



Source: Board of Governors of the Federal Reserve System (US), retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/DEXCHUS>, May 28, 2021.

Pricing practices

Pricing methods

Petitioner noted that prices for walk-behind mowers are set in the spring of the year prior to delivery.¹² U.S. producers¹³ reported setting prices using contracts and set price lists; importers reported using the same methods, as well as transaction-by-transaction negotiations (table V-2).¹⁴

¹² “Prices for engines and other major components are established in the spring, with shipment to MTD’s factories in the summer and fall, production starting in the fall and winter, and delivery to retailers for the next spring.” Petitioner’s postconference brief, p. 24.

¹³ U.S. producer *** did not respond to many questions related to price setting, as it ***.

¹⁴ Importers *** reported setting prices “program by program” and *** reported “website/catalog advertising.”

Table V-2**Walk-behind mowers: U.S. producers and importers reported price setting methods, by number of responding firms**

Method	U.S. producers	Importers
Transaction-by-transaction	0	2
Contract	2	5
Set price list	1	3
Other	1	1
Responding firms	3	9

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

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

*** of U.S. producers' sales were made under annual contract in 2020, while importers sold the majority of their shipments under short-term contracts, with some sales made through annual contracts and spot sales (table V-3).

Table V-3**Walk-behind mowers: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2020**

Type of sale	U.S. producers	Subject U.S. importers
	Share (percent)	
Share of commercial U.S. shipments.-- Long-term contracts	***	***
Annual contract	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	***	***

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

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

U.S. producers' annual contracts contained fixed prices and were not indexed to raw materials. U.S. producer *** reported that its prices can be renegotiated, while *** reported that its prices are not renegotiated. *** reported that it sold through short-term contracts ***, and that prices were not renegotiated. U.S. importers reported short-term contracts were for 60 days (***) and 120 days (***), contracts were fixed price or fixed price and quantity, and were not indexed to raw material prices. Two of 10 responding importers reported that prices can be renegotiated in their annual contracts.

Three purchasers reported that they purchased product daily, five purchased weekly, one purchased monthly, and three purchased annually. Ten of 12 responding purchasers

reported that their purchasing frequency had not changed since 2018. Most (11 of 13) purchasers contacted 1 to 10 suppliers before making a purchase.¹⁵

Sales terms and discounts

U.S. producers and importers typically quote prices on an f.o.b. basis. U.S. producers offer total volume discounts (***) , and volume and quantity discounts (***) . U.S. importers reported offering quantity discounts (***) and promotion sales (***) . U.S. importer *** offers discounts based on volume, quantity, and retail rebate programs as part of an annual program.

Price leadership

Eight of 13 responding purchasers reported one or more price leaders. The firm most frequently reported as a price leader was MTD (listed by four purchasers). Other price leaders listed by only one purchaser included Honda, Briggs & Stratton, Toro, and Pulsar.

Price and purchase cost data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following walk-behind mowers products shipped to unrelated U.S. retailers during January 2018 to December 2020.¹⁶ Firms that imported these products from China and Vietnam for retail sale were requested to provide import purchase cost data.

Product 1.-- Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks* , and without a grass-catching bag.

Product 2.-- Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks* , and without a grass-catching bag.

¹⁵ Purchaser *** only uses their own engines and *** does not contact suppliers. *** reports contacting 1 to 20 suppliers before making a purchase.

¹⁶ U.S. producers were instructed to report their price data regardless of engine origin. The tables and analysis below do not contain price data of Chinese and Vietnamese walk-behind mowers with Chinese produced SVSEs that are deemed out-of-scope. Price data for imported walk-behind mowers from China and Vietnam that include Chinese produced SVSEs are in Appendix G.

Product 3.-- Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

Product 4.-- Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.

** "blade for cutting deck" is synonymous with "cutting width" and/or "cutting swath."*

Price data

Four U.S. producers (***) and five importers (***)¹⁷ provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.^{18 19} Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' shipments of walk-behind mowers and *** percent of subject imports from China without Chinese produced SVSEs and *** percent of subject imports from Vietnam without Chinese produced SVSEs.

Price data for products 1-4 are presented in tables V-4 to V-7 and figures V-2 to V-5. Nonsubject country prices are presented in Appendix H.

¹⁷ Importers *** reported import price data for product 1 from China; importers *** reported import price data for product 2 from China; all reporting importers provided import price data for product 3 and product 4 from China.

¹⁸ No importers reported price data for product 2 from Vietnam. Only importer *** provided pricing data for Vietnam ***.

¹⁹ Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

Table V-4

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 1 and imported product 1 without Chinese produced SVSEs, and margins of underselling/(overselling), by quarter, January 2018 through December 2020

Period	United States		China price			Vietnam price		
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Margin (percent)	Price (dollars per unit)	Quantity (units)	Margin (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Table V-5

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 2 and imported product 2 without Chinese produced SVSEs, and margins of underselling/(overselling), by quarter, January 2018 through December 2020

Period	United States		China price			Vietnam price		
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Margin (percent)	Price (dollars per unit)	Quantity (units)	Margin (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	231	1,269	***	***	***	***	***	***
2020:								
Jan.-Mar.	240	2,047	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 2: Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and without a grass-catching bag.

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

Table V-6

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 3 and imported product 3 without Chinese produced SVSEs, and margins of underselling/(overselling), by quarter, January 2018 through December 2020

Period	United States		China price			Vietnam price		
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Margin (percent)	Price (dollars per unit)	Quantity (units)	Margin (percent)
2018:								
Jan.-Mar.	289	425,403	***	***	***	***	***	***
Apr.-Jun.	297	366,395	***	***	***	***	***	***
Jul.-Sep.	301	151,343	***	***	***	***	***	***
Oct.-Dec.	307	81,909	***	***	***	***	***	***
2019:								
Jan.-Mar.	300	449,779	***	***	***	***	***	***
Apr.-Jun.	302	385,647	***	***	***	***	***	***
Jul.-Sep.	301	120,481	328	408	(9.0)	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Table V-7

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 4 and imported product 4 without Chinese produced SVSEs, and margins of underselling/(overselling), by quarter, January 2018 through December 2020

Period	United States		China price			Vietnam price		
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Margin (percent)	Price (dollars per unit)	Quantity (units)	Margin (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	312	1,758	***	***	***	***
Jul.-Sep.	***	***	348	353	***	***	***	***
Oct.-Dec.	***	***	377	1,044	***	***	***	***
2020:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Figure V-2

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 1 and imported product 1 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Figure V-3

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 2 and imported product 2 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Product 2: Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and without a grass-catching bag.

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

Figure V-4

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 3 and imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Figure V-5

Mowers: Weighted-average f.o.b. prices and quantities of domestic product 4 and imported product 4 without Chinese produced SVSEs, and margins of underselling/(overselling), by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Import purchase cost data

Two importers reported useable import purchase cost data for products 1-3.²⁰ Purchase cost data reported by these firms accounted for *** percent of imports from China in 2020. Purchase cost data was not reported for Vietnam. Landed duty-paid purchase cost data for imports from China are presented in tables V-8 to V-11, along with U.S. producers' sales prices.²¹

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of directly importing walk-behind mowers.

Two importers reported that they did not incur additional costs beyond landed duty-paid costs by importing walk-behind mowers directly rather than purchasing from a U.S. producer or U.S. importer. As such, none of the importers provided estimates on the total additional cost incurred, identified specific additional costs it incurred as a result of importing walk-behind mowers nor did they describe how these additional costs incurred by importing walk-behind mowers directly compares with additional costs incurred when purchasing from a U.S. producer or U.S. importer.

Two of three reporting importers reported that they compare costs of importing to the cost of purchasing from a U.S. producer in determining whether to import walk-behind mowers, and the remaining one importer compare costs to purchasing from a U.S. importer.

None of the importers identified benefits from importing walk-behind mowers directly instead of purchasing from U.S. producers or importers.

Firms were also asked whether the import cost (both excluding and including additional costs) of walk-behind mowers they imported are lower than the price of purchasing walk-behind mowers from a U.S. producer or importer. One firm (***) reported that the import cost is lower both including and not including additional costs.

None of the importers provided estimates on the amount they saved by importing walk-behind mowers rather than purchasing from a U.S. importer or U.S. producer.

²⁰ No importers reported purchase cost data for product 4 imported from China.

²¹ LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differentials are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

Table V-8

Walk-behind mowers: Weighted-average f.o.b. prices, unit LDP values and quantities of domestic product 1 and imported product 1 without Chinese produced SVSEs, and price/cost differentials, by quarter, January 2018 through December 2020

Period	United States		China cost			Vietnam cost		
	Price (dollars per unit)	Quantity (units)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Table V-9

Walk-behind mowers: Weighted-average f.o.b. prices, unit LDP values and quantities of domestic product 2 and imported product 2 without Chinese produced SVSEs, and price/cost differentials, by quarter, January 2018 through December 2020

Period	United States		China cost			Vietnam cost		
	Price (dollars per unit)	Quantity (units)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	231	***	***	***	***	***	***	***
2020:								
Jan.-Mar.	240	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 2: Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and without a grass-catching bag.

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

Table V-10

Walk-behind mowers: Weighted-average f.o.b. prices, unit LDP values and quantities of domestic product 3 and imported product 3 without Chinese produced SVSEs, and price/cost differentials, by quarter, January 2018 through December 2020

Period	United States		China cost			Vietnam cost		
	Price (dollars per unit)	Quantity (units)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)	Unit LDP value (dollars per unit)	Quantity (units)	Price / cost differential (percent)
2018:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2019:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***
2020:								
Jan.-Mar.	***	***	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Figure V-6

Walk-behind mowers: Weighted-average f.o.b. prices, LDP costs, and quantities of domestic product 1 and imported product 1 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Figure V-7

Walk-behind mowers: Weighted-average f.o.b. prices, LDP costs, and quantities of domestic product 2 and imported product 2 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Product 2: Non-Self-Propelled Lawn Mower with an engine displacement between 150 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and without a grass-catching bag.

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

Figure V-8

Walk-behind mowers: Weighted-average f.o.b. prices, LDP costs, and quantities of domestic product 3 and imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Price and purchase cost trends

In general, domestic prices increased and prices of Chinese product decreased from January 2018 through December 2020. Tables V-12 (which presents U.S. and import prices) and V-13 (which presents U.S. prices and import purchase costs) summarize the trends, by country and by product. As shown in the tables, domestic price increases ranged from *** percent to *** percent for all products during January 2018 through December 2020. Chinese price decreases ranged from *** to *** percent for products 1, 3, and 4 and increased by *** percent for product 2.²²

Table V-12

Walk-behind mowers: Number of quarters containing observations low price, high price, and change in price over period, by product and source, imports without Chinese produced SVSEs, January 2018 through December 2020

Item	Number of quarters	Low price (dollars per unit)	High price (dollars per unit)	Change in price over period (percent)
Product 1:				
United States	***	***	***	***
China price	***	***	***	***
Vietnam price	***	***	***	***
Product 2:				
United States	***	***	***	***
China price	***	***	***	***
Vietnam price	***	***	***	***
Product 3:				
United States	***	***	***	***
China price	***	***	***	***
Vietnam price	***	***	***	***
Product 4:				
United States	***	***	***	***
China price	***	***	***	***
Vietnam price	***	***	***	***

Note: Percentage change from the first quarter in which data were available to the last quarter in which price data were available.

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

²² Price data for Vietnamese product and import purchase cost data for walk-behind mowers from China and Vietnam were limited and did not lend to a meaningful price trend analysis.

Table V-13

Walk-behind mowers: Number of quarters containing observations, cost, and change in cost over period, by product and source, imports without Chinese produced SVSEs, January 2018 through December 2020

Item	Number of quarters	Low cost (dollars per unit)	High cost (dollars per unit)	Change in cost over period ¹ (percent)
Product 1: United States	***	***	***	***
China cost	***	***	***	***
Product 2: United States	***	***	***	***
China cost	***	***	***	***
Product 3: United States	***	***	***	***
China cost	***	***	***	***
Product 4: United States	***	***	***	***
China cost	***	***	***	***

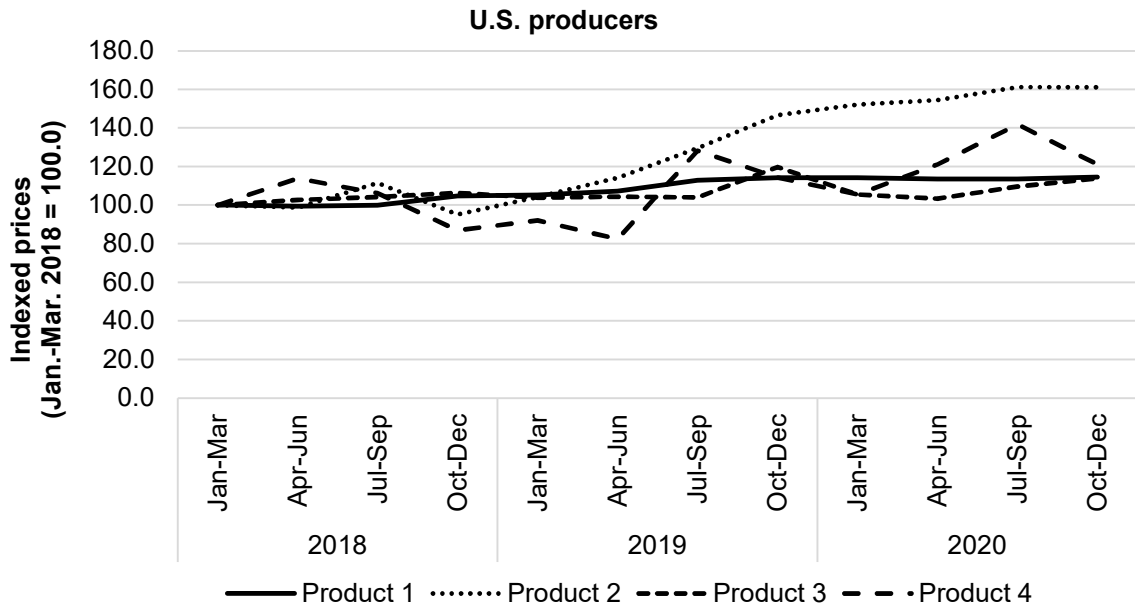
Note: Percentage change from the first quarter in which data were available to the last quarter in which price data were available.

Note: No purchase cost data was reported for products 1-4 imported from Vietnam.

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

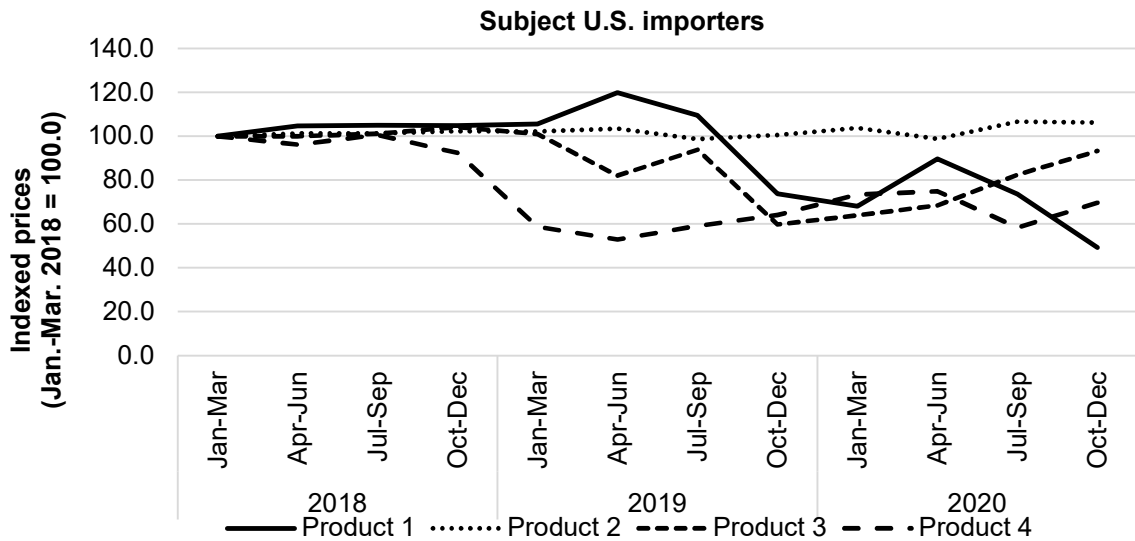
As shown in figure V-10, indexed U.S. producer prices show that prices were relatively stable from January 2018 through December 2020 for products 1 and 3, product 2 prices increased over the period, and prices fluctuated for product 4. Prices of product 1, 2, and 3 showed a large increase in the fourth quarter of 2020 while prices of product 4 declined in the same period. Indexed Chinese import prices for product 1 and 4 declined; while product 2 showed a slight increase and product 3 decreased over the period but is almost recovered to its 2018 level (figure V-11).

Figure V-10
Walk-behind mowers: Indexed U.S. producer prices, January 2018 through December 2020



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

Figure V-11
Walk-behind mowers: Indexed subject U.S. importer prices, without Chinese produced SVSEs, January 2018 through December 2020



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

Price and purchase cost comparisons

Price comparisons

As shown in table V-14, prices for product imported from China were below those for U.S.-produced product in 9 of 48 instances (** units); margins of underselling ranged from ** to ** percent. In the remaining 39 instances (** units), prices for product from China were between ** and ** percent above prices for the domestic product.

Prices for product imported from Vietnam were below those for U.S.-produced product in 6 of 6 instances (** units); margins of underselling ranged from ** to ** percent. There were no instances of Vietnamese product being above prices for the domestic product.

Table V-14
Walk-behind mowers: Instances of underselling/overselling and the range and average of margins, by product and by country, January 2018 through December 2020

Source	Underselling				
	Number of quarters	Quantity (units)	Average margin (percent)	Margin range (percent)	
				Min	Max
Product 1	**	**	**	**	**
Product 2	**	**	**	**	**
Product 3	**	**	**	**	**
Product 4	**	**	**	**	**
Total, underselling	15	**	23.3	0.0	56.7
China	**	**	**	**	**
Vietnam	**	**	**	**	**
Total, underselling	15	**	23.3	0.0	56.7
Source	(Overselling)				
	Number of quarters	Quantity (units)	Average margin (percent)	Margin range (percent)	
				Min	Max
Product 1	**	**	**	**	**
Product 2	**	**	**	**	**
Product 3	**	**	**	**	**
Product 4	**	**	**	**	**
Total, overselling	39	**	(38.2)	(1.3)	(96.7)
China	**	**	**	**	**
Vietnam	**	**	**	**	**
Total, overselling	39	**	(38.2)	(1.3)	(96.7)

Note: These data include only quarters in which there is a comparison between the U.S. and subject product. No importers reported price data for product 2 from Vietnam.

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

Price-cost comparisons

As shown in table V-15, landed duty-paid costs for walk-behind mowers imported from China were below the sales price for U.S.-produced product in 5 of 6 instances (** units); price-cost differentials ranged from 7.6 to 42.8 percent. In the remaining instance (** units), landed duty-paid costs for walk-behind mowers from China were 1.8 percent above sales prices for the domestic product. Landed duty-paid costs for Vietnamese walk-behind mowers were not reported by any importers.

Table V-15
Walk-behind mowers: Instances of lower/(higher) average unit purchase costs compared to U.S. prices and the range and average of price/cost differentials, by product and by country, January 2018 through December 2020

Source	Unit purchase cost data lower than U.S. prices				
	Number of quarters	Quantity (units)	Average price / cost differential (percent)	Price / cost differential range (percent)	
				Min	Max
Product 1	**	**	**	**	**
Product 2	**	**	**	**	**
Product 3	**	**	**	**	**
Product 4	**	**	**	**	**
Total, lower	**	**	**	**	**
China	**	**	**	**	**
Vietnam	**	**	**	**	**
Total, lower	5	297,997	15.5	7.6	42.8
Source	(Unit purchase cost data higher than U.S. prices)				
	Number of quarters	Quantity (units)	Average price / cost differential (percent)	Price / cost differential range (percent)	
				Min	Max
Product 1	**	**	**	**	**
Product 2	**	**	**	**	**
Product 3	**	**	**	**	**
Product 4	**	**	**	**	**
Total, higher	**	**	**	**	**
China	**	**	**	**	**
Vietnam	**	**	**	**	**
Total, higher	1	16	(1.8)	(1.8)	(1.8)

Note: These data include only quarters in which there is a comparison between the U.S. and subject product. No importer reported price-cost data for Vietnam.

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

Lost sales and lost revenue

In the preliminary phase of these investigations, the Commission requested that U.S. producers of walk-behind mowers report purchasers with which they experienced instances of lost sales or revenue due to competition from imports walk-behind mowers from China and Vietnam during January 2017–March 2020. The petition contained no lost sales or lost revenue allegations, and no allegations were submitted by non-petitioning producers.

In the final phase of these investigations, none of the U.S. producers reported that they had to reduce prices; however, one producer *** reported that it had exited the market. Four producers reported that they had lost sales.

Staff contacted 31 purchasers and received responses from 13 purchasers. Responding purchasers reported purchasing *** units of walk-behind mowers during January 2018–December 2020 (table V-16).

Table V-16
Walk-behind mowers: U.S. purchasers' U.S. purchases and U.S. imports excluding those with China SVSE, 2018-20

Purchaser	Purchases and imports in 2018-20 (units)			Change in domestic share (pp, 2018-20)	Change in subject country share (pp, 2018-20)
	Domestic	Subject	All other		
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
Total	***	***	***	***	***

Note: All other includes all other sources and unknown sources.

Note: Percentage points (pp) change: Change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years.

Note: Domestic purchases and imports of walk-behind mowers with Chinese produced SVSEs are excluded from this analysis.

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

Of the 13 responding purchasers, four reported that, since 2018, they had purchased imported walk-behind mowers from China instead of U.S.-produced product. All four of these purchasers reported that Chinese prices were lower than U.S.-produced product, and one purchaser reported that price was a primary reason to purchase Chinese product rather than U.S.-produced product. No purchasers provided an estimate of the quantity of walk-behind mowers from China that were purchased instead of domestic product; *** estimated it purchased 50,000 units of product from Vietnam instead of domestic product (table V-17). Purchasers identified meeting demand; diversifying their gas mowers portfolio; introducing new brands; and seeking alternative brands as non-price reasons for purchasing imported rather than U.S.-produced product.

No purchasers reported that U.S. producers had reduced prices in order to compete with lower-priced imports from China and/or Vietnam.²³

²³ Nine purchasers reported that they did not know and three reported that producers had not reduced prices.

Table V-17

Walk-behind mowers: Purchasers' responses to purchasing subject imports instead of domestic, by firm

Purchaser	Subject imports purchased instead of domestic (Y/N)	Imports priced lower (Y/N)	If purchased subject imports instead of domestic, was price a primary reason		
			Y/N	If Yes, quantity (units)	If No, non-price reason
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
Total	Yes--4; No--8	Yes--5; No--1	Yes--1; No--3	***	

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

Table V-18**Walk-behind mowers: Purchasers' responses to purchasing subject imports instead of domestic, by country**

Source	Count of purchasers reporting subject instead of domestic	Count of purchasers reported that imports were priced lower	Count of purchasers reporting that price was a primary reason for shift	Quantity subject purchased (units)
China	3	4	---	---
Vietnam	1	2	1	50,000
Any subject source	4	5	1	50,000

Note: CN-S stands for China subject product.

Note: Domestic purchases and imports of walk-behind mowers with Chinese produced SVSEs are excluded from this analysis.

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

Part VI: Financial experience of U.S. producers

Background

Four U.S. producers provided usable financial results on their walk-behind mower operations. All firms reported financial data on a calendar-year basis. Two of the responding U.S. producers provided their financial data on the basis of generally accepted accounting principles (“GAAP”), with the remaining two relying on International Financial Reporting Standards (“IFRS”).

In addition to commercial sales, the industry’s reported revenue included transfers to related firms and a *** of internal consumption. In 2020, commercial sales, internal consumption, and transfers to related firms accounted for ***, ***, and *** percent, respectively, of total reported net sales quantity.¹ Figure VI-1 presents each responding firm’s share of the total reported net sales quantity in 2020.

Staff verified the *** of Honda Power’s *** with its corporate records. The verification adjustments were incorporated into this report.² Honda Power’s U.S. producer questionnaire response was changed to revise ***.

¹ The majority of *** reported net sales consisted of commercial sales. ***. ***. The company reported that it ***. ***’s U.S. producer questionnaire response, section II-11.

² Staff verification report, Honda Power, May 20, 2021.

Figure VI-1
Walk-behind mowers: Share of net sales quantity, by firm, 2020

* * * * *

Note: ***.

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

Operations on walk-behind mowers

Table VI-1 presents aggregated data on U.S. producers' operations in relation to walk-behind mowers over the period examined, while table VI-2 presents corresponding changes in average unit values ("AUVs"). Table VI-3 presents selected company-specific financial data.

Table VI-1
Walk-behind mowers: Results of operations of U.S. producers, 2018-20

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

Table continued on next page.

Table VI-1—Continued
Walk-behind mowers: Results of operations of U.S. producers, 2018-20

Item	Calendar year		
	2018	2019	2020
	Ratio to total COGS (percent)		
Cost of goods sold.--			
Raw materials	***	***	***
Direct labor	***	***	***
Other factory costs	***	***	***
Average COGS	***	***	***
	Unit value (dollars per unit)		
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
Cost of goods sold.--			
Raw materials	***	***	***
Direct labor	***	***	***
Other factory costs	***	***	***
Average COGS	***	***	***
Gross profit	***	***	***
SG&A expense	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***
	Number of firms reporting		
Operating losses	***	***	***
Net losses	***	***	***
Data	***	***	***

Note: ***.

Note: Unit values shown as "0" or "(0)" represent non-zero values that are less than \$0.50 or more than \$(0.50), respectively.

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

Table VI-2

Walk-behind mowers: Changes in AUVs between calendar years

Item	Between calendar years		
	2018-20	2018-19	2019-20
	Change in AUVs (percent)		
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
Cost of goods sold.--			
Raw materials	***	***	***
Direct labor	***	***	***
Other factory costs	***	***	***
Average COGS	***	***	***
	Change in AUVs (dollars per unit)		
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
Cost of goods sold.--			
Raw materials	***	***	***
Direct labor	***	***	***
Other factory costs	***	***	***
Average COGS	***	***	***
Gross profit	***	***	***
SG&A expense	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

Table VI-3
Walk-behind mowers: Results of operations of U.S. producers, by firm, 2018-20

Item	Calendar year		
	2018	2019	2020
	Total net sales (units)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Total net sales (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Cost of goods sold (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Gross profit or (loss) (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	SG&A expenses (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Operating income or (loss) (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

Table continued on next page.

Table VI-3—Continued

Walk-behind mowers: Results of operations of U.S. producers, by firm, 2018-20

Item	Calendar year		
	2018	2019	2020
	Net income or (loss) (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	COGS to net sales ratio (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Gross profit or (loss) to net sales ratio (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	SG&A expense to net sales ratio (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Operating income or (loss) to net sales ratio (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Net income or (loss) to net sales ratio (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

Table continued on next page.

Table VI-3—Continued

Walk-behind mowers: Results of operations of U.S. producers, by firm, 2018-20

Item	Calendar year		
	2018	2019	2020
	Unit net sales value (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit raw materials (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit direct labor (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit other factory costs (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit COGS (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit gross profit or (loss) (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

Table continued on next page.

Table VI-3—Continued

Walk-behind mowers: Results of operations of U.S. producers, by firm, 2018-20

Item	Calendar year		
	2018	2019	2020
	Unit SG&A expenses (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit operating income or (loss) (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Unit net income or (loss) (dollars per unit)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

Note: ***.

Note: Unit values shown as “0” or “(0)” represent non-zero values that are less than \$0.50 or more than \$(0.50), respectively.

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

Net sales

The industry's net sales, by both quantity and value, decreased from 2018 to 2020.³ The decrease was mostly attributable to ***. Despite this *** sales volume ***, *** of the responding producers reported a decrease in their net sales volume between 2018 and 2019, as seen in table VI-3. In 2020, ***.^{4 5}

The AUVs of net sales increased from \$*** in 2018 to \$*** in 2020. *** of the U.S. producers experienced an increase in their net sales AUVs.⁶ ***, accounting for a combined *** percent of total net sales quantity in 2020, experienced increases of \$*** and \$***, respectively, between 2018 and 2020.⁷

Cost of goods sold and gross profit or loss

As seen in table VI-1, raw material costs accounted for the largest share of total cost of goods sold ("COGS") (**% percent in 2020). On an actual basis, raw material costs decreased from 2018 to 2020 as net sales volume declined. However, on a per-unit basis, raw material

³ ***. Email from *** and staff verification report, pp. 3-4.

⁴ ***.

⁵ In addition to Husqvarna's exit from the walk-behind mower industry, ***. Email from ***.

⁶ ***.

⁷ Some of the increase in net sales AUVs can be attributed to ***. Since the company's net sales AUVs ***, ***.

costs increased from \$*** per unit in 2018 to \$*** per unit in 2019, but decreased somewhat to \$*** per unit in 2020. *** U.S. producers reported an overall increase in their per-unit cost of raw materials from 2018 to 2020.^{8 9 ***.}¹⁰ Similar to the effect on ***. Table VI-4 shows the value, average unit value, and share of value of raw materials, by type, for 2020.¹¹

⁸ ***.

⁹ ***. The company reported that ***. ***'s U.S. producer questionnaire response, section II-10.

¹⁰ Email from ***.

¹¹ ***.

***. U.S. producer questionnaire responses, section III-7.

Table VI-4
Walk-behind mowers: Raw materials by type, 2020

Raw materials	Calendar year 2020		
	Value (1,000 dollars)	Unit value (dollars per unit)	Share of value (percent)
Engine	***	***	***
Cutting deck	***	***	***
Cutting blade	***	***	***
Handles	***	***	***
Wheels	***	***	***
Other material inputs	***	***	***
Total raw materials	***	***	***

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

Direct labor and other factory costs accounted for *** percent and *** percent of total COGS, respectively, in 2020. On a per-unit basis direct labor increased from \$*** to \$*** from 2018 to 2020, while other factory costs increased from \$*** to \$*** during this time. On a company-specific basis, the trends were mostly uniform, with *** companies reporting an overall increase in the per-unit cost of direct labor and other factory costs from 2018 to 2020.¹² Honda Power reported that ***.¹³ Similarly, MTD reported that its ***.¹⁴

While total COGS decreased from 2018 to 2020 on an actual basis as sales volume declined, the COGS to net sales ratio fluctuated, increasing from *** percent in 2018 to *** percent in 2019 and decreasing to *** percent in 2020. On a per-unit basis, total COGS for the industry increased from \$*** in 2018 to \$*** in 2020. As seen in table VI-1, net sales revenue decreased more than the decrease in total COGS between 2018 and 2020, which resulted in gross profit decreasing irregularly from \$*** in 2018 to \$*** in 2020.

¹² As discussed previously, due to ***.

¹³ Email from ***.

¹⁴ Email from ***.

SG&A expenses and operating income or loss

As seen in table VI-1, the industry's selling, general, and administrative ("SG&A") expenses decreased between 2018 and 2020, from \$*** to \$***. The decrease in SG&A expenses was mainly attributable to ***, despite increases in SG&A expenses reported by **. In response to questions from staff, **. ¹⁵ ** reported that its increase in SG&A expenses was due to ** for walk-behind lawn mowers from "****" ¹⁶ The industry's SG&A expense ratio (the ratio of SG&A expenses to net sales value) decreased from ** percent in 2018 and 2019 to ** percent in 2020. ¹⁷ Due to the decrease in the industry's total SG&A expenses, the industry's operating income did not have the same directional trends as gross profit. Operating income decreased from \$*** in 2018 to \$*** in 2019, but increased to \$*** in 2020.

All other expenses and net income or loss

Classified below the operating income level are interest expense, other expense, and other income, which are usually allocated to the product line from high levels in the corporation. Interest expense decreased irregularly from \$*** in 2018 to \$*** in 2020. The decrease is attributable to **. All other expenses, net of all other income, decreased from \$*** in 2018 to \$*** in 2020. The ** all other expenses in 2018 were the result of a **

¹⁵ Email from **.

¹⁶ Email from **.

¹⁷ **. U.S. producer questionnaire response, section III-10.

***.¹⁸ The industry's net income improved overall from *** in 2018 to *** in 2020.¹⁹

Capital expenditures and research and development expenses

Table VI-5 presents capital expenditures and research and development ("R&D") expenses by firm. The industry's capital expenditures decreased from 2018 to 2019 and increased in 2020.²⁰ R&D expenses decreased from \$*** in 2018 to \$*** in 2020.²¹

Table VI-5
Walk-behind mowers: Capital expenditures and R&D expenses of U.S. producers, 2018-20

Item	Calendar year		
	2018	2019	2020
	Capital expenditures (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Research and development expenses (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

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

¹⁸ ***'s U.S. producer questionnaire, section III-10.

¹⁹ A variance analysis is not meaningful and is therefore not presented due to ***.

²⁰ ***. ***. U.S. producer questionnaire responses at III-13.

²¹ ***. U.S. producer questionnaire response at III-13.

Assets and return on assets

Table VI-6 presents data on the U.S. producers' total assets and their return on assets ("ROA").²² Total assets increased from \$*** in 2018 to \$*** in 2020. *** accounted for the largest share of the increase in total assets. ***.²³

Table VI-6
Walk-behind mowers: U.S. producers' total assets and return on assets, 2018-20

Firm	Calendar years		
	2018	2019	2020
	Total net assets (1,000 dollars)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***
	Operating return on assets (percent)		
Briggs & Stratton	***	***	***
Honda Power	***	***	***
Husqvarna	***	***	***
MTD	***	***	***
All firms	***	***	***

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

²² The return on assets ("ROA") is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a product-specific total asset value.

²³ Email from ***.

Capital and investment

The Commission requested U.S. producers of walk-behind mowers to describe any actual or potential negative effects of imports of walk-behind mowers from China 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 and table VI-8 provides the U.S. producers' narrative responses.

Table VI-7

Walk-behind mowers: Actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

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

Note: ***.

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

Table VI-8

Walk-behind mowers: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

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

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

Part VII: Threat considerations and information on nonsubject countries

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

In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic 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 nature of the alleged subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in *Parts IV* and *V*; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in *Part VI*. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

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

The industry in China

The Commission issued foreign producers' or exporters' questionnaires to 30 firms believed to produce and/or export walk-behind mowers from China.³ Usable responses to the Commission's questionnaire were received from nine firms:

- Four firms produced walk-behind mowers both with and without SVSE from China: Fujian Spring Machinery Co., Limited ("Fujian"), Zhejiang Yat Electrical Appliance Co., Ltd ("Zhejiang"), Jiangsu World Plant-Protecting Machinery Co., LTD ("Jiangsu"), and Ningbo Daye Garden Machinery Co., Ltd ("Daye");
- Two firms produced walk-behind mowers without SVSE's from China: Sumec Hardware & Tools Co., Ltd ("Sumec"), and Zhongjian Technology Co., Ltd ("Zhongjian");
- Two firms produced walk-behind mowers with SVSE from China: Chongqing Dajiang Power Equipment Co., Ltd ("Dajiang"), and MTD;

These firms' exports to the United States accounted for *** of U.S. imports of walk-behind mowers from China in 2020. According to estimates requested of the responding producers, the production of walk-behind mowers in China reported in questionnaires accounts for approximately *** percent of overall production of walk-behind mowers in China.

Walk-behind mowers without SVSEs from China

Tables VII-1 and VII-2 present information on the walk-behind mowers without SVSE from China operations of the responding producers and exporters in China.⁴

³ These firms were identified through a review of information submitted in the petition.

⁴ Appendix I presents foreign producer data for walk-behind mowers with SVSE from China.

Table VII-1
Walk-behind mowers: Summary data for producers in China of walk-behind mowers without SVSE from China, 2020

Firm	Production (units)	Share of reported production (percent)	Exports to the United States (units)	Share of reported exports to the United States (percent)	Total shipments (units)	Share of firm's total shipments exported to the United States (percent)
Daye	***	***	***	***	***	***
Fujian	***	***	***	***	***	***
Jiangsu	***	***	***	***	***	***
Sumec	***	***	***	***	***	***
Zhejiang	***	***	***	***	***	***
Zhongjian	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Table VII-2
Walk-behind mowers: Summary data for exporters/resellers in China of walk-behind mowers without SVSE from China exporting to the United States, 2020

Resellers	Resales exported to the United States (units)	Share of resales exported to the United States (percent)
Masport	***	***
Total	***	***

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

Changes in operations of walk-behind mowers without SVSE from China

As presented in table VII-3 one producer in China reported operational and organizational changes since January 1, 2018. ***. The responding firms indicated that they do not anticipate further changes in the character of operations or organization relating to the production of walk-behind mowers in the future.

Table VII-3

Walk-behind mowers: Reported changes in operations by producers in China of walk-behind mowers without SVSEs from China, since January 1, 2018

Item / Firm	Reported changed in operations
Expansions:	
***	***

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

Operations on walk-behind mowers without SVSEs

Table VII-4 presents information on the walk-behind mowers without SVSE from China operations of the seven responding producers and exporters in China. Capacity of the responding firms increased by *** percent between 2018 and 2019 and by *** percent between 2019 and 2020, which is largely attributable to ***. Capacity is projected to decrease in 2021 and 2022, ending *** percent lower than in 2020.

Walk-behind mowers without SVSE from China production increased by *** percent between 2018 and 2019 and by *** percent between 2019 and 2020. Production is projected to increase in 2021 and 2022, ending *** percent higher than in 2020. Four firms (***) increased production overall during 2018-20, while one firm (***) decreased production from 2018 to 2020. One firm, ***, decreased production from 2018 to 2019 and then increased production from 2019 to 2020.

As the increase in production was greater than that of capacity, capacity utilization increased between 2018 and 2020 by *** percentage points, ending at *** percent in 2020.

The overall trend in Chinese producers' total shipments mirrored that of reported production, as it increased by *** percent between 2018 and 2019 and increased by *** percent between 2019 and 2020. Exports to non-U.S. markets accounted for *** of total shipments by Chinese producers during 2018 (***) and 2019 (***)⁵ However, by 2020, exports to the United States accounted for an increased share (***) of total shipments which is largely attributable to ***. Home market shipments accounted for less than *** percent in any single period.

End-of-period inventories increased by *** percent between 2018 and 2019 but decreased by *** percent between 2019 and 2020.

⁵ Other export markets include Europe, Canada, Australia, and the United Kingdom.

Table VII-4

Walk-behind mowers: Data for industry in China of walk-behind mowers without SVSE from China, 2018-20 and projected calendar years 2021 and 2022

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2018	2019	2020	2021	2022
	Quantity (units)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratios and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Quantity (units)				
Resales exported to the United States	***	***	***	***	***
Total exports to the United States	***	***	***	***	***
	Ratios and shares (percent)				
Share of total exports to the United States:					
Exported by producers	***	***	***	***	***
Exported by resellers	***	***	***	***	***
Adjusted share of total shipments exported to the United States	***	***	***	***	***

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

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

Alternative products

As shown in table VII-5, responding Chinese firms produced other products on the same equipment and machinery used to produce walk-behind mowers.⁶ Overall capacity utilization of the responding Chinese firms increased *** percentage points between 2018 and 2019 and increased *** percentage points between 2019 and 2020. Out-of-scope production of the responding Chinese firms increased *** percent between 2018 and 2019 and decreased *** percent between 2019 and 2020.⁷

⁶ ***. Dajiang Foreign Producer Questionnaire, II-4b. ***. MTD Foreign Producer Questionnaire, II-4b. ***. Sumec Foreign Producer questionnaire, II-4b.

⁷ Other products in table VII-5 include tillers, scarifiers, brush cutters, generators, pressure washers, water pumps, and hand-held chainsaws.

Table VII-5

Walk-behind mowers: Overall capacity and production on the same equipment as in-scope production in China, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Overall capacity	***	***	***
Production:			
Mowers without SVSE from China	***	***	***
Mowers with SVSE from China	***	***	***
WB mowers >3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***
	Ratios and shares (percent)		
Overall capacity utilization	***	***	***
Share of overall production:			
Mowers without SVSE from China	***	***	***
Mowers with SVSE from China	***	***	***
WB mowers >3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***

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

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

The industry in Vietnam

The Commission issued foreign producers' or exporters' questionnaires to three firms believed to produce and/or export walk-behind mowers from Vietnam.⁸ Usable responses to the Commission's questionnaire were received from one firm, Ducar Technology Co., Ltd ("Ducar").⁹ This firm's exports to the United States accounted for all of U.S. imports of walk-behind mowers from Vietnam in 2020. According to estimates requested of the responding producer, the production of walk-behind in Vietnam reported in its questionnaire response accounts for *** of the production of walk-behind mowers in Vietnam.¹⁰

Walk-behind mowers without SVSE from China

Table VII-6 presents information on the walk-behind mowers without SVSE from China operations of the responding producer/exporter in Vietnam.¹¹

Table VII-6
Walk-behind mowers: Summary data for the producer in Vietnam of walk-behind mowers without SVSE from China, 2020

Firm	Production (units)	Share of reported production (percent)	Exports to the United States (units)	Share of reported exports to the United States (percent)	Total shipments (units)	Share of firm's total shipments exported to the United States (percent)
Ducar	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

⁸ These firms were identified through a review of information submitted in the petition. Ducar notes that the other two firms listed in the petition are a freight forwarding firm and purchaser/importer of walk-behind mowers produced by Ducar (Pulsar Products (Gia Linh Logistics Services)); and a company that specializes in cordless power tools and outdoor equipment that produces out-of-scope electric lawn mowers but not walk-behind mowers (Techtronic Cordless GP).

⁹ Ducar reported that it ***.

¹⁰ Ducar foreign producer questionnaire, II-6b.

¹¹ Appendix I presents foreign producer data for walk-behind mowers with SVSE from China.

Changes in operations without SVSE from China

As presented in table VII-7 Ducar reported operational and organizational changes since January 1, 2018. ***.¹²

Table VII-7

Walk-behind mowers: Reported changes in operations by the producer in Vietnam with and without SVSE from China, since January 1, 2017

Item / Firm	Reported changed in operations
Plant openings:	
***	***

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

Operations on walk-behind mowers without SVSE from China

Table VII-8 presents information on the walk-behind mowers without SVSE from China operations of the responding producer/exporter in Vietnam. Ducar began production of walk-behind mowers (***) in *** and ***.¹³ Ducar noted that it plans to “***.”¹⁴

¹² ***. *** Foreign producers’/exporters’ questionnaire response at II-8.

¹³ Ducar stated that its capacity is based on ***. It noted that “***.” Capacity includes walk-behind mowers with and without SVSE from China.

¹⁴ Hearing transcript, p. 137 (Adams Lee).

Table VII-8

Walk-behind mowers: Data on industry in Vietnam of walk-behind mowers without SVSE from China, 2018-20 and projected calendar years 2021 and 2022

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2018	2019	2020	2021	2022
	Quantity (units)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratios and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***

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

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

Alternative products

As shown in table VII-9, the responding firm in Vietnam produced other products on the same equipment and machinery used to produce walk-behind mowers.^{15 16}

Table VII-9
Walk-behind mowers: Overall capacity and production on the same equipment as in-scope production by producers in Vietnam, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Overall capacity	***	***	***
Production:			
Mowers without SVSE from China	***	***	***
Mowers with SVSE from China	***	***	***
WB mowers >3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***
	Ratios and shares (percent)		
Overall capacity utilization	***	***	***
Share of overall production:			
Mowers without SVSE from China	***	***	***
Mowers with SVSE from China	***	***	***
WB mowers >3.7 kilowatts	***	***	***
Riding mowers	***	***	***
Other products	***	***	***
Out-of-scope production	***	***	***
Total production on same machinery	***	***	***

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

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

¹⁵ Other products include ***.

¹⁶ Ducar stated that it stopped importing Chinese engines and engines parts into Vietnam in *** because of the potential risk of being subject to the AD/CVD orders on SVSEs from China. Respondent Ducar's posthearing brief, p.6.

Subject countries combined

Table VII-10 presents summary data on walk-behind mowers without SVSE from China operations of the reporting subject producers in the subject countries.

Table VII-10

Walk-behind mowers: Data on the walk-behind mowers without SVSE industry in subject countries, 2018-20 and projected calendar years 2021 and 2022

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2018	2019	2020	2021	2022
	Quantity (units)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratios and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Quantity (units)				
Resales exported to the United States	***	***	***	***	***
Total exports to the United States	***	***	***	***	***
	Ratios and shares (percent)				
Share of total exports to the United States:					
Exported by producers	***	***	***	***	***
Exported by resellers	***	***	***	***	***
Adjusted share of total shipments exported to the United States	***	***	***	***	***

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

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

U.S. inventories of imported merchandise

Table VII-11 presents data on U.S. importers' reported inventories of walk-behind mowers. Inventories from subject sources increased *** percent between 2018 and 2019 and increased *** percent between 2019 and 2020. *** held the vast majority of reported inventories of subject imports from China (without SVSE from China) in 2020, with ending inventories totaling *** walk-behind mowers, a *** percent increase over 2019 ending inventories. The firm stated that this was driven primarily by ***. Increased inventories from Vietnam is *** due to *** entering the import market in 2020.

Inventories from nonsubject sources decreased *** percent between 2018 and 2019 and increased *** percent between 2019 and 2020.

Table VII-11**Walk-behind mowers: U.S. importers' end-of-period inventories of imports by source, 2018-20**

Item	Calendar year		
	2018	2019	2020
	Inventories (units); Ratios (percent)		
Imports from China: Inventories	***	***	***
Ratio to U.S. imports	***	***	***
Ratio to U.S. shipments of imports	***	***	***
Ratio to total shipments of imports	***	***	***
Imports from Vietnam: Inventories	***	***	***
Ratio to U.S. imports	***	***	***
Ratio to U.S. shipments of imports	***	***	***
Ratio to total shipments of imports	***	***	***
Imports from subject sources: Inventories	***	***	***
Ratio to U.S. imports	***	***	***
Ratio to U.S. shipments of imports	***	***	***
Ratio to total shipments of imports	***	***	***
Imports from nonsubject sources: Inventories	***	***	***
Ratio to U.S. imports	***	***	***
Ratio to U.S. shipments of imports	***	***	***
Ratio to total shipments of imports	***	***	***
Imports from all import sources: Inventories	***	***	***
Ratio to U.S. imports	***	***	***
Ratio to U.S. shipments of imports	***	***	***
Ratio to total shipments of imports	***	***	***

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

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

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of walk-behind mowers from subject or nonsubject sources after January 1, 2021 through December 31, 2021; table VII-12 presents this data. No importers reported arranged imports from subject sources during the calendar year 2021. Two responding importers (***) reported outstanding orders of walk-behind mowers from nonsubject sources during 2021.

Table VII-12**Walk-behind mowers: Arranged imports, January 2021 through December 2021**

Item	Period				
	Jan-Mar 2021	Apr-Jun 2021	Jul-Sept 2021	Oct-Dec 2021	Total
	Quantity (units)				
Arranged U.S. imports from.-- China	***	***	***	***	***
Vietnam	***	***	***	***	***
Subject sources	***	***	***	***	***
All other sources	***	***	***	***	***
All import sources	***	***	***	***	***

Note: No importers reported arranged imports of mowers with China SVSE.

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

Antidumping or countervailing duty orders in third-country markets

On February 3, 2020, Argentina initiated an antidumping investigation on imports from China of certain weeding machines and lawn mowers with a motor, specifically products classified under HS code subheadings 8367.29.99 and 8433.11.00. Walk-behind mowers as defined in the scope of these investigations may enter under HS subheadings 8433.11.00. Argentina subsequently terminated the investigation on January 21, 2021.¹⁷

Information on nonsubject countries

GTA publishes data on global exports of mowers, including those for subheadings 8433.11. However, this subheading also includes export data for out-of-scope mowers, including electric mowers and ride-on mowers. Due to this data limitation, GTA data is not presented.

Toro was the *** U.S. importer to report imports from nonsubject countries between 2018 and 2020. Toro imports walk-behind mowers from its subsidiaries in *** and ***. U.S. imports of walk-behind mowers by Toro were *** between 2018 and 2019, but increased by *** percent or *** walk-behind mowers between 2019 and 2020. The increases in imports in

¹⁷ Global Trade Alert, “Argentina: Initiation and Subsequent Termination of Antidumping Investigation on Imports of Certain Lawnmowers and Weeding Machines from China,” <https://www.globaltradealert.org/intervention/78429/anti-dumping/argentina-initiation-and-subsequent-termination-of-antidumping-investigation-on-imports-of-certain-lawnmowers-and-weeding-machines-from-china>.

2020 are partially explained by increased sales and demand for walk-behind due to an expanded partnership with Tractor Supply Company.¹⁸

¹⁸ Toro Company, 2020 Annual Report, pdf page 3. <https://www.thetorocompany.com/static-files/413529f9-87c7-424a-9dcd-1a7c53f41045>.

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, *Federal Register* notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
85 FR 33710, June 2, 2020	<i>Walk-Behind Lawn Mowers From China and Vietnam; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	https://www.federalregister.gov/documents/2020/06/02/2020-11762/walk-behind-lawn-mowers-from-china-and-vietnam-institution-of-anti-dumping-and-countervailing-duty
85 FR 37417, June 22, 2020	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair Value Investigations</i>	https://www.federalregister.gov/documents/2020/06/22/2020-13385/certain-walk-behind-lawn-mowers-and-parts-thereof-from-the-peoples-republic-of-china-and-the
85 FR 37426, June 22, 2020	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Initiation of Countervailing Duty Investigations</i>	https://www.federalregister.gov/documents/2020/06/22/2020-13384/certain-walk-behind-lawn-mowers-and-parts-thereof-from-the-peoples-republic-of-china-initiation-of
85 FR 43257 July 16, 2020	<i>Walk-Behind Lawn Mowers From China and Vietnam</i>	https://www.federalregister.gov/documents/2020/07/16/2020-15317/walk-behind-lawn-mowers-from-china-and-vietnam
85 FR 68848 October 30, 2020	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination</i>	https://www.federalregister.gov/documents/2020/10/30/2020-24050/certain-walk-behind-lawn-mowers-and-parts-thereof-from-the-peoples-republic-of-china-preliminary

Citation	Title	Link
85 FR 86529 December 30, 2020	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.federalregister.gov/documents/2020/12/30/2020-28852/certain-walk-behind-lawn-mowers-and-parts-thereof-from-the-peoples-republic-of-china-preliminary
85 FR 7565 December 30, 2020	<i>Walk-Behind Lawn Mowers From China and Vietnam; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations</i>	https://www.federalregister.gov/d/2021-01951
86 FR 22975 April 30, 2021	<i>Small Vertical Shaft Engines From China</i>	https://www.federalregister.gov/d/2021-09004
86 FR 27379 May 20, 2021	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Final Affirmative Countervailing Duty Determination</i>	https://www.federalregister.gov/d/2021-10673
86 FR 27384 May 20, 2021	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value</i>	https://www.federalregister.gov/d/2021-10674
86 FR 27382 May 20, 2021	<i>Certain Walk-Behind Lawn Mowers and Parts Thereof From the Socialist Republic of Vietnam: Final Affirmative Determination of Sales at Less Than Fair Value</i>	https://www.federalregister.gov/d/2021-10672

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

Subject: Walk-Behind Lawn Mowers from China and Vietnam

Inv. Nos.: 701-TA-648 and 731-TA-1521-1522 (Final)

Date and Time: May 18, 2021 - 9:30 a.m.

OPENING REMARKS:

Petitioner (**Alexander H. Schaefer**, Crowell & Moring LLP)

Respondents (**Julie C. Mendoza**, Morris, Manning & Martin, LLP)

In Support of the Imposition of Antidumping and Countervailing Duty Orders:

Crowell & Moring LLP
Washington, DC
on behalf of

MTD Products Inc ("MTD")

Robert T. Moll, Chief Executive Officer, MTD

Jeremy McConoughey, Vice President, Manufacturing Operations, North America, MTD

Jason Mattern, Vice President of Sales, MTD

Michael Musacchia, Walk-Behind Product Director, MTD

Keven Drummond Eiber, Assistant General Counsel, MTD

Steven Trumpler, Senior Vice President and General Manager, Wheeled Products Division, MTD

Larry Muscarella, General Counsel, MTD

Heidi Ketvertis, Vice President of Marketing, MTD

Alexander H. Schaefer)
Brian McGrath) – OF COUNSEL
Simeon Yerokun)

**In Opposition to the Imposition of
Antidumping and Countervailing Duty Orders:**

Morris, Manning & Martin, LLP
Washington, DC
on behalf of

Ningbo Daye Garden Machinery Co., Ltd. (“Ningbo Daye”); Daye North America Inc. (“Daye North America”); Sumec Hardware & Tools Co., Ltd. (“Sumec”); Merotec Inc. (“Merotec”); Zhejiang YAT Electrical Appliance Co., Ltd. (“YAT”); Zhongjian Technology Co., Ltd. (“Zhongjiang Technology”); Chongqing Dajiang Power Equipment Co., Ltd. (“Dajiang Power”)

John Plocic, President and Chief Executive Officer, Merotec

Matt Ragland, Chief Executive Officer, Daye North America

Emma K. Peterson, Director of International Trade Analytics, Morris, Manning
& Martin, LLP

Donald B. Cameron)
Julie C. Mendoza) – OF COUNSEL
Edward J. Thomas)

Harris Bricken Sliwoski LLP
Seattle, WA
on behalf of

Pulsar Products, Inc. (“Pulsar”)
Ducar Technology Company Limited (“Ducar”)

Adams C. Lee) – OF COUNSEL

INTERESTED PARTY IN OPPOSITION:

MinterEllisonRuddWatts
Auckland, New Zealand
on behalf of

Fujian Spring Machinery Co., Ltd (“Fujian”)
Masport Limited (“Masport”)

Stephen Hughes, Managing Director, Masport

Sarah Salmond) – OF COUNSEL

REBUTTAL/CLOSING REMARKS:

Petitioner (**Alexander H. Schaefer**, Crowell & Moring LLP)

APPENDIX C
SUMMARY DATA

Table C-1: Summary data.....	C-3
Table C-2: Summary data excluding imports with SVSE from China	C-5

Expanded like product

Table C-1

Walk-behind mowers: Summary data concerning the U.S. market based on an expanded like product including mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent-- exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. consumption quantity:						
Amount.....	***	***	***	▼***	▼***	▼***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
Mowers without China SVSE:						
China.....	***	***	***	▲***	▲***	▲***
Vietnam.....	***	***	***	▲***	***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
Subject sources less Vietnam.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources plus Vietnam.	***	***	***	▲***	▲***	▲***
All import sources.....	***	***	***	▲***	▲***	▲***
Mowers with China SVSE all sources...	***	***	***	▲***	▲***	▼***
Mowers regardless of engine origin.....	***	***	***	▲***	▲***	▲***
U.S. consumption value:						
Amount.....	***	***	***	▼***	▼***	▲***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
Mowers without China SVSE:						
China.....	***	***	***	▲***	▲***	▲***
Vietnam.....	***	***	***	▲***	***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
Subject sources less Vietnam.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources plus Vietnam.	***	***	***	▲***	▲***	▲***
All import sources.....	***	***	***	▲***	▲***	▲***
Mowers with China SVSE all sources...	***	***	***	▼***	▼***	▼***
Mowers regardless of engine origin.....	***	***	***	▲***	▲***	▲***
U.S. importers' U.S. shipments of imports from:						
China:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▲***	▲***	▲***
Unit value.....	***	***	***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***
Vietnam:						
Quantity.....	***	***	***	▲***	***	▲***
Value.....	***	***	***	▲***	***	▲***
Unit value.....	***	***	***	▲***	***	▲***
Ending inventory quantity.....	***	***	***	▲***	***	▲***
Subject sources:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▲***	▲***	▲***
Unit value.....	***	***	***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***

Table continued on next page.

Table C-1--Continued

Walk-behind mowers: Summary data concerning the U.S. market based on an expanded like product including mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. importers' U.S. shipments of imports from--Continued:						
Subject sources less Vietnam:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▲ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Nonsubject sources:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▼ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▲ ***
Ending inventory quantity.....	***	***	***	▲ ***	▼ ***	▲ ***
Nonsubject sources plus Vietnam:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▼ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▼ ***	▲ ***
All import sources:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▲ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Mowers with China SVSE all sources:						
Quantity.....	***	***	***	▲ ***	▲ ***	▼ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▼ ***	▲ ***	▼ ***
Mowers regardless of engine origin:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▲ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
U.S. producers':						
Average capacity quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Production quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Capacity utilization (fn1).....	***	***	***	▲ ***	▲ ***	▲ ***
U.S. shipments:						
Quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▲ ***	▲ ***	▲ ***
Export shipments:						
Quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▼ ***	▲ ***	▼ ***
Ending inventory quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Inventories/total shipments (fn1).....	***	***	***	▼ ***	▼ ***	▼ ***

Table continued on next page.

Table C-1--Continued

Walk-behind mowers: Summary data concerning the U.S. market based on an expanded like product including mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent-- exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. producers'--Continued:						
Production workers.....	***	***	***	▼***	▼***	▼***
Hours worked (1,000s).....	***	***	***	▼***	▼***	▼***
Wages paid (\$1,000).....	***	***	***	▼***	▼***	▲***
Hourly wages (dollars per hour).....	***	***	***	▲***	▲***	▲***
Productivity (units per 1,000 hours).....	***	***	***	▲***	▲***	▼***
Unit labor costs.....	***	***	***	▲***	▲***	▲***
Net sales:						
Quantity.....	***	***	***	▼***	▼***	▼***
Value.....	***	***	***	▼***	▼***	▼***
Unit value.....	***	***	***	▲***	▲***	▲***
Cost of goods sold (COGS).....	***	***	***	▼***	▼***	▼***
Gross profit or (loss) (fn2).....	***	***	***	▼***	▼***	▲***
SG&A expenses.....	***	***	***	▼***	▼***	▼***
Operating income or (loss) (fn2).....	***	***	***	▲***	▼***	▲***
Net income or (loss) (fn2).....	***	***	***	▲***	▲***	▲***
Unit COGS.....	***	***	***	▲***	▲***	▲***
Unit SG&A expenses.....	***	***	***	▲***	▲***	▼***
Unit operating income or (loss) (fn2).....	***	***	***	▲***	▼***	▲***
Unit net income or (loss) (fn2).....	***	***	***	▲***	▲***	▲***
COGS/sales (fn1).....	***	***	***	▼***	▲***	▼***
Operating income or (loss)/sales (fn1).....	***	***	***	▲***	▼***	▲***
Net income or (loss)/sales (fn1).....	***	***	***	▲***	▲***	▲***
Capital expenditures.....	***	***	***	▲***	▼***	▲***
Research and development expenses.....	***	***	***	▼***	▼***	▼***
Net assets.....	***	***	***	▲***	▲***	▲***

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.

SUMMARY DATA EXCLUDING IMPORTS WITH SVSE FROM CHINA

Co-extensive like product

Table C-2

Walk-behind mowers: Summary data concerning the U.S. market based on a co-extensive like product excluding mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. consumption quantity:						
Amount.....	***	***	***	▼***	▼***	▼***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
China.....	***	***	***	▲***	▲***	▲***
Vietnam.....	***	***	***	▲***	***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
Subject sources less Vietnam.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources plus Vietnam.....	***	***	***	▲***	▲***	▲***
All import sources.....	***	***	***	▲***	▲***	▲***
U.S. consumption value:						
Amount.....	***	***	***	▲***	▼***	▲***
Producers' share (fn1).....	***	***	***	▼***	▼***	▼***
Importers' share (fn1):						
China.....	***	***	***	▲***	▲***	▲***
Vietnam.....	***	***	***	▲***	***	▲***
Subject sources.....	***	***	***	▲***	▲***	▲***
Subject sources less Vietnam.....	***	***	***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	▲***	▲***	▲***
Nonsubject sources plus Vietnam.....	***	***	***	▲***	▲***	▲***
All import sources.....	***	***	***	▲***	▲***	▲***
U.S. importers' U.S. shipments of imports from:						
China:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▲***	▲***	▲***
Unit value.....	***	***	***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***
Vietnam:						
Quantity.....	***	***	***	▲***	***	▲***
Value.....	***	***	***	▲***	***	▲***
Unit value.....	***	***	***	▲***	***	▲***
Ending inventory quantity.....	***	***	***	▲***	***	▲***
Subject sources:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▲***	▲***	▲***
Unit value.....	***	***	***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***
Subject sources less Vietnam:						
Quantity.....	***	***	***	▲***	▲***	▲***
Value.....	***	***	***	▲***	▲***	▲***
Unit value.....	***	***	***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	▲***	▲***	▲***

Table continued on next page.

Table C-2--Continued

Walk-behind mowers: Summary data concerning the U.S. market based on a co-extensive like product excluding mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. importers' U.S. shipments of imports from--Continued:						
Nonsubject sources:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▼ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▲ ***
Ending inventory quantity.....	***	***	***	▲ ***	▼ ***	▲ ***
Nonsubject sources plus Vietnam:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▼ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▼ ***	▲ ***
All import sources:						
Quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
Value.....	***	***	***	▲ ***	▲ ***	▲ ***
Unit value.....	***	***	***	▼ ***	▼ ***	▼ ***
Ending inventory quantity.....	***	***	***	▲ ***	▲ ***	▲ ***
U.S. producers' (fn2):						
Average capacity quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Production quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Capacity utilization (fn1).....	***	***	***	▲ ***	▲ ***	▲ ***
U.S. shipments:						
Quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▲ ***	▲ ***	▲ ***
Export shipments:						
Quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Value.....	***	***	***	▼ ***	▼ ***	▼ ***
Unit value.....	***	***	***	▼ ***	▲ ***	▼ ***
Ending inventory quantity.....	***	***	***	▼ ***	▼ ***	▼ ***
Inventories/total shipments (fn1).....	***	***	***	▼ ***	▼ ***	▼ ***
Production workers.....	***	***	***	▼ ***	▼ ***	▼ ***
Hours worked (1,000s).....	***	***	***	▼ ***	▼ ***	▼ ***
Wages paid (\$1,000).....	***	***	***	▼ ***	▼ ***	▲ ***
Hourly wages (dollars per hour).....	***	***	***	▲ ***	▲ ***	▲ ***
Productivity (units per 1,000 hours).....	***	***	***	▲ ***	▲ ***	▼ ***
Unit labor costs.....	***	***	***	▲ ***	▲ ***	▲ ***

Table continued on next page.

Table C-2--Continued

Walk-behind mowers: Summary data concerning the U.S. market based on a co-extensive like product excluding mowers with China SVSE, 2018-20

(Quantity=units; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per unit; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	Calendar year			Comparison years		
	2018	2019	2020	2018-20	2018-19	2019-20
U.S. producers'--Continued:						
Net sales:						
Quantity.....	***	***	***	▼***	▼***	▼***
Value.....	***	***	***	▼***	▼***	▼***
Unit value.....	***	***	***	▲***	▲***	▲***
Cost of goods sold (COGS).....	***	***	***	▼***	▼***	▼***
Gross profit or (loss) (fn3).....	***	***	***	▼***	▼***	▲***
SG&A expenses.....	***	***	***	▼***	▼***	▼***
Operating income or (loss) (fn3).....	***	***	***	▲***	▼***	▲***
Net income or (loss) (fn3).....	***	***	***	▲***	▲***	▲***
Unit COGS.....	***	***	***	▲***	▲***	▲***
Unit SG&A expenses.....	***	***	***	▲***	▲***	▼***
Unit operating income or (loss) (fn3).....	***	***	***	▲***	▼***	▲***
Unit net income or (loss) (fn3).....	***	***	***	▲***	▲***	▲***
COGS/sales (fn1).....	***	***	***	▼***	▲***	▼***
Operating income or (loss)/sales (fn1).....	***	***	***	▲***	▼***	▲***
Net income or (loss)/sales (fn1).....	***	***	***	▲***	▲***	▲***
Capital expenditures.....	***	***	***	▲***	▼***	▲***
Research and development expenses.....	***	***	***	▼***	▼***	▼***
Net assets.....	***	***	***	▲***	▲***	▲***

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.--Data submitted by U.S. producers does not break out domestic production by origin of the mower, as such these data reflect domestically manufactured mowers with both China SVSE and non-China SVSE, i.e., de facto broader than Commerce's scope.

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.

APPENDIX D

U.S. PRODUCERS' AND U.S. IMPORTER' U.S. SHIPMENTS BY PRODUCT TYPE

Tables D-1 and D-3 present data on U.S. producers' and U.S. importers' U.S. shipments by product type during 2018-20. The majority of U.S. producers' U.S. shipments were of branded walk-behind mowers, although the share declined during 2018-20 due to ***. The vast majority of U.S. shipments of U.S. imports from China without SVSE from China during 2019-20 were of private label walk-behind mowers, while the majority U.S. shipments of U.S. imports from China with SVSE from China were branded walk-behind mowers. All U.S. shipments of U.S. imports from Vietnam without SVSE from China and with SVSE from China were of private label walk-behind mowers. All U.S. shipments of U.S. imports from sources other than China and Vietnam (largely Mexico) without SVSE from China and with SVSE from China were of branded walk-behind mowers.

Table D-1

Walk-behind mowers: U.S. producers' U.S. shipments by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

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

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

Table D-2

Walk-behind mowers: U.S. importers' U.S. shipments without SVSE China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

Tables continued next page.

Table D-2—Continued

Walk-behind mowers: U.S. importers' U.S. shipments without SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

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Table D-2—Continued

Walk-behind mowers: U.S. importers' U.S. shipments without SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from subject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from subject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from subject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from subject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from subject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

Table continued on next page.

Table D-2—Continued

Walk-behind mowers: U.S. importers' U.S. shipments without SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from nonsubject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from nonsubject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from nonsubject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from nonsubject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from nonsubject sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

Table continued on next page.

Table D-2—Continued

Walk-behind mowers: U.S. importers' U.S. shipments without SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from all sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from all sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from all sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from all sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from all sources.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

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

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

Table D-3

Walk-behind mowers: U.S. importers' U.S. shipments with SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from China.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

Table continued on next page.

Table D-3—Continued

Walk-behind mowers: U.S. importers' U.S. shipments with SVSE from China by type, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Value (1,000 dollars)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Unit value (dollars per unit)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of quantity (percent)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***
	Share of value (percent)		
U.S. shipments from Vietnam.-- Branded	***	***	***
Private Label	***	***	***
All types	***	***	***

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

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

APPENDIX E

U.S. IMPORTS EXCLUDING WALK-BEHIND MOWERS WITH SVSE FROM CHINA

Table E-1 through E-7 and figure E-1 through E-3 present data on U.S. imports of walk-behind mowers excluding walk-behind mowers with small vertical shaft engines (“SVSE”) from China.

Table E-1

Walk-behind mowers: U.S. importers, their headquarters, and share of total imports by source, excluding those with China SVSE, 2020

Firm	Headquarters	Share of imports by source (percent)				
		China	Vietnam	Subject sources	Nonsubject sources	All import sources
American Honda	Torrance, CA	***	***	***	***	***
Briggs & Stratton	Wauwatosa, WI	***	***	***	***	***
Daye	Charlotte, NC	***	***	***	***	***
Generac	Waukesha, WI	***	***	***	***	***
Merotec	Kennesaw, GA	***	***	***	***	***
MTD	Valley City, OH	***	***	***	***	***
Power Distributors	Columbus, OH	***	***	***	***	***
Pulsar Products	Ontario, CA	***	***	***	***	***
Toro	Bloomington, MN	***	***	***	***	***
Walmart	Bentonville, AR	***	***	***	***	***
Total		***	***	***	***	***

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

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

Table E-2

Walk-behind mowers: U.S. imports by source, excluding those with China SVSE, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
	Value (1,000 dollars)		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
	Unit value (dollars per unit)		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***

Table continued next page.

Table E-2—Continued

Walk-behind mowers: U.S. imports by source, excluding those with China SVSE, 2018-20

Item	Calendar year		
	2018	2019	2020
	Share of quantity (percent)		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
	Share of value (percent)		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
	Ratio to U.S. production		
U.S. imports from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***

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

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

Figure E-1

**Walk-behind mowers: U.S. imports quantities and average unit values, excluding those with China
SVSE, 2018-20**

* * * * *

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

Table E-3**Walk-behind mowers: U.S. imports in the twelve month period proceeding the filing of the petition, excluding those with China SVSE, May 2019 through April 2020**

Item	May 2019 through April 2020	
	Quantity (units)	Share quantity (percent)
U.S. imports from.-- China	***	***
Vietnam	***	***
Subject sources	***	***
Subject sources less Vietnam	***	***
Nonsubject sources	***	***
Nonsubject sources plus Vietnam	***	***
All import sources	***	***

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

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

Table E-4
Walk-behind mowers: U.S. producers' U.S. shipments and U.S. importers' U.S. shipments
excluding those with China SVSE, by product type, 2020

Item	Calendar year 2020		
	Branded	Private label	All product types
	Quantity (Units)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. producers and U.S. importers	***	***	***
	Share of quantity down (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. producers and U.S. importers	***	***	***
	Share of quantity across (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
U.S. producers and U.S. importers	***	***	***

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

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

Figure E-2

Walk-behind mowers: U.S producers' U.S. shipments and U.S. importers' U.S. shipments excluding those with China SVSE, by product type, 2020

* * * * *

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

Table E-5
Walk-behind mowers: Product mix for U.S. producers and U.S. importers, excluding those with China SVSE, 2020

Product Mix	U.S. producers	China	Vietnam	Nonsubject imports
Propulsion.-- Push only mowers	4	5	***	***
Self-propellant mowers	4	5	***	***
Start.-- Pull start only	4	5	***	***
Button or auto start system	4	5	***	***
Discharge bag.-- Grass discharge bag	4	5	***	***
No grass discharge bag	4	4	***	***
Cutting deck.-- Steel cutting deck	4	5	***	***
Aluminum cutting deck	---	1	***	***
Other cutting deck	1	---	***	***
Motor sizes.-- 129 cc and lower	2	4	***	***
130 cc and 139 cc	2	1	***	***
140 cc and 149 cc	2	4	***	***
150 cc and 159 cc	2	4	***	***
160 cc and 169 cc	4	4	***	***
170 cc and greater	4	4	***	***
Blade sizes.-- Less than 21" blades	2	4	***	***
21" blades	4	5	***	***
Greater than 21" blades	2	2	***	***

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

Table E-6
Walk-behind mowers: U.S. shipments of domestic product, U.S. shipments of imports excluding those with China SVSE, and apparent U.S. consumption, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
Apparent U.S. consumption	***	***	***
	Value (1,000 dollars)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
Apparent U.S. consumption	***	***	***

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

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

Figure: E-3

**Walk-behind mowers: Apparent U.S. consumption, with U.S. imports excluding those with China
SVSE, 2018-20**

* * * * *

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

Table E-7

Walk-behind mowers: Market shares, with U.S. imports excluding those with China SVSE, 2018-20

Item	Calendar year		
	2018	2019	2020
	Quantity (units)		
Apparent U.S. consumption	***	***	***
	Share of quantity (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***
	Value (1,000 dollars)		
Apparent U.S. consumption	***	***	***
	Share of value (percent)		
U.S. producers' U.S. shipments	***	***	***
U.S. importers' U.S. shipments from.-- China	***	***	***
Vietnam	***	***	***
Subject sources	***	***	***
Subject sources less Vietnam	***	***	***
Nonsubject sources	***	***	***
Nonsubject sources plus Vietnam	***	***	***
All import sources	***	***	***

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

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

APPENDIX F
ALTERNATE NEGLIGENCE

Table F-1 presents data on presents U.S. imports from May 2019 through April 2020, the 12 months preceding the petition with small vertical shaft engines (“SVSE”) from China as nonsubject imports.

Table F-1

Walk-behind mowers: U.S. imports in the twelve month period proceeding the filing of the petition, May 2019 through April 2020

Item	May 2019 through April 2020	
	Quantity (units)	Share quantity (percent)
U.S. imports from.--		
China (without SVSE)	***	***
Vietnam (without SVSE)	***	***
Subject sources	***	***
Subject sources less Vietnam	***	***
China (with SVSE)	***	***
Vietnam (with SVSE)	***	***
Other nonsubject sources	***	***
Nonsubject sources	***	***
Nonsubject sources plus Vietnam	***	***
All import sources	***	***

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

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

APPENDIX G

PRICE DATA FOR IMPORTS WITH CHINESE SVSEs

Four importers reported price data for Chinese mowers with Chinese SVSEs (“non-scope” imports) for products 1, 3, and 4. One importer reported price data for non-scope Vietnamese mowers for product 1. Importers did not report any pricing data for non-scope product 2. Price data reported for non-scope products by these firms accounted for *** percent and *** percent of commercial U.S. shipments of non-scope imports from China and Vietnam, respectively, in 2020. These price items and accompanying data are comparable to those presented in tables V-4 to V-7. Price and quantity data for non-scope imports from China and Vietnam are shown in tables G-1 to G-3 and in figures G-1 to G-3 (with domestic and subject import in-scope price data). No purchase cost data was reported for non-scope mowers imported from China and Vietnam.

In comparing non-scope import pricing data from China and Vietnam with U.S. producer pricing data, prices for non-scope product imported from subject countries were lower than prices for U.S.-produced product in *** instances and higher in *** instance. In comparing non-scope pricing data with in-scope subject import pricing data, prices for non-scope product imported from subject countries were lower than prices for in-scope product imported from China in 27 instances and higher in 1 instances and were lower than prices for in-scope product imported from Vietnam in 1 instance and higher in 1 instance. A summary of price differentials is presented in table G-4.

Table G-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 1, by quarter, January 2018 through December 2020

Period	United States		China		Vietnam	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2019:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2020:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Table G-2

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 3, by quarter, January 2018 through December 2020

Period	United States		China	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	289	425,403	***	***
Apr.-Jun.	297	366,395	***	***
Jul.-Sep.	301	151,343	***	***
Oct.-Dec.	307	81,909	***	***
2019:				
Jan.-Mar.	300	449,779	***	***
Apr.-Jun.	302	385,647	***	***
Jul.-Sep.	301	120,481	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

Note: Non-scope pricing data was only reported for China.

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

Table G-3

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 4, by quarter, January 2018 through December 2020

Period	United States		China	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2019:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.

Note: Non-scope pricing data was only reported for China.

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

Figure G-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Figure G-2

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.
Note: Non-scope pricing data was only reported for China.

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

Figure G-3

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by quarter, excluding mowers with SVSE's from China, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.
Note: Nonsubject pricing data was only reported for China.

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

Table G-4

Walk-behind mowers: Summary of higher/(lower) unit values for non-scope import price data, by source, January 2018 through December 2020

Comparison	Total number of comparisons	Lower		Higher	
		Number of quarters	Quantity (units)	Number of quarters	Quantity (units)
Sources vs United States.-- China non-scope vs. United States	***	***	***	***	***
Vietnam non-scope vs United States	***	***	***	***	***
Sources vs China non-scope.-- China non-scope vs. China subject	***	***	***	***	***
Vietnam non-scope vs. China subject	***	***	***	***	***
Sources vs Vietnam subject.-- China non-scope vs. Vietnam subject	***	***	***	***	***
Vietnam non-scope vs. Vietnam subject	***	***	***	***	***

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

APPENDIX G

PRICE DATA FOR IMPORTS WITH CHINESE SVSEs

Four importers reported price data for Chinese mowers with Chinese SVSEs (“non-scope” imports) for products 1, 3, and 4. One importer reported price data for non-scope Vietnamese mowers for product 1. Importers did not report any pricing data for non-scope product 2. Price data reported for non-scope products by these firms accounted for *** percent and *** percent of commercial U.S. shipments of non-scope imports from China and Vietnam, respectively, in 2020. These price items and accompanying data are comparable to those presented in tables V-4 to V-7. Price and quantity data for non-scope imports from China and Vietnam are shown in tables G-1 to G-3 and in figures G-1 to G-3 (with domestic and subject import in-scope price data). No purchase cost data was reported for non-scope mowers imported from China and Vietnam.

In comparing non-scope import pricing data from China and Vietnam with U.S. producer pricing data, prices for non-scope product imported from subject countries were lower than prices for U.S.-produced product in *** instances and higher in *** instance. In comparing non-scope pricing data with in-scope subject import pricing data, prices for non-scope product imported from subject countries were lower than prices for in-scope product imported from China in 27 instances and higher in 1 instances and were lower than prices for in-scope product imported from Vietnam in 1 instance and higher in 1 instance. A summary of price differentials is presented in table G-4.

Table G-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 1, by quarter, January 2018 through December 2020

Period	United States		China		Vietnam	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2019:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2020:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-Jun.	***	***	***	***	***	***
Jul.-Sep.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Table G-2

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 3, by quarter, January 2018 through December 2020

Period	United States		China	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	289	425,403	***	***
Apr.-Jun.	297	366,395	***	***
Jul.-Sep.	301	151,343	***	***
Oct.-Dec.	307	81,909	***	***
2019:				
Jan.-Mar.	300	449,779	***	***
Apr.-Jun.	302	385,647	***	***
Jul.-Sep.	301	120,481	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

Note: Non-scope pricing data was only reported for China.

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

Table G-3

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and non-scope imported product 4, by quarter, January 2018 through December 2020

Period	United States		China	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2019:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.

Note: Non-scope pricing data was only reported for China.

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

Figure G-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 1: Non-Self-Propelled Lawn Mower with an engine displacement between 120 and 150 cc, a blade ranging from 19.50" to 20.49" for cutting decks*, and without a grass-catching bag.

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

Figure G-2

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.
Note: Non-scope pricing data was only reported for China.

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

Figure G-3

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by quarter, excluding mowers with SVSE's from China, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 4: Self-Propelled Lawn Mower with an engine displacement between 170 and 195 cc, a blade ranging from 20.5" to 21.49" for cutting decks*, and with a grass-catching bag.
Note: Nonsubject pricing data was only reported for China.

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

Table G-4**Walk-behind mowers: Summary of higher/(lower) unit values for non-scope import price data, by source, January 2018 through December 2020**

Comparison	Total number of comparisons	Lower		Higher	
		Number of quarters	Quantity (units)	Number of quarters	Quantity (units)
Sources vs United States.-- China non-scope vs. United States	***	***	***	***	***
Vietnam non-scope vs United States	***	***	***	***	***
Sources vs China non-scope.-- China non-scope vs. China subject	***	***	***	***	***
Vietnam non-scope vs. China subject	***	***	***	***	***
Sources vs Vietnam subject.-- China non-scope vs. Vietnam subject	***	***	***	***	***
Vietnam non-scope vs. Vietnam subject	***	***	***	***	***

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

APPENDIX H
NONSUBJECT COUNTRY PRICE DATA

One importer, ***, provided price data and purchase cost data for Mexico for product 3. No firm reported price or purchase cost data for products 1, 2, or 4 imported from Mexico and no firm reported price or purchase cost data for non-scope imports from Mexico. Price data and purchase cost data reported by this firm accounted for *** and *** percent, respectively, of U.S. imports from nonsubject countries in 2020. This price item and accompanying data are comparable to those presented in table V-6. Price and quantity data for Mexico are shown in table H-1 and figure H-1 (with domestic and subject sources). Purchase cost data are shown in table H-2 and figure H-2 (with domestic and subject sources).

In comparing nonsubject source pricing data with U.S. producer pricing data, prices for nonsubject product imported from Mexico were lower than prices for U.S.-produced product in *** instances and higher in *** instances. In comparing nonsubject source pricing data with subject import pricing data, prices for nonsubject product imported from Mexico were lower than prices for Chinese product in 3 instances and higher in 9 instances and were lower than product for Vietnamese product in 1 instance and higher in 1 instance. In comparing import purchase cost data, costs for product imported from Mexico were lower than prices for U.S.-produced product in all 12 instances and were lower than Chinese product in the one comparison available for subject imports. A summary of price differentials is presented in table H-3 and a summary of purchase-cost differentials is presented in table H-4.

Table H-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 3 and nonsubject imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

Period	United States		Mexico	
	Price (dollars per unit)	Quantity (units)	Price (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	289	425,403	***	***
Apr.-Jun.	297	366,395	***	***
Jul.-Sep.	301	151,343	***	***
Oct.-Dec.	307	81,909	***	***
2019:				
Jan.-Mar.	300	449,779	***	***
Apr.-Jun.	302	385,647	***	***
Jul.-Sep.	301	120,481	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Figure H-1

Walk-behind mowers: Weighted-average f.o.b. prices and quantities of domestic product 3 and nonsubject imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Table H-2

Walk-behind mowers: Weighted-average f.o.b. prices, unit LDP values and quantities of domestic product 3 and nonsubject imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

Period	United States		Mexico	
	Price (dollars per unit)	Quantity (units)	Unit LDP value (dollars per unit)	Quantity (units)
2018:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2019:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***
2020:				
Jan.-Mar.	***	***	***	***
Apr.-Jun.	***	***	***	***
Jul.-Sep.	***	***	***	***
Oct.-Dec.	***	***	***	***

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

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

Figure H-2

Walk-behind mowers: Weighted-average f.o.b. prices, unit LDP values and quantities of domestic product 3 and nonsubject imported product 3 without Chinese produced SVSEs, by quarter, January 2018 through December 2020

* * * * *

* * * * *

Note: Product 3: Self-Propelled Lawn Mower with an engine displacement between 160 and 180 cc, a blade ranging from 20.50" to 21.49" for cutting decks*, and with a grass-catching bag.

Note: There were no purchase cost data for product 3 from Vietnam.

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

Table H-3**Walk-behind mowers: Summary of higher/(lower) unit values for nonsubject price data, by source, January 2018 through December 2020**

Comparison	Total number of comparisons	Lower		Higher	
		Number of quarters	Quantity (units)	Number of quarters	Quantity (units)
Mexico vs Sources.--					
Mexico. vs. United States	***	***	***	***	***
Mexico vs. China subject	***	***	***	***	***
Mexico vs. Vietnam subject	***	***	***	***	***

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

Table H-4**Walk-behind mowers: Summary of higher/(lower) unit values for nonsubject import purchase cost data, by source, January 2018 through December 2020**

Comparison	Total number of comparisons	Lower		Higher	
		Number of quarters	Quantity (units)	Number of quarters	Quantity (units)
Mexico vs Sources.--					
Mexico. vs. United States	***	***	***	***	***
Mexico vs. China subject	***	***	***	***	***
Mexico vs. Vietnam subject	***	***	***	***	***

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

APPENDIX I

**FOREIGN PRODUCER DATA FOR WALK-BEHIND MOWERS WITH SVSE FROM
CHINA**

Table I-1 through I-5 present data on foreign producers/exporters of walk-behind mowers excluding walk-behind mowers with small vertical shaft engines (“SVSE”) from China.

Table I-1
Walk-behind mowers: Summary data for producers in China of walk-behind mowers with SVSE
from China, 2020

Firm	Production (units)	Share of reported production (percent)	Exports to the United States (units)	Share of reported exports to the United States (percent)	Total shipments (units)	Share of firm's total shipments exported to the United States (percent)
Daye	***	***	***	***	***	***
Dajiang	***	***	***	***	***	***
Fujian	***	***	***	***	***	***
MTD	***	***	***	***	***	***
Jiangsu	***	***	***	***	***	***
Zhejiang	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Table I-2
Walk-behind mowers: Reported changes in operations by producers in China of walk-behind mowers with SVSE from China, since January 1, 2018

Item / Firm	Reported changed in operations
Plant closings:	
***	***
Relocations:	
***	***
Consolidations:	
***	***

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

Table I-3
Walk-behind mowers: Data for industry in China of walk-behind mowers with SVSE from China, 2018-20

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2018	2019	2020	2021	2022
	Quantity (units)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratios and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***

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

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

Table I-4

Walk-behind mowers: Summary data for the producer in Vietnam of walk-behind mowers with SVSE from China, 2020

Firm	Production (units)	Share of reported production (percent)	Exports to the United States (units)	Share of reported exports to the United States (percent)	Total shipments (units)	Share of firm's total shipments exported to the United States (percent)
Ducar	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Table I-5
Walk-behind mowers: Data on industry in Vietnam of walk-behind mowers with SVSE from China, 2018-20 and projected calendar years 2021 and 2022

Item	Actual experience			Projections	
	Calendar year			Calendar year	
	2018	2019	2020	2021	2022
	Quantity (units)				
Capacity	***	***	***	***	***
Production	***	***	***	***	***
End-of-period inventories	***	***	***	***	***
Shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***
	Ratios and shares (percent)				
Capacity utilization	***	***	***	***	***
Inventories/production	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***
Share of shipments:					
Home market shipments:					
Internal consumption/ transfers	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***
Total home market shipments	***	***	***	***	***
Export shipments to:					
United States	***	***	***	***	***
All other markets	***	***	***	***	***
Total exports	***	***	***	***	***
Total shipments	***	***	***	***	***

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

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

