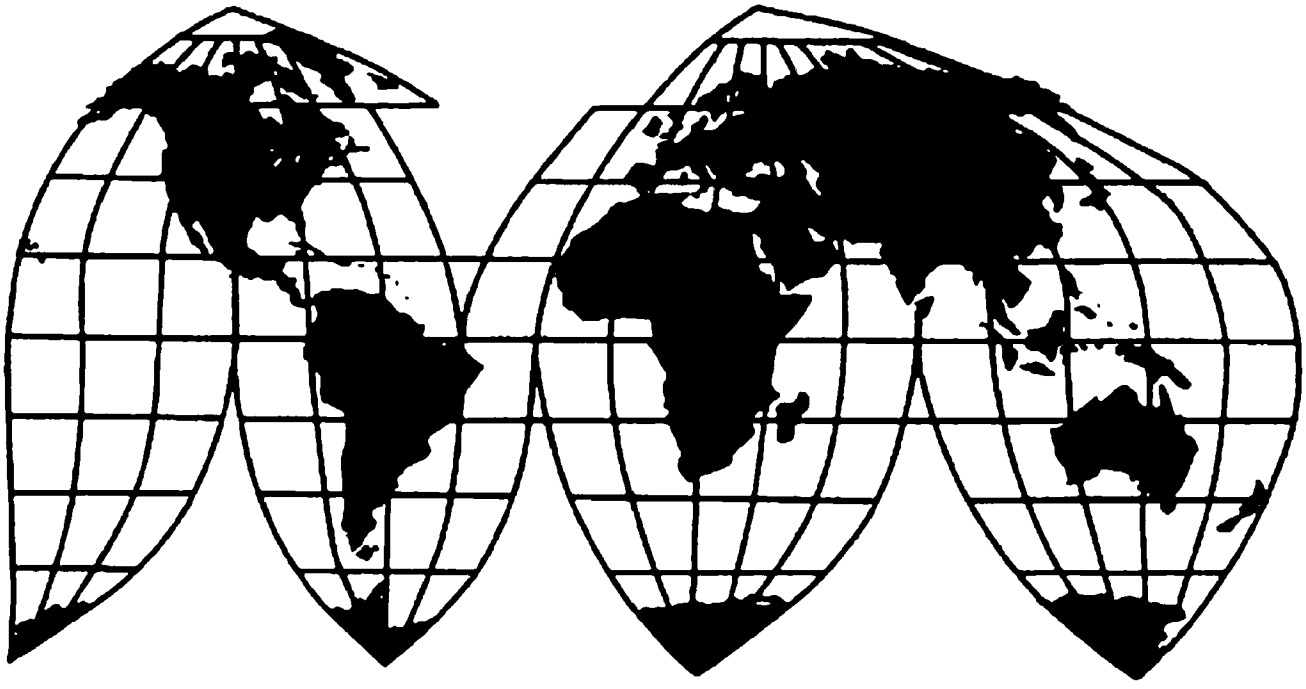
Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal

Investigation Nos. 701-TA-528-529 and 731-TA-1264-1268 (Review)

Publication 5275 **January 2022**

U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-528-529 and 731-TA-1264-1268 (Review)

Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal

DETERMINATIONS

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

BACKGROUND

The Commission instituted these reviews on February 1, 2021 (86 FR 7734) and determined on May 7, 2021, that it would conduct full reviews (86 FR 27650, May 21, 2021). Notice of the scheduling of the Commission's reviews and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on July 23, 2021 (86 FR 39057). The Commission conducted its hearing on November 18, 2021. All persons who requested the opportunity were permitted to participate.

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

On January 21, 2015, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW"); Domtar Corporation ("Domtar"); Finch Paper LLC ("Finch Paper"); P.H. Glatfelter Company ("Glatfelter"); and Packaging Corporation of America ("PCA") filed petitions in the original investigations. In February 2016, the Commission determined that an industry in the United States was materially injured by reason of subsidized imports of uncoated paper from China and Indonesia and by reason of less-than-fair-value ("LTFV") imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal. On March 3, 2016, the Department of Commerce ("Commerce") issued countervailing duty orders on subject imports from China and Indonesia and antidumping duty orders on subject imports from Australia, Brazil, China, Indonesia, and Portugal.[1]

The Commission instituted these first five-year reviews on February 1, 2021.[2] The Commission received a joint response to its notice of institution from five domestic interested parties: Domtar, Finch Paper, North Pacific Paper Company ("NORPAC"), and PCA, which are domestic producers of uncoated paper; and the USW, which is a trade union representing workers at uncoated paper production facilities (collectively, "Domestic Interested Parties").[3]

[1] Confidential Report, Memorandum INV-TT-136 ("CR") and Public Report ("PR") at I-2-3; *Certain Uncoated Paper From Australia, Brazil, Indonesia, the People's Republic of China, and Portugal: Amended Final Affirmative Antidumping Determinations for Brazil and Indonesia and Antidumping Duty Orders*, 81 Fed. Reg. 11174 (Mar. 3, 2016); and *Certain Uncoated Paper From Indonesia and the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order (Indonesia) and Countervailing Duty Order (People's Republic of China)*, 81 Fed. Reg. 11187 (Mar. 3, 2016).

[2] *Certain Uncoated Paper From Australia, Brazil, China, Indonesia, and Portugal: Institution of Five-Year Reviews*, 86 Fed. Reg. 7734 (Feb. 1, 2021).

[3] *See* Domestic Interested Parties' Prehearing Br., EDIS Doc. 756104 (Nov. 8, 2021); Domestic Interested Parties' Posthearing Br., EDIS Doc. 757551 (Nov. 30, 2021).

The Commission also received responses to its notice of institution from the following respondent interested parties: Indonesian producers and exporters PT. Pabrik Kerta Tjiwi Kimia Tbk, PT. Pindo Deli Pulp and Paper Mills, and PT. Indah Kiat Pulp and Paper Tbk. (collectively, "APP"); Australian producer and exporter Paper Australia Pty Ltd and its wholly owned subsidiary, Paper Products Marketing (USA) Inc. (collectively, "Australian Paper"); Portuguese producer and exporter The Navigator Company S.A. and U.S. importer and Navigator North America, Inc. (collectively, "Navigator"); and Brazilian producers and exporters International Paper do Brasil Ltda. and International Paper Exportadora Ltda. (collectively, "IP") and Suzano S.A. ("Suzano"). The Commission found that the domestic interested party group response to its notice of institution was adequate. The Commission also found that the respondent interested party group responses for which there was participation were adequate.[4] In light of these findings, the Commission determined to conduct full reviews with respect to the countervailing duty orders on uncoated paper from China and Indonesia and antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal.[5]

The Commission received joint prehearing and posthearing briefs from the Domestic Interested Parties, as well as final comments. The Domestic Interested Parties also appeared at the hearing represented by counsel.[6]

The Commission also received prehearing and posthearing briefs from Indonesian producers and exporters APP,[7] Australian producer and exporter and U.S. importer Australian Paper,[8] and Portuguese producer and exporter and U.S. importer Navigator.[9] APP, Australian Paper, and Navigator appeared at the hearing represented by counsel. Australian Paper and Navigator also filed final comments.

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[4] The Commission did not receive a response to the notice of institution from any respondent interested party with respect to the antidumping and countervailing duty orders on uncoated paper from China, and determined that the respondent interested party group response was inadequate with respect to those orders. Nonetheless, the Commission determined to conduct full reviews with respect to the orders on uncoated paper from China in light of its determination to conduct full reviews of the orders on uncoated paper from Australia, Brazil, Indonesia, and Portugal.

[5] *Certain Uncoated Paper From Australia, Brazil, China, Indonesia, and Portugal: Notice of Commission Determination to Conduct Full Five-Year Reviews*, 86 Fed. Reg. 27650 (May 21, 2021).

[6] In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted the hearing through written witness testimony and video conference, as set forth in procedures provided to the parties and announced on its website.

[7] *See* APP Prehearing Br., EDIS Doc. 756073 (Nov. 8, 2021); APP Posthearing Br., EDIS Doc. 757484 (Nov. 30, 2021).

[8] *See* Australian Paper Prehearing Br., EDIS Doc. 756081 (Nov. 8, 2021); Australian Paper Posthearing Br., EDIS Doc. 757845 (Nov. 30, 2021).

[9] *See* Navigator Prehearing Br., EDIS Doc. 756130 (Nov. 8, 2021); Navigator Posthearing Br., EDIS Doc. 757526 (Nov. 30, 2021).

U.S. industry data are based on the questionnaire responses of eight U.S. producers of uncoated paper that are believed to account for the vast majority of domestic production of uncoated paper in 2020.[10] U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 17 U.S. importers of uncoated paper that accounted for *** percent of subject imports from Brazil and *** percent of subject U.S. imports from Portugal in 2020.[11] *** responding U.S. importer certified that there were no subject imports from Australia in 2020.[12] Responding U.S. importers reported no subject imports from China or Indonesia in 2020.[13] Foreign industry data and related information are based on the questionnaire responses of one producer and exporter of uncoated paper in Australia, accounting for approximately *** percent of uncoated paper production in Australia in 2020;[14] questionnaire responses from two producers and exporters of uncoated paper in Brazil, accounting for approximately *** percent of uncoated paper production in Brazil in 2020;[15] a joint questionnaire response from three producers and exporters of uncoated paper in Indonesia, accounting for approximately *** percent of uncoated paper production in Indonesia in 2020;[16] and a questionnaire response from one producer and exporter of uncoated paper in Portugal, accounting for approximately *** percent of uncoated paper production in Portugal.[17] The Commission received no questionnaire responses from any producer or exporter of uncoated paper in China.[18]

[10] CR/PR at III-1.

[11] CR/PR at IV-1. The coverage percentage of imports from Portugal is *** percent because ***. CR/PR at IV-1 n.5.

[12] CR/PR at IV-1 n.3. *** reported subject imports from Australia only in 2015, accounting for *** percent of imports from Australia that year. Official Commerce statistics indicated that there was one short ton imported from Australia to the United States in 2020. *Id*.

[13] CR/PR at IV-1. Responding firms *** from China in 2015, accounting for *** percent of imports from China that year. Responding firms *** from Indonesia in 2015 and 2018, accounting for *** and *** percent of imports, respectively. Official Commerce statistics indicate that there were 189 short tons of imports from Indonesia in 2020. CR/PR at IV-1 n.4.

[14] CR/PR at IV-28, CR/PR at Table IV-9. The firm reported *** exports of uncoated paper to the United States in 2020. *Id*.

[15] CR/PR at IV-41. Subject imports from Brazil accounted for *** percent of U.S. uncoated paper imports in 2020. Table IV-1.

[16] CR/PR at IV-60. Subject imports from Indonesia accounted for *** percent of U.S. uncoated paper imports in 2020. CR/PR at Table IV-1.

[17] CR/PR at IV-74. Subject imports from Portugal accounted for *** percent of U.S. imports of uncoated paper in 2020. CR/PR at Table IV-1.

[18] CR/PR at IV-55, Tables IV-1 Source and IV-20.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[19] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[20] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[21]

Commerce has defined the imported merchandise within the scope of the orders under review as follows:

> The scope of these orders includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level 3 of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).
>
> Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

[19] 19 U.S.C. § 1677(4)(A).

[20] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

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

> Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes. For purposes of this scope definition, paper shall be considered "printed with final content" where at least one side of the sheet has printed text and/or graphics that cover at least five percent of the surface area of the entire sheet.[22]

The scope has not changed substantively since the original investigations. Since imposition of the orders, Commerce conducted two anti-circumvention inquiries. In November 2016, Commerce initiated an inquiry to determine whether imports of uncoated paper with a GE brightness of 83 ±1% ("83 bright paper") was altered in form or appearance in minor respects such that it should be considered subject to the orders. It issued an affirmative determination in September 2017, and imports of 83 bright paper from subject countries were therefore included within the scope of the orders.[23] In October 2019, Commerce initiated anti-circumvention inquiries on whether imports of sheeter rolls that are converted into uncoated paper sheets within the United States were circumventing the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, and Indonesia.[24] Commerce issued affirmative final determinations of circumvention in December 2021 regarding the antidumping and countervailing duty orders on China, the antidumping duty order on Brazil, and the

[22] *Certain Uncoated Paper from Indonesia: Final Results of the Expedited First Five-Year Sunset Review of the Countervailing Duty Order*, 86 Fed. Reg. 29243 (June 1, 2021); *Uncoated Paper from Australia, Brazil, the People's Republic of China, Indonesia, and Portugal, Final Results of the Expedited First Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg. 29248 (June 1, 2021); *Certain Uncoated Paper from the People's Republic of China: Final Results of the Expedited Five-Year Sunset Review of the Countervailing Duty Order*, 86 Fed. Reg. 30260 (June 7, 2021).

[23] *Certain Uncoated Paper from Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Affirmative Final Determination of Circumvention of the Antidumping and Countervailing Duty Orders*, 82 Fed. Reg. 41610 (Sept. 1, 2017) ("*2017 Circumvention Determination*").

[24] *Certain Uncoated Paper Products from Australia, Brazil, the People's Republic of China, and Indonesia: Initiation of Anti-Circumvention Inquiry of Antidumping and Countervailing Duty Orders*, 84 Fed. Reg. 55915 (Oct. 18, 2019). The antidumping duty order of uncoated paper from Portugal was not included in the circumvention inquiry.

antidumping and countervailing duty orders on Indonesia.[25] Commerce has not otherwise issued any scope rulings concerning these orders since the original investigations.

Uncoated paper subject to these reviews consists of paper in finished sheets, weighing between 40-150 grams per square meter, and that is white with a GE brightness level of 85[26] or higher or that is colored, and irrespective of surface finish, decoration, or dimensions. Uncoated paper is commonly used for office copy and printing paper, books, instruction manuals, inserts, business forms, flyers, maps, and brochures.[27] Uncoated paper may be sold to office superstores (such as Staples and Office Depot), club stores (such as Costco, Sam's Club, and BJ's), retailers (such as Walmart, Kroger, Walgreen's, Best Buy, CVS, and Target), paper merchants/distributors, and end users (such as commercial printers, schools, and offices).[28]

In the original investigations, the Commission defined a single domestic like product consisting of certain uncoated paper that is coextensive with Commerce's scope.[29] The Commission found that all uncoated paper described in Commerce's scope shared the same physical characteristics and uses, were made in common manufacturing facilities using the same production processes and employees, were generally interchangeable, were sold in the same channels of distribution, and shared the same customer and producer perceptions.[30]

In the current reviews, no party contests the definition of the domestic like product from the original investigations.[31] The record in these reviews indicates that the characteristics

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[25] *Certain Uncoated Paper from Brazil, the People's Republic of China, and Indonesia: Affirmative Final Determinations of Circumvention of the Antidumping and Countervailing Duty Orders for Certain Uncoated Paper Rolls*, 86 Fed. Reg. 71025 (Dec. 14, 2021) ("*2021 Circumvention Determination*"). Commerce published a negative preliminary determination of circumvention regarding the antidumping duty order on Australia in January 2021, and it has extended its deadline for the final determination until September 2022. *Certain Uncoated Paper from Australia: Negative Preliminary Determination of Circumvention of the Antidumping Duty Order for Uncoated Paper Rolls*, 86 Fed. Reg. 7256 (Jan. 27, 2021).

[26] Commerce, however, determined that subject imports that otherwise match the description of the scope but are white and with a GE brightness of 83 were subject to the orders pursuant to its circumvention determination. *2017 Circumvention Determination*, 82 Fed. Reg. 41610.

[27] CR/PR at I-22.

[28] CR/PR at I-22 & I-30.

[29] *Certain Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal*, Inv. Nos. 701-TA-528-529 and 731-TA-1264-1268 (Final), USITC Pub. 4592 ("*Original Determinations*") at 6-7.

[30] *Original Determinations,* USITC Pub. 4592 at 6-7; *see also Preliminary Determinations*, USITC Pub. 4522 at 7-10. In the original investigations, no respondent party addressed the definition of the domestic like product.

[31] Domestic Interested Parties indicated in their response to the notice of institution that they did not contest the definition of domestic like product from the original investigations, and they have not otherwise addressed the definition in their subsequent arguments. Domestic Interested Parties (Continued…)

and uses of domestically produced uncoated paper have not changed since the original investigations so as to warrant revisiting the definition.[32] In light of this, and absent any argument to the contrary, we define a single domestic like product consisting of all uncoated paper, coextensive with Commerce's scope definition.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[33] 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.

1. Sufficient Production-Related Activities

In deciding whether a firm qualifies as a domestic producer of the domestic like product, the Commission generally analyzes the overall nature of a firm's U.S. production-related activities, although production-related activity at minimum levels could be insufficient to constitute domestic production.[34]

In the original investigations, the Commission considered whether independent converters performed sufficient production-related activities to be considered domestic

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Response to Institution Notice at 24. Similarly, respondent interested parties indicated that they did not challenge the definition of the domestic like product from the original investigations for purposes of the institution phase, and they have not otherwise addressed the definition of the domestic like product in subsequent arguments. *See* APP Response to Institution Notice at 8; Australian Paper Response to Institution Notice at 16; Navigator Response to Institution Notice at 26; IPEX Response to Institution Notice at 11.

[32] *See* CR/PR at I-21-26.

[33] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

[34] The Commission generally considers six factors: (1) source and extent of the firm's capital investment; (2) technical expertise involved in U.S. production activities; (3) value added to the product in the United States; (4) employment levels; (5) quantity and type of parts sourced in the United States; and (6) any other costs and activities in the United States directly leading to production of the like product. No single factor is determinative and the Commission may consider any other factors it deems relevant in light of the specific facts of any investigation. *Crystalline Silica Photovoltaic Cells and Modules from China*, Inv. Nos. 701-TA-481 and 731-TA-1190 (Final), USITC Pub. 4360 at 12-13 (Nov. 2012).

producers. At that time, more than 95 percent of domestically produced uncoated paper was sold as sheeted papers by producers, and the remainder was sold to converters for specialty cut-size products.[35] The Commission found that the operations of independent converters (or sheeters) were relatively small, compared to the operations of integrated firms.[36] It also found that independent converters' capital expenditures and number of production and related workers were modest.[37] There was limited information on the record to indicate the level of technical expertise required for conversion operations, although the Commission noted that conversion appeared to be a relatively simple process.[38] The principal input used in the conversion of uncoated paper was sheeter rolls, the vast majority of which appeared to have been sourced domestically.[39] The Commission found that the toll conversion of sheeter rolls provided substantial value added, ranging from *** to *** percent.[40] Based on the substantial value added to sheeter rolls by converters and the lack of any argument to the contrary, the Commission found that converters engaged in sufficient production-related activities to qualify as domestic producers.[41]

While the record on the production-related activities of independent converters is limited in these reviews, it is consistent with that of the original investigations. One converter provided a questionnaire response in these reviews, ***, and it reported that conversion ***.[42] Further, this firm reported that it employed between *** production related workers from 2015 to 2020, and that it ***.[43] Finally, there is no information on the record indicating that the value added by sheeting has changed since the original investigations.[44] Based on these factors

[35] *Original Determinations*, USITC Pub. 4592 at 7-8.

[36] *Original Determinations*, USITC Pub. 4592 at 8.

[37] *Original Determinations*, USITC Pub. 4592 at 8.

[38] *Original Determinations*, USITC Pub. 4592 at 8.

[39] *Original Determinations*, USITC Pub. 4592 at 8.

[40] Confidential Original Determinations, EDIS Doc. 574985 at 11; *Original Determinations*, USITC Pub. 4592 at 8.

[41] *Original Determinations*, USITC Pub. 4592 at 8.

[42] U.S. Producer Questionnaire, EDIS Doc. *** at question II-4.

[43] U.S. Producer Questionnaire, EDIS Doc. *** at questions II-8 & II-10 (***).

[44] In the original investigations, the value added by converters was calculated based upon their tolling operations. Confidential Original Determinations, EDIS Doc. 574985 at 11; *Original Determinations*, USITC Pub. 4592 at 8. *** which is insufficient for purposes of calculating the value added by these tolling operations. CR/PR at III-12 n.20. As calculated by the annual total conversion costs divided by annual total COGS reported over the POR, *** value added for its conversion of purchased sheeter rolls into uncoated paper ranged between *** and *** percent over the POR. *Calculated from* U.S. Producer Questionnaire, EDIS Doc. *** at III-9a. This is similar to the ratio of total conversion costs divided by total COGS for converters in the original investigations, which ranged (Continued…)

and the absence of any information or argument suggesting that the production-related activities of independent converters have changed since the original investigations, we find that converters engage in sufficient production-related activities to qualify as domestic producers.

2. Related Parties

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[45] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[46]

In the original investigations, the Commission defined the domestic industry to include all U.S. producers of uncoated paper, including independent converters.[47] The Commission found that two domestic producers qualified for possible exclusion under the related parties provision. The Commission found that International Paper was a related party because ***, and that *** was a related party because it directly imported subject merchandise during the POI. Finding that both firms' primary interest was in in domestic production, the Commission

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from *** to *** percent over the POI. *Calculated from* U.S. Producer Questionnaire, EDIS Doc. *** at III-9a.

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

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

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

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

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

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

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

[47] *Original Determinations*, USITC Pub. 4592 at 10.

concluded that appropriate circumstances did not exist to exclude either firm from the domestic industry pursuant to 19 U.S.C. § 1677(4)(B).[48]

In the current reviews, no party has addressed the definition of domestic industry.[49] [50] A single producer, ***, qualifies for possible exclusion under the related parties provision because ***.[51] ***, which ***, was responsible for *** percent of reported U.S. production in 2020 and was the *** largest domestic producer.[52] It did not directly import or purchase subject merchandise during the POR,[53] and *** exports to the United States were ***.[54] In view of this information, *** primary interest is in domestic production rather than importation. Accordingly, we find that appropriate circumstances do not exist for its exclusion from the domestic industry.

We therefore define the domestic industry as all U.S. producers of uncoated paper, including independent converters.

III. Cumulation

A. Legal Standard

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

> the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under

[48] Confidential Original Determinations at 13-14; *Original Determinations*, USITC Pub. 4592 at 9-10.

[49] While Commerce determined in December 2021 that imports of sheeter rolls from Brazil, China and Indonesia that U.S. converters cut into uncoated paper in the United States were circumventing the pertinent orders, the only converter providing a questionnaire response in these reviews, ***, certified that ***. *See* U.S. Importer Questionnaire, EDIS Doc. ***; *see also* ***.

[50] At the hearing, a representative of Navigator first informed the Commission that domestic producer Domtar would be acquired by Paper Excellence this year, and it asserted that Paper Excellence controls uncoated paper producers in China and Indonesia, including APP. Hearing Transcript ("Hearing Tr."), EDIS Doc. 756979 (Nov. 18, 2021) at 154 (Redondo). Domtar has clarified that Karta Halten B.V., an affiliate of Paper Excellence, acquired Domtar in a transaction that closed after the period of review, on November 30, 2021. Domestic Interested Parties Posthearing Br. at Exhibit 2; CR/PR at Table III-1. Domtar has indicated that this transaction will not allow APP to control it, and that ***. Domestic Interested Parties Posthearing Br. at Exhibit 2.

[51] CR/PR at Table I-16; *see also* Foreign Producer Questionnaire, EDIS Doc. *** at II-11. ***. CR/PR at Table III-1.

[52] CR/PR at Tables I-15 & III-4.

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

[54] ***. Foreign Producer Questionnaire, EDIS Doc. *** at II-9 & II-11.

> section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.[55]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[56] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

In the original investigations, the Commission found that there was a reasonable overlap of competition between and among subject imports and the domestic like product, notwithstanding respondents' contrary arguments.[57] With respect to fungibility, the Commission found that market participants' general perceptions of interchangeability, comparability, and ability to meet quality specifications established that any difference in quality or environmental certifications alleged by respondents were not of sufficient magnitude to support a finding that the products were not fungible.[58] The Commission also found that there was a reasonable overlap of channels of distribution, that U.S. producers and importers of subject uncoated paper reported selling to all regions of the contiguous United States, and that uncoated paper from all sources was simultaneously present in the U.S. market to a sufficient

[55] 19 U.S.C. § 1675a(a)(7).

[56] 19 U.S.C. § 1677(7)(G)(i); *see also*, *e.g.*, *Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

[57] *Original Determinations*, USITC Pub. 4592 at 11.

[58] *Original Determinations*, USITC Pub. 4592 at 13.

degree.[59] Accordingly, the Commission cumulated subject imports from Australia, Brazil, China, Indonesia, and Portugal for purposes of its material injury analysis.[60]

In these reviews, the statutory threshold for cumulation is satisfied because all reviews were initiated on the same day: February 1, 2021.[61] In addition, we consider the following issues in deciding whether to exercise our discretion to cumulate the subject imports: (1) whether imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among subject imports from the subject countries and the domestic like product; and (3) whether subject imports are likely to compete in the U.S. market under different conditions of competition.

B. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.[62] Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[63] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations. We consider the data pertinent to each subject country below.

Australia. In the original investigations, subject imports from Australia increased from *** short tons in 2012 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) to *** short tons in 2013 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) and *** short tons in 2014 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption).[64] Australian Paper, which accounted for all known production of

[59] *Original Determinations*, USITC Pub. 4592 at 13-14.
[60] *Original Determinations,* USITC Pub. 4592 at 11-14.
[61] CR/PR at Table I-1.
[62] 19 U.S.C. § 1675a(a)(7).
[63] SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).
[64] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Tables IV-4, IV-11; *Original Determinations*, USITC Pub. 4592 at Tables IV-4, IV-11.

uncoated paper in Australia in 2014, responded to the Commission's questionnaire in the original investigations.[65] The United States was the largest export market for uncoated paper from Australia during the original investigations.[66]

In the current reviews, Australian Paper continues to account for all production of uncoated paper in Australia.[67] The reported quantity of subject imports from Australia was *** short tons in 2015, accounting for *** percent of apparent U.S. consumption; no responding importer reported importing uncoated paper from Australia after 2015.[68] Australian Paper's capacity remained relatively steady throughout the period of review ("POR"), increasing by *** percent from *** short tons in 2015 to *** short tons in 2020, although its capacity was *** percentage points lower in interim 2021 (at *** short tons) than in interim 2020 (at *** short tons).[69] Australian Paper's production initially increased from 2015 to 2019, then decreased sharply by *** percent from 2019 to 2020, ending the period *** percent lower in 2020 than in 2015.[70] Consequently, Australian Paper's capacity utilization decreased from *** percent in 2015 to *** percent in 2020.[71] Capacity utilization was *** percentage points lower in interim 2021, at *** percent, than interim 2020, at *** percent.[72]

The quantity of Australian Paper's exports of uncoated paper fluctuated during the period of review, decreasing from its period-high of *** short tons (or *** percent of total shipments) in 2015 to a period-low of *** short tons (or *** percent of total shipments) in 2019 before increasing at the end of the POR to *** short tons (or *** percent of total shipments) in 2020.[73] ***.[74] The top export markets for uncoated paper and paperboard (a

[65] CR/PR at IV-28; *Original Determinations*, USITC Pub. 4592 at 32 n.171.

[66] Confidential Staff Report from Original Investigations at Table VII-3; *Original Determinations*, USITC Pub. 4592 at Table VII-3.

[67] CR/PR at IV-28.

[68] CR/PR at Table IV-1. According to official Commerce statistics, one short ton was imported from Australia in 2020. CR/PR at IV-1 n.3.

[69] CR/PR at IV-29, Table IV-11. Throughout these reviews, capacity data were collected based on the paper sheeting equipment rather than the papermaking capacity because the scope includes only sheeted paper. *Id*. at II-4. With respect to papermaking capacity, the record establishes that papermaking equipment cannot be turned on and off without incurring significant costs and risking damage to the equipment, and thus uncoated paper producers seek to maximize utilization of papermaking capacity. *See id*.; Hearing Tr. at 28 (Melton), 204 (Redondo). Both papermaking capacity and sheeting equipment may be used to produce products other than the subject uncoated paper. CR/PR at II-4.

[70] CR/PR at IV-29.

[71] CR/PR at IV-30, Table IV-11.

[72] CR/PR at IV-30, Table IV-11.

[73] CR/PR at Table IV-11.

[74] CR/PR at IV-30.

category which includes in-scope and out-of-scope merchandise) from Australia in 2020 were New Zealand, Germany, and Chile.[75]

Subject imports from Australia undersold the domestic like product in 14 of 15 quarterly comparisons during the original investigations, and in all seven quarterly comparisons in the current reviews.[76]

We are unpersuaded by Australian Paper's argument that subject imports from Australia are likely to have no discernible adverse impact if the order were revoked. Specifically, Australian Paper asserts that it has been uniquely focused on its home market rather than exports, particularly given Australia's imposition of orders on imports from China, Brazil, Indonesia, and Thailand in 2017 and on imports from Finland, Korea, Russia, and Slovakia in 2019.[77] Australian Paper further argues that its supply agreements with home market customers for A3 and A4 paper, which cannot be substituted for the 8.5 x 11 inch paper required in the United States, make it unlikely that it would redirect its supply to the U.S. market after revocation.[78] In addition, it states that it recently secured a two-year supply agreement with ***, a large purchaser in Australia. However, Australian Paper's substantial and increasing excess capacity indicates that it could increase its exports to the United States without reducing its shipments of A3 and A4 paper to home market customers.[79] Indeed, in 2020 Australian Paper increased its exports of uncoated paper to Chile and Mexico, which use 8.5 x 11 inch paper.[80] Moreover, at the hearing, an Australian Paper official stated that the new supply agreement with *** for A3 and A4 paper would only account for approximately five percent of Australian Paper's production, still leaving excess capacity with which it could supply the U.S. market with increasing volumes of uncoated paper.[81]

Other factors would also provide an incentive for the Australian industry to increase its exports to the United States after revocation, notwithstanding its commitments to home

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

[76] CR/PR at V-17, V-17 n.20, and Table V-7. U.S. importers reported U.S. shipments of subject imports from Australia through the third quarter of 2016 although Australian Paper reported no exports of subject merchandise after 2015.

[77] Australian Paper Posthearing Br. at 3.

[78] Australian Paper Posthearing Br. at 5, 10.

[79] CR/PR at Table IV-11.

[80] *See* CR/PR at II-5 n.8; CR/PR at Table IV-13. In 2018, Australia reported no exports of uncoated paper to the United States, Chile, or Mexico. CR/PR at Table IV-13.

[81] *See* Hearing Tr. at 197 (Leith). In its posthearing brief, Australian Paper claimed that under the agreement, it would supply *** with approximately *** short tons of paper each year, representing over *** percent of Australian Paper's current sheeting capacity. The supply agreement attached to Australian Paper's posthearing brief, however, does not contain any terms regarding the quantity of product to be supplied. Australian Paper's Posthearing Br. at 12, Exhibit 1.

market customers. Australian Paper has experienced poor financial performance since 2015, and claimed before the Australian Anti-Dumping Commission that declining demand in the Australian paper market had forced it to seek out alternative (export) markets in an effort to maintain production levels.[82] Consistent with this evidence, Australia's export shipments increased in 2020 compared to the levels in 2017, 2018, and 2019, in both absolute terms and as a share of total shipments, and remained elevated in interim 2021.[83] Furthermore, Australian Paper still controls the U.S. subsidiary (PPM-USA) that it used prior to the orders to import its uncoated paper product, and the record indicates that PPM-USA sold domestically produced paper under an Australian Paper brand in the U.S. market during the POR.[84]

We are also unpersuaded by Australian Paper's argument that subject imports from Australia are likely to have no discernible adverse impact on the U.S. market if the order were revoked because such imports would likely focus on underserved regions of the United States and because increased freight costs make underselling impossible.[85] Contrary to this argument, the record shows that when subject imports from Australia were in the U.S. market they served all regions of the market, as did the domestic industry.[86] Furthermore, a NORPAC official stated at the hearing that revocation of the order on Australia would likely result in an increase in subject imports from Australia to injurious levels in the West Coast market served by NORPAC, given the history of imports from Australian Paper targeting the West Coast and Australian Paper's larger production capacity relative to NORPAC's domestic production.[87]

Nor would the relatively high freight costs prevailing towards the end of the POR likely preclude underselling by subject imports from Australia after revocation. While we recognize that freight costs were elevated in 2021, the record contains evidence that freight costs began

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[82] *See* Domestic Interested Parties' Prehearing Br. at Exhibit 13. The Australian Anti-Dumping Commission stated that "as these alternative markets attract prices that are lower than the Australian market, these export sales are currently also not profitable." *Id*. It also noted that the average annual size of the Australian market from 2016 to 2020 was down 25 percent compared to the average size of the market in the four-year period ending in 2015. *Id*.

[83] CR/PR at Tables IV-11 & IV-12. Australian Paper contends that it views New Zealand as part of its home market. Australian Paper Prehearing Br. at 8. Nonetheless, a substantial portion of its exports went to markets other than New Zealand. *See* Australian Paper Posthearing Br. at 6; CR/PR at Table IV-11.

[84] *See* Australian Paper's Response to Notice of Institution at 13; Australian Paper Posthearing Br. at 7.

[85] Australian Paper Prehearing Br. at 11-13.

[86] *Original Determinations*, USITC Pub. 4592 at 14 and Tables II-2, IV-9; Confidential Staff Report from Original Investigations at Tables II-2, IV-9; CR/PR at Table II-2; Hearing Tr. at 105 (Strand), 106 (Rotolo), 106 (LeBlanc).

[87] *See* Hearing Tr. at 104-05 (Anneberg); 186 (Leith).

to decline after September 2021 and lacks evidence that freight rates are expected to remain at the level reported in these reviews for the reasonably foreseeable future.[88] Furthermore, as noted above, subject imports from Australia pervasively undersold the domestic like product during both the original investigation and during the POR, and high freight costs did not prevent the Australian industry from exporting significant and increasing volumes of uncoated paper to the European Union, Middle East, and South/Central America towards the end of the POR.[89] Relatively high freight costs are also unlikely to deter the Australian industry from increasing its exports of uncoated paper to the U.S. market in light of the higher prices available in the U.S. market relative to third country markets, as recognized by witnesses for both domestic producers and respondents at the hearing.[90] Contrary to Australian Paper's arguments, the record indicates that Australian Paper has both the ability and incentive to export uncoated paper the United States if the order were revoked.

Based on the foregoing, including the increasing volume of subject imports from Australia during the original investigations, Australian Paper's excess production capacity, the continued existence of a U.S. subsidiary, the increasing importance of exports to the Australian industry, and the underselling of the domestic like product by subject imports from Australia during the original investigations and during the POR, we find that revocation of the antidumping duty order on subject imports from Australia would not likely have no discernible adverse impact on the domestic industry.

Brazil. In the original investigations, subject imports from Brazil increased from *** short tons in 2012 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) to *** short tons in 2013 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) and *** short tons in 2014 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption).[91] Two producers of uncoated paper in Brazil, which accounted for *** percent

[88] *See* CR/PR at Table V-1; Hearing Tr. at 75 (Byers), 77 (Rotolo). Evidence submitted by the domestic interested parties shows that economists and industry observers were expecting supply chain disruptions and freight costs to abate towards the end of 2021 and into 2022, consistent with the decline in the Baltic Dry Index, a benchmark for the price of moving major raw materials based on 23 shipping routes, after early October 2021. Domestic Interested Parties' Responses to Commissioner Questions at 46-51, Exhibits 15-18.

[89] CR/PR at Tables IV-12 & IV-13; *see also* Australian Paper Posthearing Br. at 6, Exhibit 2; Navigator Posthearing Br. at I-23.

[90] CR/PR at Table IV-34; Hearing Tr. at 212 (Redondo), 213 (Leith), 213 (Gupta), 28 (Melton), and 103 (Strand); Domestic Interested Parties' Posthearing Br. at Exhibit 1 p. 39.

[91] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Tables IV-4, IV-11; *Original Determinations*, USITC Pub. 4592 at Tables IV-4, IV-11.

of production of uncoated paper in Brazil and *** percent of subject imports from Brazil in 2014, responded to the Commission's questionnaire.[92]

The record indicates that two producers accounted for *** uncoated paper production in Brazil in 2020.[93] During the current period of review, the quantity of subject imports from Brazil was *** short tons in 2015 (or *** percent of apparent U.S. consumption), *** short tons in 2016 (or *** percent of apparent U.S. consumption), *** short tons in 2017 (or *** percent of apparent U.S. consumption), *** short tons in 2018 (or *** percent of apparent U.S. consumption), *** short tons in 2019 (or *** percent of apparent U.S. consumption), and *** short tons in 2020 (or *** percent of apparent U.S. consumption).[94] Subject imports from Brazil were *** percent higher in interim 2021 at *** short tons (or *** percent of apparent U.S. consumption) than interim 2020 at *** short tons (or *** percent of apparent U.S. consumption).[95]

The Brazilian industry's capacity fluctuated but decreased overall by *** percent from *** short tons in 2015 to *** short tons in 2020, with the largest decrease in capacity of *** percent occurring between 2017 and 2018.[96] The industry's capacity was *** percent lower in interim 2021 than interim 2020.[97] Capacity utilization increased from *** percent in 2015 to *** percent in 2018 before decreasing to *** percent in 2020, a level *** percentage points lower than in 2015.[98] Capacity utilization was *** percentage points higher in interim 2021, at *** percent, than interim 2020, at *** percent.[99] The absolute quantity of exports of uncoated paper from Brazil decreased overall during the period of review, while the ratio of exports to total shipments increased.[100] The quantity of exports from Brazil decreased from *** short tons (or *** percent of total shipments) in 2015 to *** short tons (or *** percent of total shipments) in 2020.[101] The United States was the top export market for uncoated paper and paperboard (a category that includes in-scope and out-of-scope merchandise) from Brazil in 2020, accounting for 13.0 percent of such exports, followed by the United Kingdom and Peru.[102]

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[92] CR/PR at IV-41.

[93] CR/PR at IV-14.

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

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

[96] CR/PR at IV-42, Table IV-16. Combined capacity increased *** percent from 2018 to 2019, and was driven primarily by one firm (***). CR/PR at IV-42.

[97] CR/PR at IV-42.

[98] CR/PR at IV-43, Table IV-16.

[99] CR/PR at IV-43, Table IV-16.

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

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

[102] CR/PR at Table IV-19.

Exports of uncoated paper from Brazil are subject to antidumping orders in Australia, Mexico, and Pakistan.[103]

Subject imports from Brazil undersold the domestic like product in seven of 30 quarterly comparisons during the original investigations, and in 18 of 26 quarterly comparisons during the period of review.[104]

The uncoated paper industry in Brazil is export oriented and has demonstrated a continuing interest in serving the U.S. market. The United States remained an important export market for uncoated paper from Brazil throughout the period of review, despite the disciplining effect of the order, as evidenced by its continued presence in the U.S. market,[105] and Commerce's recent affirmative anticircumvention determination with respect to Brazil further demonstrates Brazil's interest in supplying the U.S. market.[106] Based on the foregoing, including the increasing volume of subject imports from Brazil during the original investigations, the recent increase in such imports in interim 2021 compared to interim 2020, and the Brazilian industry's excess capacity and export orientation throughout the period of review, we find that revocation of the antidumping duty order on subject imports from Brazil would not likely have no discernible adverse impact on the domestic industry.

China. In the original investigations, subject imports from China increased from *** short tons in 2012 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) to *** short tons in 2013 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) and *** short tons in 2014 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption).[107] The Commission received questionnaire responses from two firms in China, which accounted for approximately *** percent of production of uncoated paper in China in 2014 and approximately *** percent of uncoated paper exports from China to the United

[103] CR/PR at II-9.

[104] CR/PR at V-17, V-17 n.20, and Table V-7.

[105] CR/PR at Table IV-17. Producers and exporters of uncoated paper in Brazil also report exporting to a range of other markets. *Id*.

[106] *See Certain Uncoated Paper From Brazil, the People's Republic of China, and Indonesia: Affirmative Final Determinations of Circumvention of the Antidumping Duty Orders and Countervailing Duty Orders for Certain Uncoated Paper Rolls*, 86 Fed. Reg. 71025 (Dec. 14, 2021).

[107] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Tables IV-4, IV-11; *Original Determinations*, USITC Pub. 4592 at Tables IV-4, IV-11.

States in 2014.[108] The record indicated that subject producers in China rapidly increased their capacity over the POI.[109]

The current reviews contain limited new information concerning the Chinese uncoated paper industry, as no Chinese producer or exporter responded to the Commission's questionnaire.[110] The Domestic Interested Parties identified ten firms as possible producers or exporters of uncoated paper in China.[111] The Domestic Interested Parties also provided evidence that the Chinese industry added at least *** short tons of uncoated paper production capacity over the POR.[112] Official Commerce statistics indicate that the quantity of subject imports from China was 36,241 short tons in 2015 (or 0.9 percent of apparent U.S. consumption), 732 short tons in 2016 (or 0.0 percent of apparent U.S. consumption), 604 short tons in 2017 (or 0.0 percent of apparent U.S. consumption), 461 short tons in 2018 (or 0.0 percent of apparent U.S. consumption), 2,462 short tons in 2019 (or 0.1 percent of apparent U.S. consumption), and 1,390 short tons in 2020 (or 0.1 percent of apparent U.S. consumption), for an overall decrease during the period.[113] Subject imports from China were lower in interim 2021 at 58 short tons than interim 2020 at 1,138 short tons (or 0.1 percent of apparent U.S. consumption).[114]

Information regarding the global paper and paperboard industry, a category which includes in-scope and out-of-scope merchandise, indicates that China is the largest producer of paper and paperboard in the world.[115] In 2020, the top export markets for paper and paperboard from China were Japan, Hong Kong, and South Korea.[116] The United States was among the smallest export markets for paper and paperboard from China in 2020, although exports of paper and paperboard to the United States were reported during each year of the period of review.[117] Commerce reached an affirmative anticircumvention determination concerning imports of certain uncoated paper from China to the United States in December

[108] CR/PR at IV-55.

[109] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Table II-4, II-11; *Original Determinations*, USITC Pub. 4592 at Table II-4, II-6.

[110] CR/PR at IV-55.

[111] CR/PR at IV-55.

[112] Domestic Interested Parties Prehearing Brief at 45-47 and Exhibit 17.

[113] CR/PR at Table IV-1.

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

[115] *See* CR/PR at IV-55 and Table IV-20 Note.

[116] CR/PR at Table IV-20.

[117] *See* CR/PR at Table IV-20.

2021, indicating that Chinese producers and exporters remain interested in supplying the U.S. market.[118]

Subject imports from China undersold the domestic like product in 20 of 21 quarterly comparisons during the original investigations, and in one of three quarterly comparisons in these reviews.[119]

Based on the foregoing, including the increasing volume of subject imports from China during the original investigations, underselling of the domestic like product by subject imports from China during the original investigations and continued underselling during the POR, the large size of the paper and paperboard industry in China including the addition of significant production capacity during the POR, and the substantial volume of uncoated paper and paperboard products exported by producers in China, we find that revocation of the antidumping and countervailing duty orders on subject imports from China would not likely have no discernible adverse impact on the domestic industry.

Indonesia. In the original investigations, subject imports from Indonesia increased from *** short tons in 2012 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) to *** short tons in 2013 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) and *** short tons in 2014 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption).[120] The Commission received a questionnaire response from one firm in Indonesia, which accounted for approximately *** percent of production of uncoated paper in Indonesia in 2014 and approximately *** percent of uncoated paper exports from Indonesia to the United States in 2014.[121]

The record indicates that there are currently four producers of uncoated paper in Indonesia.[122] During the current period of review, the Commission received a joint questionnaire response from three firms in Indonesia, APP, which accounted for approximately *** of uncoated paper production in that country.[123] The quantity of subject imports from Indonesia was 148,520 short tons in 2015 (or 3.7 percent of apparent U.S. consumption),

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[118] *See Certain Uncoated Paper From Brazil, the People's Republic of China, and Indonesia: Affirmative Final Determinations of Circumvention of the Antidumping Duty Orders and Countervailing Duty Orders for Certain Uncoated Paper Rolls*, 86 Fed. Reg. 71025 (Dec. 14, 2021).

[119] CR/PR at V-17, V-17 n.20, and Table V-7.

[120] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Table IV-4; *Original Determinations*, USITC Pub. 4592 at Table IV-4.

[121] CR/PR at IV-60.

[122] CR/PR at IV-60; APP Posthearing Br. at 4-5.

[123] CR/PR at IV-60. The fourth subject producer in Indonesia, APRIL, did not submit a questionnaire response.

43,339 short tons in 2016 (or 1.2 percent of apparent U.S. consumption), 15,317 short tons in 2017 (or 0.4 percent of apparent U.S. consumption), 12,280 short tons in 2018 (or 0.3 percent of apparent U.S. consumption), 21,749 short tons in 2019 (or 0.6 percent of apparent U.S. consumption), and 189 short tons in 2020 (or 0.0 percent of apparent U.S. consumption), for an overall decrease during the period.[124] There were no reported subject imports from Indonesia in interim 2021, compared to 189 short tons (or 0.0 percent of apparent U.S. consumption) of reported subject imports in interim 2020.

Although APP asserts that it has not exported subject merchandise to the United States since 2015, APP only accounted for approximately *** percent of uncoated paper production in Indonesia in 2020,[125] and official Commerce import statistics and Commerce's administrative reviews of the antidumping duty order on subject imports from Indonesia confirm that subject imports from Indonesia remained in the U.S. market during the POR.[126] Additionally, an affirmative anticircumvention determination by Commerce in December 2021 further indicates that Indonesian producers and exporters remain interested in supplying the U.S. market.[127]

The Indonesian industry's reported capacity was approximately *** short tons each year from 2015 to 2017 but decreased by *** percent from 2017 to 2020 to *** short tons, ending the period *** percent lower than in 2015.[128] The industry's capacity was *** percent lower in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[129] Capacity utilization in Indonesia increased irregularly from *** percent in 2015 to *** percent in 2020, a level *** percentage points higher than in 2015.[130] Capacity utilization was *** percentage points higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[131]

The Indonesian industry's exports increased irregularly during the period of review, as did the ratio of exports to total shipments.[132] The quantity of exports from Indonesia increased from *** short tons (or *** percent of total shipments) in 2015 to *** short tons (or *** percent of total shipments) in 2020 and was *** short tons in interim 2021 (or *** percent of total shipments), compared to *** short tons in interim 2020 (or *** percent of total

[124] CR/PR at Tables IV-1, C-1.
[125] CR/PR at IV-60.
[126] *See* CR/PR at I-11 and Table IV-1.
[127] *See Certain Uncoated Paper From Brazil, the People's Republic of China, and Indonesia: Affirmative Final Determinations of Circumvention of the Antidumping Duty Orders and Countervailing Duty Orders for Certain Uncoated Paper Rolls*, 86 Fed. Reg. 71025 (Dec. 14, 2021).
[128] CR/PR at IV-61.
[129] CR/PR at IV-61, Table IV-23.
[130] CR/PR at IV-61, Table IV-23.
[131] CR/PR at IV-61, Table IV-23.
[132] CR/PR at Table IV-23.

shipments).[133] The top export markets for uncoated paper and paperboard (a category that includes in-scope and out-of-scope merchandise) from Indonesia in 2020 were China and Japan.[134] In 2015, just prior to the imposition of the antidumping and countervailing duty orders, the United States was among the top export markets for paper and paperboard from Indonesia, accounting for 6.7 percent of such exports by quantity, behind only Japan and Malaysia.[135]

Subject imports from Indonesia undersold the domestic like product in all 41 of 41 quarterly comparisons during the original investigations, and in two of eight quarterly comparisons during the period of review.[136]

We are unpersuaded by APP's argument that high freight costs will prevent subject imports from Indonesia from having a discernible adverse impact on the domestic industry after revocation.[137] As discussed above, there is evidence that freight costs began to decline after September 2021. In any event, the record shows that high freight costs did not prevent a subsidiary of APP from exporting 65,000 short tons of out-of-scope paper products to the United States from January 1, 2021 to November 14, 2021.[138] Nor did high freight costs preclude the Indonesian industry from exporting uncoated paper to the European Union, Middle East, and South/Central American in interim 2021, albeit at reduced volumes relative to interim 2020.[139] Given this, and the relatively higher prices available in the U.S. market, we find that freight costs are unlikely to prevent Indonesian producers from increasing their exports to the U.S. market after revocation.[140]

Based on the foregoing, including the increasing volume of subject imports from Indonesia in the original investigations, the continued presence of subject imports from Indonesia during the POR, the significant underselling by subject imports from Indonesia during

[133] CR/PR at Table IV-23.

[134] CR/PR at Table IV-26. The United States was the smallest listed export market in 2020, accounting for 0.0 percent of exports of paper and paperboard from Indonesia. *Id.*

[135] CR/PR at Table IV-26.

[136] CR/PR at V-17, V-17 n.20, and Table V-7.

[137] APP Prehearing Br. at 12.

[138] *See* Domestic Interested Parties' Responses to Commissioner Questions at 52, Exhibit 19.

[139] CR/PR at Table IV-24; *see, e.g.*, Navigator Posthearing Br. at I-23; Australian Paper Posthearing Br. at 6, Exhibit. 2.

[140] *See* CR/PR at Table IV-34. Moreover, we do not find it likely that Karta Halten B.V.'s (an affiliate of Paper Excellence, which assertedly controls APP) acquisition of Domtar will likely constrain Indonesian producers from increasing exports upon revocation. As noted above, Domtar has indicated that this transaction will not allow APP to control it, and that ***. Domestic Interested Parties Posthearing Br. at Exhibit 2. Moreover, this transaction would have no impact on the export behavior of the other major Indonesian producer and exporter, APRIL.

the original investigations, and the high and increasing export orientation of the Indonesian industry, we find that revocation of the antidumping and countervailing duty orders on subject imports from Indonesia would not likely have no discernible adverse impact on the domestic industry.

Portugal. In the original investigations, subject imports from Portugal increased from *** short tons in 2012 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) to *** short tons in 2013 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption) and decreased to *** short tons in 2014 (U.S. importers' U.S. shipments of such imports accounted for *** percent of apparent U.S. consumption).[141] The Commission received a questionnaire response from one firm, which accounted for all known production and exports of uncoated paper from Portugal to the United States in 2014.[142]

The record indicates that one producer continues to account for all or nearly all production of uncoated paper in Portugal.[143] During the current period of review, subject imports from Portugal maintained a significant presence in the U.S. market despite the disciplining effect of the antidumping duty order, and accounted for no less than *** percent of apparent U.S. consumption during any full year or interim period of the period of review. The quantity of subject imports from Portugal was *** short tons in 2015 (or *** percent of apparent U.S. consumption), *** short tons in 2016 (or *** percent of apparent U.S. consumption), *** short tons in 2017 (or *** percent of apparent U.S. consumption), *** short tons in 2018 (or *** percent of apparent U.S. consumption), *** short tons in 2019 (or *** percent of apparent U.S. consumption), and *** short tons in 2020 (or *** percent of apparent U.S. consumption), for an overall decrease during the period.[144] Subject imports from Portugal were higher in interim 2021 at *** short tons (or *** percent of apparent U.S. consumption) than in interim 2020 at *** short tons (or *** percent of apparent U.S. consumption).[145]

[141] Confidential Staff Report from Original Investigations, EDIS Doc. 573166 at Table IV-4; *Original Determinations*, USITC Pub. 4592 at Table IV-4.

[142] CR/PR at IV-74.

[143] Navigator Prehearing Br. at 1 n.1; CR/PR at IV-74.

[144] CR/PR at Tables IV-29, C-1.

[145] CR/PR at Tables IV-29, C-1. Although Navigator argues that subject imports from Portugal are subject to lower dumping margins relative to subject imports from other countries, Commerce's finding that Navigator continued to sell uncoated paper in the U.S. market at less than fair value in every administrative review indicates that it continued to supply the U.S. market with unfairly priced products throughout the POR. *See* CR/PR at Table I-7; Navigator Prehearing Br. at 7-10.

The Portuguese industry's capacity remained *** short tons from 2015 to 2019 before declining by *** percent in 2020 to *** short tons.[146] Capacity was *** short tons in interim 2021, compared to *** short tons in interim 2020.[147] The Portuguese industry's capacity utilization decreased by *** percentage points during the 2015 to 2020 period, from *** percent in 2015 to *** percent in 2020, but was *** percentage points higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[148]

Although the quantity of exports from Portugal decreased overall during the period of review, exports as a share of total shipments remained high as the Portuguese industry exported *** of its production. The Portuguese industry's exports declined irregularly from *** short tons (or *** percent of total shipments) in 2015 to *** short tons (or *** percent of total shipments) in 2020.[149] They were *** short tons in interim 2021 (*** percent of total shipments), compared to *** short tons in interim 2020 (*** percent of total shipments). The top export markets for uncoated paper and paperboard (a category that includes in-scope and out-of-scope merchandise) from Portugal in 2020 were France (13.3 percent of export shipments by quantity), Germany (13.2 percent of export shipments by quantity), Spain (9.7 percent of export shipments by quantity), and the United States (for 9.6 percent of export shipments by quantity).[150] In 2015, just prior to the imposition of the antidumping duty order, the United States was the top export market for uncoated paper and paperboard from Portugal, accounting for 14.3 percent of such exports of paper and paperboard from Portugal by quantity, followed by Germany and France.[151]

Subject imports from Portugal undersold the domestic like product in two of 30 quarterly comparisons during the original investigations, and in five of 26 quarterly comparisons during the period of review.[152]

We are unpersuaded by Navigator's argument that subject imports from Portugal are likely to have no discernible adverse impact if the order were revoked because Navigator supplies a high-quality product that does not compete directly with the domestic like product. According to the record, a majority of responding purchasers reported that domestically

[146] CR/PR at IV-75, Table IV-29.

[147] CR/PR at Table IV-29.

[148] CR/PR at IV-75-76, Table IV-29. Navigator argues that its sheeting production is constrained by its papermaking capacity. Navigator's Posthearing Br. at 10-11. Information submitted by the company, however, shows that ***. Navigator's Posthearing Brief at Exhibit 4.

[149] CR/PR at Table IV-29.

[150] CR/PR at Table IV-32.

[151] CR/PR at Table IV-32.

[152] CR/PR at V-17, V-17 n.20, and Table V-7.

produced uncoated paper is comparable or superior to subject imports from Portugal with respect to most of 19 factors considered by purchasers, including quality meeting and exceeding industry standards, jamming/misfeeds, and opacity.[153] In addition, the domestic like product and subject imports from Portugal were both sold primarily to distributors, further demonstrating the direct competition between the two.[154] Moreover, like domestic producers, ***.[155] Even to the extent that subject imports from Portugal purportedly consisted of higher quality products, subject imports from Portugal generally ***.[156]

Based on the foregoing, including the significant volume and increase in volume of subject imports from Portugal during the original investigations; the significant presence of subject imports from Portugal in the U.S. market during the POR; the increasingly aggressive pricing and underselling by subject imports from Portugal towards the end of the POR; and the Portuguese industry's large capacity, excess capacity, and export orientation, we find that revocation of the antidumping duty order on subject imports from Portugal would not likely have no discernible adverse impact on the domestic industry.

C. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[157] Only a "reasonable overlap" of competition is required.[158] In five-year reviews, the

[153] CR/PR at Table II-12.

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

[155] *See* Foreign Producer Questionnaire, EDIS Doc. 75229 (Sept. 22, 2021) at II-9c; Domestic Interested Parties' Posthearing Br. at Exhibit 1, p. 67; *but see* Hearing Tr. at 173 (Redondo).

[156] CR/PR at Table V-4.

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

[158] *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); *Wieland Werke,* 718 F. Supp. at 52 ("Completely overlapping markets are not required."); *United States Steel Group v. United States,* 873 F. Supp. 673, 685 (Ct. Int'l Trade 1994), *aff'd*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g*., *Live Cattle from Canada* (Continued…)

relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[159]

Fungibility. In the original investigations, the Commission found that all uncoated paper, regardless of source, was at least moderately fungible.[160] In the current reviews, most U.S. producers reported that uncoated paper from all country pairs were always interchangeable.[161] Most importers reported that product from all country pairs were always or frequently interchangeable.[162] Most purchasers reported that domestically produced uncoated paper was always or frequently interchangeable with subject imports from Australia, Brazil, and Portugal, while they reported that domestically produced uncoated paper was sometimes or never interchangeable with subject imports from China and Indonesia.[163]

Nevertheless, a majority or plurality of responding purchasers reported that domestically produced uncoated paper was comparable to subject imports from each source, including China and Indonesia, with respect to 19 factors that influence purchasing decisions. Specifically, most responding purchasers reported that uncoated paper from the United States and Australia were comparable for 14 of 19 factors; a majority or plurality reported that uncoated paper from the United States and Brazil were comparable for 15 of 19 factors; a majority or plurality of purchasers reported that uncoated paper from the United States and China were comparable for 11 of 19 factors; a majority or plurality of purchasers reported that uncoated paper from the United States and Indonesia were comparable for 15 of 19 factors; and a majority or plurality of purchasers reported that uncoated paper from the United States and Portugal were comparable for 17 of 19 factors.[164]

Channels of Distribution. In the original determinations, the Commission found that most domestically produced uncoated paper and subject imports were sold mainly to distributors.[165] The record in the current reviews shows that U.S. producers and importers of uncoated paper from each subject country continued to sell mainly to distributors.[166] U.S.

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and Mexico, Inv. Nos. 701-TA-386 and 731-TA-812-813 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

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

[160] *Original Determinations*, USITC Pub. 4592 at 11-13.

[161] CR/PR at Table II-13.

[162] CR/PR at Table II-14.

[163] CR/PR at Table II-15.

[164] CR/PR at Table II-12.

[165] *Original Determinations*, USITC Pub. 4592 at 13.

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

producers sold most of the remainder of their product to retailers with a smaller portion sold directly to end users, while importers reported few or no sales of subject imports to retailers and end users.[167]

Geographic Overlap. In the original investigations, the Commission found that most responding U.S. producers and importers of uncoated paper from all subject countries reported selling uncoated paper to all regions in the contiguous United States.[168] In the current reviews, most U.S. producers and importers of uncoated paper from all subject countries again reported selling uncoated paper to all regions in the contiguous United States.[169]

Simultaneous Presence in Market. In the original investigations, the Commission found that domestically produced uncoated paper and subject imports from each source were simultaneously present in the U.S. market in all or nearly all months of the POI.[170] In the current reviews, domestically produced uncoated paper was present in the market throughout the period for which data were collected. Subject imports from Brazil and Portugal were present in all 79 months, subject imports from China were present in 75 of 79 months, subject imports from Indonesia were present in 59 of 79 months, and subject imports from Australia were present in 13 of 79 months.[171]

Conclusion. The record indicates that there would likely be a reasonable overlap of competition between and among subject imports from each source and the domestic like product if the orders were revoked. Specifically, the record of the reviews shows that subject imports from each source and the domestic like product are fungible. The record also shows that if the orders were revoked, domestically produced uncoated paper and subject imports from each source would likely be sold through similar channels of distribution and in overlapping geographic markets, and would likely be simultaneously present in the U.S. market, as they were during the original POI. We consequently find that there would likely be a reasonable overlap of competition among subject imports from Australia, Brazil, China, Indonesia, and Portugal and between subject imports from each source and the domestic like product should the orders under review be revoked.

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

[168] *Original Determinations*, USITC Pub. 4592 at 14.

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

[170] Subject imports from Brazil, China, Indonesia, and Portugal were present in all 45 months of the POI, and subject imports from Australia were present in 44 of 45 months. *Original Determinations*, USITC Pub. 4592 at 14.

[171] CR/PR at IV-13, Table IV-5.

D. Likely Conditions of Competition

The record in these reviews does not indicate that there would be significant differences between the conditions of competition under which imports from each subject country are likely to compete if the orders were revoked. Imports from each country increased during the original POI and declined after the orders were imposed.[172] Responding foreign producers had significant excess capacity towards the end of the POR;[173] and imports from every subject country but Australia maintained a presence in the U.S. market during most of the period.[174]

As discussed above, we are unpersuaded by the arguments advanced by Australian Paper and APP that high freight costs would preclude increased subject imports from Australia and Indonesia, respectively, if the orders were revoked.[175] The record contains evidence indicating that freight costs on trans-Pacific shipments began to decline after September 2021, and that, in any event, elevated freight costs did not preclude exports of out-of-scope paper from Indonesia to the United States through November 2021, or exports of uncoated paper from Australia and Indonesia to third-country markets outside the Pacific region in interim 2021.[176] Moreover, producers in Australia and Indonesia possess sufficient excess capacity to continue their shipments to home and regional customers, capitalizing on the relatively lower freight costs on sales to such customers, while at the same time increasing their exports to the United States.[177]

We are also unpersuaded by Navigator's argument that subject imports from Portugal are likely to compete under distinct conditions of competition after revocation. Navigator asserts that subject imports from Portugal are unique in having maintained a consistent presence in the U.S. market, but subject imports from Brazil and Indonesia were also present throughout the POI and POR, with the exception of subject imports from Indonesia being absent in interim 2021.[178] Navigator also asserts that its use of eucalyptus fiber results in higher quality paper that distinguishes its product from uncoated paper from other sources. However,

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[172] *See* CR/PR at Table IV-1; Confidential Staff Report from Original Investigations at Table C-1; *Original Determinations*, USITC Pub. 4592 at Table C-1.

[173] *See* CR/PR at Table IV-11, IV-16, IV-23, IV-29. As discussed above, although no foreign producer from China responded to the Commission's questionnaire, available information shows that the paper and paperboard industry in China is the largest in the world. CR/PR at IV-55.

[174] *See* CR/PR at Tables IV-11, IV- 16, IV-23, IV-29.

[175] *See* Australian Paper Prehearing Br. at 10; APP Prehearing Br. at 2-9.

[176] *See* Domestic Interested Parties' Responses to Commissioner Questions at 52, Exhibit 19; CR/PR at Tables IV-1, IV-12, IV-24, V-1.

[177] *See* CR/PR at Tables IV-11, IV- 16, IV-23, IV-29.

[178] CR/PR at Table IV-1.

evidence on the record indicates that eucalyptus fibers are also used by producers in Brazil and Australia.[179] Moreover, a majority or plurality of purchasers reported that subject imports from Portugal are comparable to domestically produced uncoated paper with respect to most purchasing factors, like imports from the other subject countries.[180] Further, uncoated paper imports from Portugal, like the domestic product and imports from the other subject countries, were also sold primarily to distributors.[181]

In addition, we are unpersuaded by Navigator's argument that subject imports from Portugal should not be cumulated because they are distinguishable from other subject imports in terms of their allegedly "fair pricing practices," lower antidumping duty margins, and absence of circumvention findings.[182] Navigator consistently received positive dumping margins in administrative reviews before Commerce, indicating that Navigator continued to sell uncoated paper at LTFV during the POR.[183] As noted above, the pricing of subject imports from Portugal became increasingly aggressive towards the end of the POR, with overselling during the 2015-19 period turning into ***.[184] This underselling by subject imports from Portugal towards the end of the POR, which is highly relevant to our consideration of the pricing practices likely to prevail in the reasonably foreseeable future in the event of revocation, is similar to the pattern of intensified underselling exhibited by subject imports from Brazil during the same period.[185]

Finally, subject imports from Portugal are not distinguishable from other subject imports, as Navigator argues, because Navigator produces other products on the same equipment used to produce uncoated paper, faces no trade barriers in third-country markets, and focuses on the EU market.[186] Like other subject industries, the Portuguese uncoated paper industry possessed significant excess capacity at the end of the POR with which it could increase exports to the United States without reducing shipments to home and regional customers.[187] Subject producers in Brazil, Indonesia, and Portugal reported producing other products on the same equipment used to produce subject uncoated paper during the POR.[188]

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[179] CR/PR at II-35.

[180] CR/PR at Table II-12.

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

[182] Navigator Prehearing Br. at 16-20.

[183] CR/PR at Table I-7. The fact that the Portuguese industry was not found to engage in an additional unfair act by circumventing the order does not suggest different conditions of competition that merit de-cumulation.

[184] *See* CR/PR at Table V-4.

[185] CR/PR at Table V-7.

[186] Navigator Prehearing Br. at 11-15; CR/PR at II-10 & Tables IV-29, IV-31.

[187] CR/PR at Table IV-29.

[188] CR/PR at IV-49, IV-68, IV-83, Tables IV-18, IV-25, IV-31.

The Australian industry also does not face trade barriers in any third-country markets, so the Portuguese industry is not unique in that regard.[189] Furthermore, the Portuguese industry exported significant volumes of uncoated paper to the United States throughout the original investigations and the POR, indicating that the United States has remained an important export market for Navigator notwithstanding the importance of the EU market for Navigator and the absence of third-country trade barriers.[190] If the orders were revoked, the U.S. market would likely be an important export market for producers of uncoated paper in all subject countries within a reasonably foreseeable time.

For the reasons above, we find that imports from each subject country are likely to compete under similar conditions of competition in the U.S. market if the orders were revoked.

E. Conclusion

Based on the foregoing, we find that subject imports from Australia, Brazil, China, Indonesia, and Portugal, respectively, would not be likely to have no discernible adverse impact on the domestic industry if the orders under review were revoked. We also find a likely reasonable overlap of competition among subject imports from different sources and between the subject imports from each subject country and the domestic like product. Finally, we find that imports from each subject country are likely to compete in the U.S. market under similar conditions of competition should the orders be revoked. We therefore exercise our discretion to cumulate subject imports from Australia, Brazil, China, Indonesia, and Portugal for purposes of our analysis in these reviews.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable

[189] *See* CR/PR at IV-96.
[190] CR/PR at Table IV-32.

time."[191] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[192] Thus, the likelihood standard is prospective in nature.[193] The U.S. Court of International Trade has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[194]

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[195] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[196]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of

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[191] 19 U.S.C. § 1675a(a).

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

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

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

[195] 19 U.S.C. § 1675a(a)(5).

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

imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[197] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[198] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[199]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[200] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[201]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[202]

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[197] 19 U.S.C. § 1675a(a)(1).

[198] 19 U.S.C. § 1675a(a)(1). Commerce has not issued any duty absorption findings since imposition of the orders. CR/PR at I-11 n.8.

[199] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[200] 19 U.S.C. § 1675a(a)(2).

[201] 19 U.S.C. § 1675a(a)(2)(A-D).

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

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[203] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[204]

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[205] The following conditions of competition inform our determinations.

1. Demand Conditions

In the original determinations the Commission found that demand for uncoated paper depends on demand for written or printed paper materials that use uncoated paper, such as office/personal/school copying or printing, books, business forms, instruction manuals, inserts, flyers, brochures, and maps.[206] The parties involved in the original investigations agreed that U.S. demand for uncoated paper had been in decline for more than ten years.[207] During the period of investigation, apparent U.S. consumption, by quantity, decreased by 5.5 percent

[203] 19 U.S.C. § 1675a(a)(4).

[204] The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

[205] 19 U.S.C. § 1675a(a)(4).

[206] *Original Determinations*, USITC Pub. 4592 at 18.

[207] *Original Determinations*, USITC Pub. 4592 at 18.

declining from 4.7 million short tons in 2012 to 4.6 million short tons in 2013 and 4.5 million short tons in 2014.[208]

In the current reviews, the drivers of demand for uncoated paper remain the same as in the original investigations: demand for written or printed paper materials including office/personal/school copying or printing, books, business forms, instruction manuals, inserts, flyers, brochures, and maps.[209] The record indicates that U.S. producers and importers of subject merchandise sold the majority of their uncoated paper to distributors.[210]

Most market participants reported that electronic media reduced demand for uncoated paper during the POR, including all seven responding U.S. producers, 13 of 14 responding U.S. importers, and 15 of 19 responding U.S. purchasers.[211] Apparent U.S. consumption, by quantity, decreased each full year of the POR, ending 38.0 percent lower in 2020 than in 2015. Apparent U.S. consumption by quantity was 4.0 million short tons in 2015, 3.8 million short tons in 2016, 3.7 million short tons in 2017, 3.6 million short tons in 2018, 3.4 million short tons in 2019, and 2.5 million short tons in 2020.[212] It was 1.27 million short tons in interim 2021, compared to 1.26 million short tons in interim 2020.[213]

In 2020, the COVID-19 pandemic further reduced demand for uncoated paper by disrupting office and school operations.[214] The record indicates that apparent U.S. consumption recovered somewhat in interim 2021,[215] although market participants' responses varied regarding the changes in demand that they anticipate in the future.[216] At the hearing, an official from Domtar stated that there had been a "slight uptick" in demand, while the chief executive officer of Navigator stated that a "mild recovery" in demand was underway.[217]

2. Supply Conditions

In the original investigations, the Commission observed that the domestic industry was the largest supplier to the U.S. market but that its market share fell steadily from 2012 to

[208] *Original Determinations*, USITC Pub. 4592 at 18-19.
[209] CR/PR at II-1.
[210] CR/PR at Table II-1.
[211] CR/PR at Table II-4.
[212] CR/PR at Table I-18.
[213] CR/PR at Table I-18.
[214] CR/PR at II-1, 4, 16-17; Hearing Tr. at 32 (LeBlanc), 78 (Melton), 148 (Redondo); Domestic Interested Parties' Prehearing Br. at 9-10.
[215] CR/PR at Table I-18.
[216] CR/PR at II-15.
[217] Hearing Tr. at 122-23 (Melton), 245 (Redondo).

2014.[218] The Commission noted that the domestic industry closed several production facilities during the POI and that the shutdown of one of International Paper's mills in 2014 was primarily responsible for the largest reduction in the domestic industry's capacity during the POI.[219]

During the current period of review, the domestic industry was the largest supplier to the U.S. market.[220] U.S. producers' market share by quantity fluctuated but increased overall during the POR, from 84.1 percent in 2015 to 85.9 percent in 2020 and 83.0 percent in interim 2021, compared to 86.4 percent in interim 2020.[221]

There were two plant closings, one expansion, and several acquisitions during the period of review.[222] Several U.S. producers also reported re-purposing uncoated paper machines and prolonged shutdowns or curtailments during the POR.[223] U.S. producers' capacity decreased each year of the POR from 4.35 million short tons in 2015 to 3.48 million in 2020.[224] It was 1.34 million short tons in interim 2021, compared to 1.85 million short tons in interim 2020.[225] Four of eight U.S. producers reported supply constraints since January 1, 2015.[226] Most purchasers (14 of 19) also reported that they had experienced supply constraints since January 1, 2015.[227] Domestic Interested Parties assert, however, that any supply disruptions caused by the domestic industry's shutdowns and curtailments were temporary.[228] In July 2021, Domtar restarted a paper machine at its Ashdown facility, with full production expected by January 2022.[229]

Subject imports were the second largest source of supply to the U.S. market in 2015 and 2016, but the smallest source of supply thereafter.[230] Cumulated subject imports' market

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[218] *Original Investigations*, USITC Pub. 4592 at 19.
[219] *Original Investigations*, USITC Pub. 4592 at 19.
[220] CR/PR at Table I-19.
[221] CR/PR at Table I-19.
[222] CR/PR at Table III-2.
[223] CR/PR at Table III-2.
[224] CR/PR at Table III-4.
[225] CR/PR at Table III-4.
[226] CR/PR at II-11.
[227] CR/PR at II-12.
[228] Hearing Tr. at 31-32 (LeBlanc); Domestic Interested Parties' Posthearing Br. at Exhibit 1, pp. 87-88. A witness for the domestic interested parties testified that "{a}s capacity reductions are necessarily lumpy, they result in some short-term excess demand on the market." Hearing Tr. at 31-32 (LeBlanc).
[229] CR/PR at II-7 n.14.
[230] CR/PR at Table I-19.

share, by quantity, declined from *** percent of in 2015 to *** percent in 2020, but was higher in interim 2021 at *** percent than in interim 2020 at *** percent.[231]

Nonsubject imports were the smallest source of supply to the U.S. market in 2015 and 2016 but the second largest supplier to the U.S. market thereafter.[232] Nonsubject imports' market share by quantity increased from *** percent in 2015 to *** percent in 2020, and was *** percent in interim 2021, compared to *** percent in interim 2020.[233] The largest sources of nonsubject imports during the POR were Canada, Thailand, and Finland.[234]

3. Substitutability and Other Conditions

In the original investigations, the Commission found that there was a high degree of substitutability between the domestic like product and subject imports.[235] The Commission observed that all responding U.S. producers reported that product from all sources was always interchangeable, and most responding importers and purchasers reported that product from all countries was either always or frequently interchangeable.[236] The Commission also found that price was an important factor in purchasing decisions.[237]

In these reviews, we again find a high degree of substitutability between domestically produced uncoated paper and subject imports.[238] Most U.S. producers reported that uncoated paper from all country pairs was always interchangeable.[239] Most importers reported that product from all country pairs was always or frequently interchangeable.[240] Although purchaser responses were more varied regarding their views on interchangeability,[241] a majority or plurality of responding purchasers reported that domestically produced uncoated paper was comparable to subject imports from each source with respect to most non-price factors.[242]

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[231] CR/PR at Table I-19.
[232] CR/PR at Table I-19.
[233] CR/PR at Table I-19.
[234] CR/PR at II-11.
[235] *Original Investigations*, USITC Pub. 4592 at 20.
[236] *Original Investigations*, USITC Pub. 4592 at 20.
[237] *Original Investigations*, USITC Pub. 4592 at 20.
[238] CR/PR at II-18.
[239] CR/PR at Table II-13.
[240] CR/PR at Table II-14.
[241] CR/PR at Table II-15. Most purchasers reported that the domestic product was always or frequently interchangeable with subject imports from Australia, Brazil, and Portugal; a majority of purchasers reported that the domestic like product was sometimes or never interchangeable with subject imports from China or Indonesia. *Id*.
[242] CR/PR at Tables II-15 & II-18.

We also find that price is an important factor in purchasing decisions, although other factors are important as well.[243] Responding purchasers most frequently cited price, quality, and availability as the top three factors influencing their purchasing decisions. Quality was the most frequently reported first-most important factor (9 firms), followed by price (6 firms).[244] Responding purchasers most frequently reported availability (19 firms), reliability of supply (18 firms), quality meets industry standards (17 firms), and product consistency (17 firms) as very important to their purchasing decisions.[245] Sixteen responding purchasers reported price as very important, tied with delivery time and runnability (16 firms each),[246] and most purchasers reported that they always or usually purchase the lowest priced product.[247]

The principal raw materials for uncoated paper are paper pulp, recycled fibers, and a range of chemicals.[248] On a per-unit basis, raw material costs increased irregularly from $376 in 2015 to $388 in 2020, but were lower in interim 2021 (at $361) compared to interim 2020 (at $399).[249] As a share of total COGS, raw material costs decreased irregularly from 47.3 percent in 2015 to 42.9 percent in 2020, but was higher in interim 2021 at 44.5 percent compared to interim 2020 at 41.9 percent.[250] Company specific per-short ton raw material costs varied widely within the industry due to the level of vertical integration and primary inputs used to produce uncoated paper.[251]

Responding U.S. producers reported most frequently setting prices by contracts, followed by transaction-by-transaction and set price list; a majority of responding importers reported using transaction-by-transaction to set prices.[252] A majority of U.S. producers' commercial shipments were under annual contracts with spot sales accounting for the next largest share of shipments; a majority of subject imports were sold through spot sales followed by annual contracts.[253]

As discussed above, the record indicates that freight costs increased to historical levels during the POR, but that freight costs began to decline after September 2021.[254]

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[243] CR/PR at Tables II-8 & II-9.
[244] CR/PR at Table II-8.
[245] CR/PR at TableII-9.
[246] CR/PR at Table II-9.
[247] CR/PR at II-20.
[248] CR/PR at V-1.
[249] CR/PR at III-29-30, Table III-12.
[250] CR/PR at Table III-12.
[251] CR/PR at III-32-33, Table III-14.
[252] CR/PR at Table V-2.
[253] CR/PR at Table V-3.
[254] *See* CR/PR at Table V-1; Hearing Tr. at 75 (Byers), 77 (Rotolo); Domestic Interested Parties' Responses to Commissioner Questions at 46-52, Exhibits 15-19.

Effective September 24, 2018, subject imports from China became subject to an additional 10 percent *ad valorem* duty under Section 301 of the Trade Act of 1974[255] ("section 301 tariffs").[256] Effective May 10, 2019, this additional duty increased from 10 percent to 25 percent *ad valorem*.[257]

C. Likely Volume of Subject Imports

Original Investigations. In the original investigations, the Commission observed that the volume of cumulated subject imports increased sharply during the POI, increasing from *** short tons in 2012 to *** short tons in 2014.[258] Cumulated subject imports' market share also increased, from *** percent in 2012 to *** percent in 2014.[259] The Commission found that the volume and increase in volume of cumulated subject imports were significant both in absolute terms and relative to consumption in the United States.[260]

Current Reviews. Cumulated subject imports maintained a smaller, but significant presence in the U.S. market throughout the POR even with the discipline of the orders. Cumulated subject imports volumes were *** short tons in 2015, *** short tons in 2016, *** short tons in 2017, *** short tons in 2018, *** short tons in 2019, and *** short tons in 2020; cumulated subject import volumes were higher in interim 2021 (*** short tons) than in interim 2020 (*** short tons).[261] Cumulated subject import market share over this period was *** percent in 2015, *** percent in 2016, *** percent in 2017, *** percent in 2018, *** percent in 2019, and *** percent in 2020; their market share was also higher in interim 2021 (*** percent) than in interim 2020 (*** percent).[262] While cumulated subject import volumes and market share declined overall during the POR, there were two increases in subject import volume during the POR, between 2018 and 2019 and in interim 2021 compared to interim 2020, which came at the domestic industry's expense.[263] We find that the overall declines in

[255] 19 U.S.C. § 2411.

[256] CR/PR at I-21.

[257] CR/PR at I-21.

[258] Confidential Original Determinations at 31; *Original Determinations*, USITC Pub. 4592 at 21.

[259] Confidential Original Determinations at 31; *Original Determinations*, USITC Pub. 4592 at 21-22.

[260] *Original Determinations*, USITC Pub. 4592 at 22.

[261] CR/PR at Table I-18.

[262] CR/PR at Table I-19.

[263] Between 2018 and 2019, the domestic industry's shipments declined from 3.2 million shorts to 3.0 million short tons, and its market share declined from 89.0 percent to 87.4 percent. Between interim 2020 and interim 2021, the domestic industry's shipments declined from 1.09 million short tons to 1.05 million short tons, and its market share declined from 86.4 percent to 83.0 percent. CR/PR at Tables I-18 & I-19.

cumulated imports' volume and market share during the POR reflect the disciplining effect of the orders.[264]

The subject industries have the ability to export significant volumes of subject merchandise to the United States in the event of revocation. Subject uncoated paper firms have significant production capacity that remained relatively steady over the POR,[265] and this capacity remained greater than either apparent U.S. consumption or the domestic industry's capacity throughout the POR.[266] Further, subject producers have significant unused capacity,[267] maintain substantial end-of-period inventories,[268] and are export oriented, having exported ***

[264] Respondent interested parties argue that increases in freight rates at the end of the POR would likely discourage exports from subject industries to the United States in the event of revocation. *See, e.g.*, Australian Paper Prehearing Br. at 30, APP Prehearing Br. at 11-12. While we recognize that freight costs were elevated in 2021, the record indicates that such costs began to decline after September 2021, as discussed above. *See* CR/PR at Table V-1; Hearing Tr. at 75 (Byers), 77 (Rotolo); Domestic Interested Parties' Responses to Commissioner Questions at 46-51, Exhibits 15-18. Nor does the record show that elevated freight costs in 2021 caused declines in cumulated subject import volumes or in subject producers' exports to the United States. Cumulated subject imports volumes in the United States were higher in interim 2021 than in interim 2020. CR/PR at Table I-18. Further, subject producers' exports to the United States were higher in interim 2021 (*** short tons) than in interim 2020 (*** short tons); the ratio of subject producers' exports to the United States was also higher in interim 2021 (*** percent) than in interim 2020 (*** percent). CR/PR at Table IV-34. Thus, the record does not support the conclusion that freight rates would likely discourage exports to the United States in the event of revocation.

[265] Total sheeting capacity for responding subject producers was *** short tons from 2015-2017, *** short tons from 2018 to 2019, and *** short tons in 2020; their sheeting capacity was *** short tons in interim 2020 and interim 2021. Between 2015 and 2020, subject producers' sheeting capacity declined only *** short tons, or by *** percent. CR/PR at Table IV-33. In comparison, apparent U.S. consumption of uncoated paper declined by 38.0 percent over this period. CR/PR at Table C-1.

[266] Apparent U.S. consumption was highest in 2015, at 4.0 million short tons, and declined thereafter to 2.5 million short tons in 2020; it was 1.3 million short tons in interim 2020 and interim 2021. Domestic producers' greatest sheeting capacity was 4.3 million short tons in 2015 and declined thereafter to 3.5 million short tons in 2020; it was 1.9 million short tons in interim 2020 and 1.3 million short tons in interim 2021. CR/PR at Table C-1.

[267] Cumulated subject producers reported available sheeting capacity throughout the POR. Their capacity utilization rate was *** percent in 2015 and 2016, *** percent in 2017, *** percent in 2018, *** percent in 2019, and *** percent in 2020; it was *** percent in interim 2020 and *** percent in interim 2021. CR/PR at Table IV-33.

[268] Total end-of-period inventories of responding producers in the subject countries were *** short tons in 2015, *** short tons in 2016, *** short tons in 2017, *** short tons in 2018, *** short tons in 2019, and *** short tons in 2020; they were *** short tons in interim 2020 and *** short tons in interim 2021. CR/PR at Table IV-33. We recognize that these inventories likely reflect a variety of paper sizes, including A4 paper not commonly used in the United States. Nonetheless, the record supports that these inventories likely include types of uncoated paper used in the U.S. market. Other countries and regions use the 8.5 x 11 inch letter size paper common in the United States, and subject producers (Continued…)

percent of their total shipments in 2020.[269] That same year, the excess capacity possessed by subject producers, *** short tons, was equivalent to *** percent of apparent U.S. consumption that year.[270] Finally, given the high fixed costs incurred by integrated producers of uncoated paper,[271] there are strong incentives to export when experiencing declining shipments in other markets, so as to maintain economic rates of capacity utilization.[272]

The U.S. remains an attractive export market for subject producers, providing them with the incentive to export significant volumes of subject merchandise to the United States in the event of revocation. The record indicates that the average unit values ("AUV") of exports from each subject country from 2015-2020 were higher for exports to the U.S. market than for exports to other destination markets.[273] Moreover, the existence of third-country trade barriers to subject imports from Brazil, China, and Indonesia would increase the relative attractiveness of the U.S. market to subject producers in those countries in the event of revocation,[274] and the

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exported to these regions over the POR. CR/PR at II-5 (other countries using 8.5 x 11 inch paper are Canada, Chile, Colombia, Costa Rica, Mexico, Panama, Guatemala, the Dominican Republic, and the Philippines); *see also* CR/PR at Table IV-34 (indicating that subject producers exports to Central/South America were greater than those to the United States throughout the POR). Finally, the pricing data confirm commercial U.S. shipments of 8.5 x 11 inch paper from each subject country over the POR. CR/PR at V-7-8.

[269] Exports accounted for the vast majority of the subject industries' total shipments throughout the POR. Their exports accounted for *** percent of total shipments in 2015, *** percent in 2016, *** percent in 2016, *** percent in 2018, *** percent in 2019, and *** percent in 2020; exports accounted for *** percent of shipments in interim 2020 and *** percent in interim 2021. CR/PR at Table IV-33.

[270] *Calculated from* CR/PR at Table IV-33 *and* Table C-1. Given the large size of the subject producers' excess capacity relative to the size of the U.S. market, we are unpersuaded by Australian Paper's argument that cumulated subject producers operated at high capacity-utilization rates that would preclude a significant increase in exports to the United States in the event of revocation. Australian Paper Prehearing Br. at 26.

[271] *See, e.g*., Hearing Tr. at 86 (Vaughn).

[272] For instance, while subject producers' total shipments declined between 2019 and 2020, export shipments declined less than home market shipments. As a result, subject producers' share of export shipments reached their highest level of the POR in 2020, *** percent, indicating an increased reliance on exports in a declining market. CR/PR at Table IV-33.

[273] From 2015 to 2020, the AUVs for subject producers' exports to the United States were higher than those to any other export market. Only in interim 2021 were subject producers' AUVs to other markets higher than those to the United States, yet the ratio of exports to the United States versus other markets also increased in this time relative to interim 2020, indicating an increased reliance on the U.S. market notwithstanding lower AUVs. CR/PR at Table IV-34.

[274] Subject producers face trade remedy actions in several third-country markets. Australia has imposed antidumping measures on A4 copy paper from Brazil, China, and Indonesia, and a countervailing measure on A4 copy paper from China. India has imposed an antidumping measure on uncoated copy paper from Indonesia. Mexico has imposed an antidumping measure on bond paper (Continued…)

increasing presence of nonsubject imports in the U.S. market over the POR illustrates the general attractiveness of the United States as a destination market for uncoated paper exports.[275] Finally, Commerce's affirmative circumvention determinations with respect to all orders on subject imports in 2017 and the orders on subject imports from Brazil, China, and Indonesia in December 2021 indicate that subject producers in those countries remain highly interested in serving the U.S. market.[276]

Accordingly, based on the subject producers' behavior during the original investigations, the continued significant presence of cumulated subject imports in the U.S. market during the POR, and subject producers' substantial production capacity, available unused capacity, inventories, export orientation, and the attractiveness of the U.S. market, we find that the likely volume of cumulated subject imports would be significant in the event of revocation.[277]

D. Likely Price Effects of Subject Imports

Original Investigations. The Commission found that the cumulated subject imports and the domestic like product were highly substitutable and that price was an important factor in purchasing decisions.[278] The Commission focused its pricing analysis on pricing product 1

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from Brazil, and Pakistan has imposed antidumping measures on uncoated printing and writing paper from Brazil, China, and Indonesia. CR/PR at IV-96.

[275] In a declining U.S. market, imports from nonsubject sources increased absolutely each year between 2015 and 2019 and between the interim periods, and their decrease in quantity between 2019 and 2020 was less than declines in apparent U.S. consumption and resulted in an increased market share. Their share of the U.S. market increased each year of the POR, from *** percent in 2015 to *** percent in 2020, and it was higher in interim 2021 (*** percent) than in interim 2020 (*** percent). CR/PR at Table C-1.

Further, the Commission notes the significant volume of arranged subject imports in the second half of 2021, which reflects not only subject imports' continuing presence in the U.S. market but also the continuing interest by subject producers in the U.S. market. Arranged subject imports in that period totaled *** short tons, which is equal to *** percent of apparent U.S. consumption, *** percent of total U.S. imports, and *** percent of subject imports, in the interim 2021 period. *Calculated from* CR/PR at Table IV-7 *and* Table C-1.

[276] As discussed above, Commerce in 2017 found that imports of 83 bright paper from all subject countries had been altered in form or appearance in minor respects from subject merchandise and were circumventing the orders, and it found in 2021 that imports of sheeter rolls from China, Brazil, and Indonesia that are converted into uncoated paper sheets within the United States were circumventing the orders. *See 2017 Circumvention Determination* & *2021 Circumvention Determination*.

[277] We have also considered the other statutory factor – *i.e.*, the potential for product shifting – in our analysis of likely subject import volume. Producers in two of the five subject countries, *** and ***, indicated that they can shift from production of other products to production of subject merchandise using existing equipment. *See* CR/PR at Table II-3.

[278] *Original Determinations*, USITC Pub. 4592 at 22.

because sales for this product represented approximately *** percent of all sales for which pricing data were collected and accounted for nearly all competition between subject imports and the domestic like product.[279] These pricing data showed that prices of cumulated subject imports undersold the domestic like product for pricing product 1 in 50 of 75 instances.[280] The quantity of cumulated subject imports in quarters of underselling for product 1 was 1,021,856 short tons, compared to 508,245 short tons of cumulated subject imports in quarters of overselling. Due to the predominance of underselling and the importance of price in purchasing decisions, the Commission found the underselling by cumulated subject imports to be significant.[281]

The Commission also found that cumulated subject imports had significantly depressed prices for the domestic like product. It observed that prices for domestically produced product 1 generally trended downward through 2013, increased during the first two quarters of 2014, and then declined again after the domestic producers were not able to sustain their earlier price increases.[282] The Commission noted that a substantial number of purchasers reported that domestic producers reduced prices in order to compete with lower-priced subject imports. The Commission concluded that cumulated subject imports had significant adverse effects on prices of the domestic like product.[283]

Current Reviews. As discussed above, the record in these reviews indicates that there is a high degree of substitutability between domestically produced uncoated paper and uncoated paper imported from subject sources, and that price is an important factor in purchasing decisions.

The Commission collected quarterly pricing data from U.S. producers and importers for one uncoated paper product shipped to unrelated U.S. customers during the POR.[284] Eight U.S. producers and 9 importers provided usable pricing data for sales of the requested product, although not all firms reported pricing for the product for all quarters.[285] In 2020, pricing data reported by these firms accounted for approximately 79.8 percent of U.S. producers' shipments

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[279] Confidential Original Determinations at 33, 35; *Original Determinations*, USITC Pub. 4592 at 21-23, 25.

[280] *Original Determinations*, USITC Pub. 4592 at 22.

[281] *Original Determinations*, USITC Pub. 4592 at 23-24.

[282] *Original Determinations*, USITC Pub. 4592 at 24.

[283] *Original Determinations*, USITC Pub. 4592 at 25.

[284] CR/PR at V-7. The one pricing product, Product 1, is: Uncoated paper, weighing 20lb. (75 gsm), with dimensions of 8.5 x 11 inches, and with GE brightness greater than 90 white and plain (i.e., not altered through processes such as surface-decorating, printing, embossing, perforating, punching, or watermarking). *Id*.

[285] CR/PR at V-7.

of uncoated paper, *** percent of U.S. shipments for subject imports from Brazil, and *** percent of U.S. shipments for subject imports from Portugal.[286]

These pricing data indicate that cumulated subject imports undersold the domestic like product in 37 of 70 quarterly comparisons, or 52.9 percent of the time, at underselling margins that ranged from 0.5 percent to 20.4 percent and averaging 5.3 percent; the quantity of subject imports in these comparisons was 438,151 short tons, or 47.3 percent of the total.[287] Underselling increased during the latter portion of the period of review, in 2020 and interim 2021, when it accounted for nearly all quarterly comparisons and reported subject import sales volumes.[288] For the entire POR, cumulated subject imports oversold the domestic like product in the remaining 33 comparisons, or 47.1 percent of the time, at overselling margins ranging from 0.5 percent to 17.2 percent and averaging 6.8 percent; the quantity of subject imports involved in these data was 487,454 short tons, or 52.7 percent of the total.[289] Thus, notwithstanding the discipline of the orders, subject imports undersold the domestic like product in a majority of comparisons, which encompassed *** of the total volume of subject imports during the POR, and this underselling increased in 2020 and 2021.[290]

In light of the underselling observed during the original POI and during the POR with the orders in place, the significance of price in purchasing decisions, and the high degree of

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[286] CR/PR at V-7-8. There were no commercial U.S. shipments of subject imports from Australia, China, or Indonesia in 2020. However, over the entirety of the POR, pricing data accounted for *** percent of U.S. shipments for subject imports from Australia, *** percent of U.S. shipments for subject imports from China, and *** percent of U.S. shipments for subject imports from Indonesia. *Id*. at V-8 n.16.

In its comments on draft questionnaires, Navigator proposed additional pricing products that it argued would have given broader product coverage. Navigator's Responses to Commissioner Questions at 42. As summarized above, however, Product 1 accounted for *** of commercial U.S. shipments from the domestic industry and all subject countries. Navigator's counsel further conceded that the single pricing product resulted in "high coverage" for the POR. Hearing Tr. at 240-241 (Alves).

[287] CR/PR at Table V-7.

[288] In 2020 and 2021, subject imports undersold the domestic like product in *** of *** quarterly comparisons and involving *** short tons, versus *** quarter of overselling involving *** short tons. CR/PR at Table V-8.

[289] CR/PR at Table V-7.

[290] Australian Paper argues that because a majority of the reported sales quantity of subject imports corresponded to quarters of overselling, subject imports are unlikely to undersell the domestic like product in the event of revocation. Australian Paper Prehearing Br. at 30. As noted above, however, the quantity of subject imports corresponding to quarters of underselling accounted for 47.3 percent of the total quantity, and this underselling occurred even under the disciplining effect of the orders. Given the prevalence of this underselling and the increases in instances of underselling in 2020 and 2021, we find that subject producers would likely significantly undersell the domestic like product in the event of revocation, as a means of increasing their exports to the U.S. market.

substitutability between the domestic like product and subject imports, we find that significant underselling by cumulated subject imports is likely in the event of revocation.[291] Additionally, because price is an important factor in purchasing decisions and the domestic like product and subject imports are substitutable, the significant quantities of cumulated subject imports that would likely enter the United States and that would likely undersell the domestic like product would likely force the domestic industry to lower prices, forego price increases, or risk losing market share. Consequently, we find that cumulated subject imports would likely have significant price effects in the event of revocation within a reasonably foreseeable time.

E. Likely Impact of Subject Imports

Original Investigations. In the original investigations, the Commission found that the domestic industry's performance indicators almost universally declined.[292] It observed that the industry's U.S. shipments, net sales, and production all declined steadily between 2012 and 2014, and remained relatively unchanged from interim 2014 to interim 2015.[293] It noted that the domestic industry's market share also declined steadily from 2012 to 2014, and that its market share in interim 2015 remained below 2012 and 2013 levels.[294] Production-related workers, hours worked, and wages also decreased over the POI, although productivity increased.[295] It observed that the domestic industry's operating income and net income declined sharply during the POI.[296] The Commission determined that the significant and increasing volume of cumulated subject imports, at prices that undersold the domestic like product and had significant price effects on the domestic like product, had a significant impact on the domestic industry by reducing its market share, production, shipments, revenues, and financial performance.[297]

In its non-attribution analysis, the Commission found that the declining demand for uncoated paper could not fully explain the declines in the domestic industry's production, capacity utilization, shipments, market share, and financial performance observed during the

[291] The Commission notes that, in its expedited reviews, Commerce determined that revocation of the subject orders would be likely to lead to continuation or recurrence of dumping and/or subsidization at generally significant margins. CR/PR at Tables I-8-14.

[292] *Original Determinations*, USITC Pub. 4592 at 26.

[293] *Original Determinations*, USITC Pub. 4592 at 26-27.

[294] *Original Determinations*, USITC Pub. 4592 at 28.

[295] *Original Determinations*, USITC Pub. 4592 at 28.

[296] *Original Determinations*, USITC Pub. 4592 at 28.

[297] *Original Determinations*, USITC Pub. 4592 at 29.

POI.[298] It also found prices for nonsubject imports from Canada were higher than the prices for subject imports in 166 of 182 comparisons and concluded that nonsubject imports could not explain the significant price effects and impact observed during the POI.[299]

Current Reviews. The domestic industry's trade indicators generally declined during the POR. U.S. producers' capacity measured in short tons, decreased from 4.35 million in 2015 to 4.31 million in 2016, 4.29 million in 2017, 4.26 million in 2018, 3.97 million in 2019, and 3.48 million in 2020; it was lower in interim 2021 at 1.34 million short tons compared to interim 2020 at 1.85 million short tons.[300] Production, measured in short tons, decreased from 3.64 million in 2015 to 3.53 million in 2016, 3.50 million in 2017, 3.43 million in 2018, 3.20 million in 2019, and 2.21 million in 2020; production was lower in interim 2021 at 1.04 million short tons compared to interim 2020 at 1.12 million short tons.[301] Capacity utilization also decreased during the POR with the largest decrease occurring from 2019 to 2020; capacity utilization was 83.8 percent in 2015, 81.9 percent in 2016, 81.5 percent in 2017, 80.4 percent in 2018, 80.5 percent in 2019, and 63.5 percent in 2020; it was higher in interim 2021 at 77.3 percent than interim 2020 at 60.5 percent.[302]

The domestic industry's volume-related indicators generally declined in tandem with the industry's production, although the industry's market share increased irregularly from 2015 to 2020. The industry's net sales by quantity in short tons decreased from 3.63 million in 2015 to 3.55 million in 2016, 3.49 million in 2017, 3.44 million in 2018, 3.16 million in 2019, and 2.26 million in 2020; net sales were lower in interim 2021 at 1.10 million short tons compared to interim 2020 at 1.15 million short tons.[303] U.S. producers' U.S. shipments by quantity decreased during the POR from 3.39 million short tons in 2015 to 3.33 million short tons in 2016, 3.26 million short tons in 2017, 3.19 million short tons in 2018, 2.95 million short tons in 2019, and 2.14 million short tons in 2020; U.S. shipments were lower in interim 2021 at 1.05 million short tons than in interim 2020 at 1.09 million short tons.[304] U.S. producers' U.S. shipments as a share of apparent U.S. consumption was 84.1 percent in 2015, 88.5 percent in 2016 and 2017, 89.0 percent in 2018, 87.4 percent in 2019, and 85.9 percent in 2020; it was lower in interim 2021 at 83.0 percent than interim 2020 at 86.4 percent.[305] U.S. producers' inventories

[298] *Original Determinations*, USITC Pub. 4592 at 29-30.
[299] *Original Determinations*, USITC Pub. 4592 at 30.
[300] CR/PR at Table III-6.
[301] CR/PR at Table C-1.
[302] CR/PR at Table C-1.
[303] CR/PR at Table C-1.
[304] CR/PR at Table C-1.
[305] CR/PR at Table C-1.

fluctuated but declined overall during the POR, and were 347,848 short tons in 2015, 335,251 short tons in 2016, 346,627 short tons in 2017, 334,573 short tons in 2018, 391,314 short tons in 2019, and 298,457 short tons in 2020; U.S. producers' inventories were lower in interim 2021 at 234,633 short tons than interim 2020 at 349,974 short tons.[306]

The domestic industry's employment-related indicators generally fluctuated but decreased overall and reached period-lows in 2020. The number of production-related workers was 5,844 in 2015, 5,836 in 2016, 5,489 in 2017, 5,816 in 2018, 5,683 in 2019, and 4,201 in 2020; there were fewer production workers in interim 2021 at 3,242 compared to interim 2020 at 4,488.[307] Total hours worked were 12.46 million in 2015, 12.41 million in 2016, 12.11 million in 2017, 12.65 million in 2018, 12.06 million in 2019, and 9.41 million in 2020; fewer total hours were worked in interim 2021 at 3.95 million hours than interim 2020 at 5.17 million hours.[308] Similarly, total wages paid were $485.50 million in 2015, $490.97 million in 2016, $461.57 million in 2017, $495.92 million in 2018, $497.91 million in 2019, and $388.68 million in 2020; total wages paid were lower in interim 2021 at $164.11 million than interim 2020 at $214.15 million.[309] Hourly wages did not follow this trend, instead increasing overall and reaching a period-low in 2017 and a period-high in 2020; hourly wages were $38.96 in 2015, $39.58 in 2016, $38.11 in 2017, $39.21 in 2018, $41.28 in 2019, and $41.29 in 2020; hourly wages were higher in interim 2021 at $41.55 than interim 2020 at $41.45.[310] Productivity, measured by short tons per 1,000 hours, fluctuated but decreased overall, and was 292 in 2015, 285 in 2016, 289 in 2017, 271 in 2018, 265 in 2019, and 235 in 2020; productivity was higher in interim 2021 at 263 short tons per 1,000 hours than interim 2020 at 217 short tons per 1,000 hours.[311]

Most of the domestic industry's financial indicators also generally declined from 2016 to 2020 before improving in interim 2021 compared to interim 2020. Gross profit fluctuated but decreased overall and was $514.86 million in 2015, $477.70 million in 2016, $450.25 million in 2017, $357.81 million in 2018, $559.21 million in 2019, and $261.27 million in 2020; gross profit was greater in interim 2021 at $227.59 million than interim 2020 at $81.20 million.[312] Operating income fluctuated but decreased overall and was $292.36 million in 2015, $263.37 million in 2016, $235.56 million in 2017, $146.84 million in 2018, $350.47 million in 2019, and $159.48 million in 2020; operating income was greater in interim 2021 at $179.56 million

[306] CR/PR at Table C-1.
[307] CR/PR at Table C-1.
[308] CR/PR at Table C-1.
[309] CR/PR at Table C-1.
[310] CR/PR at Table C-1.
[311] CR/PR at Table C-1.
[312] CR/PR at Table C-1.

compared to interim 2020 at $19.36 million.[313] The industry's ratio of operating income to net sales was 8.6 percent in 2015, 7.9 percent in 2016, 7.3 percent in 2017, 4.4 percent in 2018, 10.7 percent in 2019, and 6.9 percent in 2020; the ratio of operating income to net sales was greater in interim 2021 at 16.0 percent compared to interim 2020 at 1.6 percent.[314] The domestic industry's net income fluctuated but decreased overall and was $224.66 million in 2015, $233.24 million in 2016, $134.51 million in 2017, negative $157.44 million in 2018, $301.85 million in 2019, and negative $11.61 million in 2020; net income was greater in interim 2021 at $166.70 million compared to interim 2020 at $10.33 million.[315] The industry's return on assets was *** percent in 2015, *** percent in 2016, *** percent in 2017, *** percent in 2018, *** percent in 2019, and *** percent in 2020.[316] Capital expenditures fluctuated but increased overall and initially decreased from $*** in 2015 to $*** in 2016, increased to $*** in 2017, $*** in 2018 and to its period-high $*** in 2019, and decreased to $*** in 2020; capital expenditures were higher in interim 2021 at $*** than interim 2020 at $***.[317] The domestic industry's research and development expenses fluctuated but decreased overall and were $*** in 2015, $*** in 2016, $*** in 2017, $*** in 2018, $*** in 2019, $*** in 2020, and were higher in interim 2021 at $*** than interim 2020 at $***.[318]

In assessing the vulnerability of the domestic industry, we observe that the record evidence is mixed. Many of the domestic industry's performance indicators, such as production, capacity utilization, and net sales decreased during the POR, and apparent U.S. consumption declined throughout the period before recovering modestly in interim 2021 compared to interim 2020. However, the industry's market share remained predominant and increased irregularly during the POR, and its gross profit, operating income, operating income margin, net income, and capital expenditures were much higher in interim 2021 than in interim 2020.[319]

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

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

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

[316] CR/PR at Table III-20.

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

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

[319] Given the long term secular decline in demand for uncoated paper, which was exacerbated by the COVID-19 pandemic in 2020, Chair Kearns finds that the domestic industry is in a weakened condition and vulnerable to the likelihood of material injury by reason of subject imports. He observes that the domestic industry, while dramatically reducing capacity by *** percent over the period of review, experienced even greater declines in production and capacity utilization, which fell by *** percent and *** percent, respectively. Both indicators plummeted in 2020 during the pandemic, as did the industry's profitability. Several employment indicators, including production workers, wages paid, (Continued…)

As discussed above, we have found that cumulated subject imports would likely be significant in the reasonably foreseeable future if the orders under review were revoked. Given the domestic industry's large share of the market and the high degree of substitutability between subject imports and the domestic like product, the likely volume of cumulated subject imports would likely take market share from the domestic industry, resulting in declines in the domestic industry's production, shipments, and employment.

Further, the significant volume of low-priced subject imports would likely have adverse price effects on the domestic industry. To compete with low-priced subject imports, the domestic industry would have to either cut prices or forego needed price increases, or else lose sales and market share to subject imports. The likely volume of cumulated subject imports, coupled with their adverse price effects, would have a direct adverse impact on the industry's profitability and employment as well as its ability to raise capital and make and maintain necessary capital investments. Therefore, we find that revocation of the orders under review would likely have a significant impact on the domestic industry.

We have also considered the role of factors other than subject imports so as not to attribute likely injury from other factors to the subject imports. Nonsubject imports increased during the POR in terms of both volume and market share. Nonsubject import volume increased from *** short tons in 2015 to *** short tons in 2020 and was higher in interim 2021, at *** short tons, compared to interim 2020, at *** short tons.[320] Nonsubject imports as a share of apparent U.S. consumption increased from *** percent in 2015 to *** percent in 2020; their share of apparent U.S. consumption was *** percent in interim 2020 and *** percent in interim 2021.[321] Although nonsubject imports are likely to remain in the U.S. market after revocation, the likely volume of subject imports would likely take market share from the domestic industry, given the domestic industry's large share of the U.S. market and the high degree of substitutability between subject imports and the domestic like product. Further, the AUVs of nonsubject imports were higher than the AUVs of subject imports throughout the POR.[322] We find that the continued presence of nonsubject imports in the U.S. market would

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hours worked, and productivity also declined overall between 2015 and 2020. Although the domestic industry's performance began to recover in interim 2021, the industry still suffered from low capacity utilization, which remained lower at 77.3 percent than at the beginning of the period of review at 83.8 percent. In his view, the domestic industry will continue to face a secular decline in demand as it recovers from the pandemic, making it susceptible to the likely significant increase in subject imports and consequent adverse impact upon revocation of the orders.

[320] CR/PR at Table I-18.

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

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

not preclude subject imports from taking market share from the domestic industry or forcing the domestic industry to lower prices in order to retain sales and market share.

The record also indicates that the secular decline in demand for uncoated paper is likely to continue. During the POR, apparent U.S. consumption for uncoated paper declined due to the replacement of uncoated paper by electronic media and, in 2020, the COVID-19 pandemic.[323] Some firms expect that demand may recover somewhat from the 2020 lows caused by COVID-19, while other firms expect that increased remote work will continue to reduce demand for uncoated paper.[324] The significant volume of low-priced subject imports that is likely after revocation would exacerbate the injury caused by declining demand on the domestic industry, by further reducing the industry's sales, increasing the industry's per-unit fixed overhead costs, and placing additional downward pressure on domestic prices. Given these considerations, we find that the likely effects attributable to the subject imports are distinguishable from any likely effects of decreasing demand if the orders were revoked.

In sum, we conclude that, if the antidumping and countervailing duty orders were revoked, cumulated subject imports from Australia, Brazil, China, Indonesia, and Portugal would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

V. Conclusion

For the above reasons, we determine that revocation of the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

[323] CR/PR at II-14, II-16-17, Table II-4.
[324] CR/PR at II-15.

Part I: Introduction

Background

On February 1, 2021, the U.S. International Trade Commission ("Commission" or "USITC") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On May 7, 2021, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act. [4] Table I-1 presents information relating to the background and schedule of these reviews:[5]

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

[2] 86 FR 7734, February 1, 2021. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 86 FR 7709, February 1, 2021.

[4] 86 FR 27650, May 21, 2021. The Commission found that both the domestic and respondent interested party group responses to its notice of institution were adequate.

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

Table I-1
Uncoated paper: Information relating to the background and schedule of these reviews

Effective date	Action
March 3, 2016	Commerce's countervailing duty orders on uncoated paper from China and Indonesia (81 FR 11187) and antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal (81 FR 11174)
February 1, 2021	Commission's institution of five-year reviews (86 FR 7734)
February 1, 2021	Commerce's initiation of five-year reviews (86 FR 7709)
May 7, 2021	Commission's determination to conduct full five-year reviews (86 FR 27650, May 21, 2021)
June 1, 2021	Commerce's final results of the expedited five-year review of the countervailing duty order on uncoated paper from Indonesia (86 FR 29243) and its final results of the expedited five-year reviews of the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal (86 FR 29248)
June 7, 2021	Commerce's final results of the expedited five-year review of the countervailing duty order on uncoated paper from China (86 FR 30260)
July 19, 2021	Commission's scheduling of the reviews (86 FR 39057, July 23, 2021)
November 18, 2021	Commission's hearing
January 11, 2022	Commission's vote
January 31, 2022	Commission's determinations and views

The original investigations

The original investigations resulted from petitions filed by United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("United Steelworkers" or "USW"), Pittsburgh, Pennsylvania; Domtar Corporation ("Domtar"), Ft. Mill, South Carolina; Finch Paper LLC ("Finch Paper"), Glen Falls, New York; P.H. Glatfelter Company ("Glatfelter"), York, Pennsylvania; and Packaging Corporation of America ("PCA"), Lake Forest, Illinois, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized imports of uncoated paper from China and Indonesia and less-than-fair-value ("LTFV") imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal. Following notification of final determinations by Commerce that imports of uncoated paper from China and Indonesia were being subsidized and imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal were sold at LTFV, the Commission determined on February 22, 2016, that a domestic industry was materially injured by reason of subsidized imports of uncoated paper from China and Indonesia and imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal that were sold at LTFV.[6] Commerce published the countervailing duty orders on subject imports of

[6] Certain Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal Inv. Nos. 701-TA-528-529 and 731-TA-1264-1268 (Final), USITC Publication 4592, February 2016 ("Original publication"), p. 1.

uncoated paper from China and Indonesia and the antidumping duty orders on subject imports of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal on March 3, 2016.[7]

Previous and related investigations

Uncoated paper that exactly meets the scope description of the item that is the subject of these five-year reviews has not been the subject of any prior countervailing or antidumping duty investigations in the United States. The Commission has conducted a number of previous import relief investigations on other paper merchandise, which are presented in table I-2.

[7] 81 FR 11174 and 81 FR 11187, March 3, 2016.

Table I-2
Uncoated paper: Previous and related Commission proceedings

Date	Number	Product / Country	Outcome of Original Investigation	Current Status
2005	701-TA-442	Certain Lined Paper School Supplies / India	Affirmative	Order continued after second review, March 6, 2018
2005	701-TA-443	Certain Lined Paper School Supplies / Indonesia	Affirmative	Order revoked after first review, August 31, 2012
2005	731-TA-1095	Certain Lined Paper School Supplies / China	Affirmative	Order continued after second review, March 6, 2018
2005	731-TA-1096	Certain Lined Paper School Supplies / India	Affirmative	Order continued after second review, March 6, 2018
2005	731-TA-1097	Certain Lined Paper School Supplies / Indonesia	Affirmative	Order revoked after first review, August 31, 2012
2006	701-TA-444	Coated Free Sheet Paper / China	Final Negative	---
2006	701-TA-445	Coated Free Sheet Paper / Indonesia	Final Negative	---
2006	701-TA-446	Coated Free Sheet Paper / Korea	Final Negative	---
2006	731-TA-1107	Coated Free Sheet Paper / China	Final Negative	---
2006	731-TA-1108	Coated Free Sheet Paper / Indonesia	Final Negative	---
2006	731-TA-1109	Coated Free Sheet Paper / Korea	Final Negative	---
2007	701-TA-451	Lightweight Thermal Paper / China	Affirmative	Order continued after second review, July 6, 2020
2007	731-TA-1126	Lightweight Thermal Paper / China	Affirmative	Order continued after second review, July 6, 2020
2007	731-TA-1127	Lightweight Thermal Paper / Germany	Affirmative	Order revoked after first review, January 30, 2015
2007	731-TA-1128	Lightweight Thermal Paper / Korea	Preliminary Negative	---
2009	701-TA-470	Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses / China	Affirmative	Order continued after first review, January 6, 2017
2009	701-TA-471	Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses / Indonesia	Affirmative	Order continued after first review, January 6, 2017
2009	731-TA-1169	Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses / China	Affirmative	Order continued after first review, January 6, 2017
2009	731-TA-1170	Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses / Indonesia	Affirmative	Order continued after first review, January 6, 2017

Table continued on next page

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Table I-2 Continued
Uncoated paper: Previous and related Commission proceedings

Date	Number	Product / Country	Outcome of Original Investigation	Current Status
2015	701-TA-530	Supercalendered Paper / Canada	Affirmative	Order revoked by Commerce, August 3, 2015
2017	701-TA-584	Uncoated Groundwood Paper / Canada	Final Negative	---
2017	731-TA-1382	Uncoated Groundwood Paper / Canada	Final Negative	---
2020	731-TA-1546	Thermal Paper / Germany	Affirmative	Order issued on November 22, 2021
2020	731-TA-1547	Thermal Paper / Japan	Affirmative	Order issued on November 22, 2021
2020	731-TA-1548	Thermal Paper / Korea	Affirmative	Order issued on November 22, 2021
2020	731-TA-1549	Thermal Paper / Spain	Affirmative	Order issued on November 22, 2021

Note: "Date" refers to the year in which the investigation was instituted by the Commission. Decorative paper such as crepe paper and tissue paper are not included in this table.

Source: U.S. International Trade Commission publications and Federal Register notices.

Summary data

Table I-3 presents a summary of data from the original investigations and the current full five-year reviews. Apparent U.S. consumption, by quantity and value, were 44.1 percent and 44.2 percent lower, respectively, in 2020 than in 2014. U.S. producers' share of apparent U.S. consumption, by quantity, was *** percentage points higher in 2020 than in 2014, while subject imports' share of apparent U.S. consumption in 2020, by quantity, was *** percentage points lower than U.S. shipments of subject imports' share of apparent U.S. consumption in 2014. U.S. producers' production capacity and production were *** percent and *** percent lower, respectively, in 2020 than in 2014. The quantity of U.S. producers' U.S. shipments was *** percent lower in 2020 than in 2014, while the quantity of subject imports in 2020 was *** percent lower than the quantity of U.S. shipments of subject imports in 2014. The value of U.S. producers' U.S. shipments was *** percent lower in 2020 than in 2014, while the value of subject imports in 2020 was *** percent lower than the value of U.S. shipments of subject imports in 2014.

Table I-3
Uncoated paper: Comparative data from the original investigations and first reviews

Quantity in short tons; value in 1,000 dollars; shares in percent

Item	Measure	2014	2020
Apparent U.S. consumption	Quantity	4,466,557	2,496,623
U.S. producers market share	Share of quantity	79.4	85.9
Australia market share	Share of quantity	***	***
Brazil market share	Share of quantity	***	***
China market share	Share of quantity	***	0.1
Indonesia market share	Share of quantity	***	0.0
Portugal market share	Share of quantity	***	***
Subject market share	Share of quantity	17.0	***
Nonsubject market share	Share of quantity	3.5	***
Import market share	Share of quantity	20.6	14.1
Apparent U.S. consumption	Value	4,540,143	2,531,199
U.S. producers market share	Share of value	80.5	87.0
Australia market share	Share of value	***	***
Brazil market share	Share of value	***	***
China market share	Share of value	***	0.1
Indonesia market share	Share of value	***	0.0
Portugal market share	Share of value	***	***
Subject market share	Share of value	15.5	***
Nonsubject market share	Share of value	4.0	***
Import market share	Share of value	19.5	13.0

Table continued.

Table I-3 Continued
Uncoated paper: Comparative data from the original investigations and first reviews

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton

Item	Measure	2014	2020
Australia imports/shipments	Quantity	***	***
Australia imports/shipments	Value	***	***
Australia imports/shipments	Unit value	***	***
Brazil imports/shipments	Quantity	***	***
Brazil imports/shipments	Value	***	***
Brazil imports/shipments	Unit value	***	***
China imports/shipments	Quantity	***	1,390
China imports/shipments	Value	***	2,008
China imports/shipments	Unit value	***	1,445
Indonesia imports/shipments	Quantity	***	189
Indonesia imports/shipments	Value	***	144
Indonesia imports/shipments	Unit value	***	765
Portugal imports/shipments	Quantity	***	***
Portugal imports/shipments	Value	***	***
Portugal imports/shipments	Unit value	***	***
Subject imports/shipments	Quantity	***	***
Subject imports/shipments	Value	***	***
Subject imports/shipments	Unit value	***	***
Nonsubject imports/shipments	Quantity	***	***
Nonsubject imports/shipments	Value	***	***
Nonsubject imports/shipments	Unit value	***	***
All import source imports/shipments	Quantity	***	352,848
All import source imports/shipments	Value	***	329,808
All import source imports/shipments	Unit value	***	935

Table continued.

Table I-3 Continued
Uncoated paper: Comparative data from the original investigations and first reviews

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratios in percent

Item	Measure	2014	2020
Capacity	Quantity	***	3,476,598
Production	Quantity	***	2,208,112
Capacity utilization	Ratio	***	63.5
Producer U.S. shipments	Quantity	***	2,143,775
Producer U.S. shipments	Value	***	2,201,391
Producer U.S. shipments	Unit value	***	1,027
Producer inventories	Quantity	***	298,457
Producer inventory ratio to total shipments	Ratio	***	***
Production workers	Number	***	4,201
Hours worked	1,000 hours	***	9,413
Wages paid	Value	***	388,680
Hourly wages	Dollars per hour	$***	$41.29
Productivity	Short tons per 1,000 hours	***	235
Net sales	Quantity	***	2,261,139
Net sales	Value	***	2,305,494
Net sales	Unit value	***	1,020
Cost of goods sold	Value	***	2,044,220
Gross profit or (loss)	Value	***	261,274
SG&A expense	Value	***	101,791
Operating income or (loss)	Value	***	159,483
Unit COGS	Unit value	***	904
Unit operating income	Unit value	***	71
COGS/sales	Ratio	***	88.7
Operating income or (loss)/sales	Ratio	***	6.9

Source: Compiled data from Office of Investigations memorandum INV-TT-060 (April 26, 2021), official U.S import statistics, and responses to Commission questionnaires.

Note: Apparent U.S. consumption in 2014 is derived from U.S. shipments of imports, while apparent U.S. consumption in 2020 is derived from U.S. imports.

Note: Data for imports from China and Indonesia are based on official U.S. import statistics. Data for all other sources are based on data submitted in response to Commission questionnaires. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Statutory criteria

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

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

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

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

(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and
(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

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

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

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

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

Organization of report

Information obtained during the course of the reviews that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for uncoated paper as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of eight U.S. producers of uncoated paper that are believed to have accounted for the vast majority of domestic production of uncoated paper in 2020. U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 17 U.S. importers of uncoated paper that are believed to have accounted for *** percent of subject imports during 2020. Foreign industry data and related information are based on the questionnaire responses of five producers of uncoated paper. One producer in Australia accounted for *** percent of total production; two producers in Brazil accounted for *** percent of total production; one producer in Indonesia accounted for *** percent of total production; one producer in Portugal accounted for *** percent of total production. The Commission did not receive a response to its questionnaire from producers in China.

Responses by U.S. producers, importers, purchasers, and foreign producers of uncoated paper to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D.

Commerce's reviews[8]

Administrative reviews

Commerce has completed two administrative reviews of the outstanding countervailing duty order on uncoated paper from Indonesia. Commerce has completed three administrative reviews of the outstanding antidumping duty order on uncoated paper from Brazil; three administrative reviews of the outstanding antidumping duty order on uncoated paper from Indonesia; and three administrative reviews of the outstanding antidumping duty order on uncoated paper from Portugal.[9] There were no administrative reviews of the outstanding

[8] Commerce has not conducted any scope rulings since the completion of the original investigations. In addition, Commerce has not issued any duty absorption findings or any company revocations since the imposition of the orders.

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

countervailing duty order on uncoated paper from China or on the outstanding antidumping duty orders on uncoated paper from Australia and China.

Brazil

Commerce has completed five antidumping duty administrative reviews with regard to subject imports of uncoated paper from Brazil. The results of the administrative reviews are shown in table I-4.

Table I-4
Uncoated paper: Administrative reviews of the antidumping duty order for Brazil

Date results published	Period of review	Producer or exporter	Margin (percent)
October 18, 2018, 83 FR 52804	August 27, 2015-February 28, 2017	Suzano Papel e Celulose S.A	18.80
October 23, 2019, 84 FR 56760	March 1, 2017-February 28, 2018	Suzano Papel e Celulose S.A	36.54
January 27, 2021, 86 FR 7254	March 1, 2018-February 28, 2019	Suzano Papel e Celulose S.A	32.31
January 27, 2021, 86 FR 7254	March 1, 2018-February 28, 2019	International Paper do Brasil Ltda. and International Paper Exportadora Ltda	20.80
October 7, 2021, 86 FR 55820	March 1, 2019-February 29, 2020	Suzano S.A	19.40

Source: Cited Federal Register notices.

Indonesia

Commerce has completed two countervailing duty administrative reviews and three antidumping duty administrative reviews with regard to subject imports of uncoated paper from Indonesia. The results of the administrative reviews are shown in tables I-5 and I-6.

Table I-5
Uncoated paper: Administrative reviews of the countervailing duty order for Indonesia

Date results published	Period of review	Producer or exporter	Margin (percent)
November 14, 2018, 83 FR 56807	June 29, 2015-December 31, 2016	APRIL Fine Paper Macao Commercial Offshore Limited/PT Anugrah Kertas Utama/PT Riau Andalan Kertas/PT Intiguna Primatama/PT Riau Andalan Pulp & Paper/PT Esensindo Cipta Cemerlang/PT Sateri Viscose International/ PT ITCI Hutani Manunggal	11.73 (2015) 5.13 (2016)
January 29, 2020, 85 FR 5192	January 1, 2018-December 31, 2018	PT Anugerah Kertas Utama, PT Riau Andalan Kertas, APRIL Fine Paper Macao Offshore Limited, PT Asia Pacific Rayon, PT Sateri Viscose International, A P Fine Paper Trading (Hong Kong) Limited, and APRIL International Enterprise Pte. Ltd. (collectively, APRIL)	104.00

Source: Cited Federal Register notices.

Table I-6
Uncoated paper: Administrative reviews of the antidumping duty order for Indonesia

Date results published	Period of review	Producer or exporter	Margin (percent)
August 9, 2018, 83 FR 39410	August 26, 2015-February 28, 2017	PT Anugerah Kertas Utama/PT Riau Andalan Kertas/PT Sateri Viscose International/A P Fine Paper Trading (Hong Kong) Limited/APRIL Fine Paper Macao Offshore Limited (collectively, APRIL)	66.82
March 14, 2019, 84 FR 9294	March 1, 2017-February 28, 2018	PT Anugerah Kertas Utama, PT Riau Andalan Kertas, APRIL Fine Paper Macao Offshore Limited, PT Sateri Viscose International, and A P Fine Paper Trading (Hong Kong) Limited (collectively, APRIL)	66.82
January 6, 2020, 85 FR 496	March 1, 2018-February 28, 2019	APRIL Fine Paper Macao Offshore Limited, APRIL Fine Paper Trading Pte. Ltd., APRIL International Enterprise Pte. Ltd., A P Fine Paper Trading (Hong Kong) Limited, PT Anugerah Kertas Utama, PT Riau Andalan Kertas, PT Asia Pacific Rayon, and PT Sateri Viscose International (collectively, APRIL)	66.82

Source: Cited Federal Register notices.

Portugal

Commerce has completed five antidumping duty administrative reviews with regard to subject imports of uncoated paper from Portugal. The results of the administrative reviews are shown in table I-7.

Table I-7
Uncoated paper: Administrative reviews of the antidumping duty order for Portugal

Date results published	Period of review	Producer or exporter	Margin (percent)
August 13, 2018, 83 FR 39982	August 26, 2015-February 28, 2017	The Navigator Company, S.A.	37.34
December 27, 2019, 84 FR 71376	March 1, 2017-February 28, 2018	The Navigator Company, S.A	4.37
July 16, 2020, 85 FR 43208	August 26, 2015-February 28, 2017	The Navigator Company, S.A	1.63
January 27, 2021, 86 FR 7269	March 1, 2018-February 28, 2019	The Navigator Company, S.A	6.75
October 21, 2021, 86 FR 58251	March 1, 2019-February 29, 2020	The Navigator Company, S.A	2.21

Source: Cited Federal Register notices.

Changed circumstances reviews

Commerce has conducted one changed circumstances review with respect to uncoated paper from Portugal. Commerce determined that the Navigator Company, S.A. and Navigator Fine Paper, S.A. (collectively "Navigator") is the successor-in-interest to Portucel S.A. and Portucel Sporcel Fine Paper, S.A. (collectively "Portucel") for the purposes of the antidumping duty order.

Anti-circumvention inquiries

On November 7, 2016, Commerce initiated an anti-circumvention inquiry to determine under the minor alterations provision whether uncoated paper with a GE brightness of 83 ±1% ("83 bright paper") is "altered in form or appearance in minor respects" from in-scope merchandise such that it may be considered subject to the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal.[10]

On September 1, 2017, Commerce determined that imports of 83 bright paper, otherwise meeting the description of in-scope merchandise, constitute merchandise "altered in form or appearance in minor respects" from in-scope merchandise and are subject to the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China, Indonesia, and Portugal.[11]

[10] 81 FR 78117, November 7, 2016.
[11] 82 FR 41610, September 1, 2017.

On October 18, 2019, Commerce initiated an anti-circumvention inquiry to determine whether certain imports of sheeter rolls of uncoated paper exported from Australia, Brazil, the People's Republic of China (China), and Indonesia, and completed by conversion into sheets of paper in the United States, are circumventing the countervailing duty orders on uncoated paper from China and Indonesia and the antidumping duty orders on uncoated paper from Australia, Brazil, China and Indonesia.[12] Commerce did not initiate an anti-circumvention inquiry on imports of uncoated paper rolls from Portugal. On December 8, 2021, Commerce issued its final determination that imports of uncoated paper rolls from Brazil, China, and Indonesia are circumventing the antidumping duty orders on uncoated paper from Brazil, China and Indonesia, and the countervailing duty orders on uncoated paper from China and Indonesia.[13]

Five-year reviews

Commerce has issued the final results of its expedited reviews with respect to all subject countries.[14] Tables I-8 through I-14 present the countervailable subsidy margins and dumping margins calculated by Commerce in its original investigations and first five-year reviews.

Table I-8
Uncoated paper: Commerce's original and first five-year review dumping margins for producers/exporters in Australia

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
Paper Australia Pty. Ltd.	222.46	---
All others	138.87	---

Source: 81 FR 11174, March 3, 2016 and 86 FR 29248, June 1, 2021.

Note: In its expedited first review, Commerce determined that revocation of the antidumping duty order on uncoated paper from Australia would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 222.46 percent. Commerce did not present weighted-average dumping margins for individual companies or a country-wide dumping margin.

[12] 84 FR 55915, October 18, 2019.
[13] 86 FR 71025, December 14, 2021.
[14] 86 FR 29243 and 86 FR 29248, June 1, 2021. 86 FR 30260, June 7, 2021.

Table I-9
Uncoated paper: Commerce's original and first five-year review dumping margins for producers/exporters in Brazil

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
International Paper do Brasil Ltda. and International Paper Exportadora Ltda. (International Paper	41.39	---
Suzano Papel e Celulose S.A.	22.37	---
All others	27.11	---

Source: 81 FR 11174, March 3, 2016 and 86 FR 29248, June 1, 2021.

Note: In its expedited first review, Commerce determined that revocation of the antidumping duty order on uncoated paper from Brazil would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 41.39 percent. Commerce did not present weighted-average dumping margins for any individual companies or a country-wide dumping margin.

Table I-10
Uncoated paper: Commerce's original and first five-year review countervailable subsidy margins for producers/exporters in China

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
Asia Symbol (Guangdong) Paper Co., Ltd. (AS Guangdong), Asia Symbol (Shandong) Pulp & Paper Co., Ltd. (AS Shandong), Asia Symbol (Guangdong) Omya Minerals Co., Ltd. (AS Omya), and Greenpoint Global Trading (Macao Commercial Offshore) Limited (Greenpoint) (collectively, Asia Symbol Companies)	7.23	7.23
Shandong Sun Paper Industry Joint Stock Co., Ltd. (Shandong Sun Paper), and Sun Paper (Hong Kong) Co., Ltd. (Sun Paper HK) (collectively, Sun Paper Companies)	176.75	176.75
UPM (China) Co. Ltd	176.75	176.75
All others	7.23	7.23

Source: 81 FR 11187, March 3, 2016 and 86 FR 30260, June 7, 2021.

Table I-11
Uncoated paper: Commerce's original and first five-year review dumping margins for producers/exporters in China

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
Greenpoint Global Trading (Macao Commercial Offshore) Ltd.	84.05	---
All others	149.00	---

Source: 81 FR 11174, March 3, 2016 and 86 FR 29248, June 1, 2021.

Note: In its expedited first review, Commerce determined that revocation of the antidumping duty order on uncoated paper from China would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 149.00 percent. Commerce did not present weighted-average dumping margins for any individual companies or a country-wide dumping margin.

Table I-12
Uncoated paper: Commerce's original and first five-year review countervailable subsidy margins for producers/exporters in Indonesia

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
PT Anugerah Kertas Utama, PT Riau Andalan Kertas, APRIL Fine Paper Macao Offshore Limited, PT Asia Pacific Rayon, PT Sateri Viscose International, A P Fine Paper Trading (Hong Kong) Limited, and APRIL International Enterprise Pte. Ltd	21.21	21.21
Great Champ Trading Limited	103.99	103.99
Indah Kiat Pulp & Paper TBK/Pabrik Kertas Tjiwi Kimia/PT Pindo Deli Pulp and Paper Mills	109.14	109.14
All others	21.21	21.21

Source: 81 FR 11187, March 3, 2016 and 86 FR 29243, June 1, 2021.

Table I-13
Uncoated paper: Commerce's original and first five-year review dumping margins for producers/exporters in Indonesia

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
PT Anugerah Kertas Utama, PT Riau Andalan Kertas, APRIL Fine Paper Macao Offshore Limited, PT Asia Pacific Rayon, PT Sateri Viscose International, A P Fine Paper Trading (Hong Kong) Limited, and APRIL International Enterprise Pte. Ltd	2.10	---
Indah Kiat Pulp & Paper TBK/Pabrik Kertas Tjiwi Kimia/PT Pindo Deli Pulp and Paper Mills	17.46	---
Great Champ Trading Limited	17.46	---
All others	2.10	---

Source: 81 FR 11174, March 3, 2016 and 86 FR 29248, June 1, 2021.

Note: In its expedited first review, Commerce determined that revocation of the antidumping duty order on uncoated paper from Indonesia would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 17.46 percent. Commerce did not present weighted-average dumping margins for any individual companies or a country-wide dumping margin.

Table I-14
Uncoated paper: Commerce's original and first five-year review dumping margins for producers/exporters in Portugal

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
The Navigator S.A. (previously Portucel)	7.80	---
All others	7.80	---

Source: 81 FR 11174, March 3, 2016 and 86 FR 29248, June 1, 2021.

Note: In its expedited first review, Commerce determined that revocation of the antidumping duty order on uncoated paper from Portugal would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 7.80 percent. Commerce did not present weighted-average dumping margins for any individual companies or a country-wide dumping margin.

The subject merchandise

Commerce's scope

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

> *The scope of these orders includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level 3 of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).*
>
> *Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.*
>
> *Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes. For purposes of this scope definition, paper shall be considered "printed with final content" where at least one side of the sheet has printed text and/or graphics that cover at least five percent of the surface area of the entire sheet.*[15]

[15] 86 FR 29243 and 86 FR 29248, June 1, 2021. 86 FR 30260, June 7, 2021.

Tariff treatment

Uncoated paper is currently imported under the following HTS subheadings: 4802.56.10, 4802.56.20, 4802.56.30, 4802.56.40, 4802.56.60, 4802.56.70, 4802.57.10, 4802.57.20, 4802.57.30, and 4802.57.40. Some imports of subject merchandise may also be currently imported under HTS subheadings 4802.62.10, 4802.62.20, 4802.62.30, 4802.62.50, 4802.62.61, 4802.69.10, 4802.69.20, and 4802.69.30, and statistical reporting numbers 4811.90.8050 and 4811.90.9080. Uncoated paper originating in Australia, Brazil, China, Indonesia, and Portugal imported into the U.S. market have a column 1-general duty rate of "free" for all relevant HTS subheadings. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

HTS subheadings 4802.56.10, 4802.56.20, 4802.56.30, 4802.56.40, 4802.56.60, 4802.56.70, 4802.57.10, 4802.57.20, 4802.57.30, and 4802.57.40 were included in USTR's third enumeration ("Tranche 3" or "List 3") of products imported from China that became subject to the additional 10 percent ad valorem duties (annexes A and C of 83 FR 47974, on or after September 24, 2018) under Section 301 of the Trade Act of 1974.[16] Escalation of this duty to 25 percent ad valorem was rescheduled from January 1, 2019 (annex B of 83 FR 47974)[17] to March 2, 2019 (83 FR 65198),[18] but was subsequently postponed until further notice,[19] and then was implemented effective May 10, 2019 (84 FR 20459).[20] A subsequent modification was provided for subject goods produced in China prior to May 10, 2019 so that such goods were not subject to the escalated 25 percent duty as long as such goods were imported into the United States prior to June 1, 2019.[21] [22]

On February 5, 2020, USTR announced its determination to grant certain exclusion requests.[23] As of August 1, 2021, no exclusions were granted for any products under HTS subheadings 4802.56.10, 4802.56.20, 4802.56.30, 4802.56.40, 4802.56.60, 4802.56.70, 4802.57.10, 4802.57.20, 4802.57.30, and 4802.57.40.[24]

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[16] 83 FR 47974, September 21, 2018.

[17] Ibid.

[18] 83 FR 65198, December 19, 2018.

[19] 84 FR 7966, March 5, 2019.

[20] 84 FR 20459, May 9, 2019.

[21] 84 FR 21892, May 15, 2019.

[22] USTR proposed raising this additional duty from 25 percent to 30 percent on such products imported from China, on or after October 1, 2019 (Annex C – (List 3 - $200 Billion Action), Part 1), 84 FR 46212, September 3, 2019.

[23] 85 FR 6674, February 5, 2020.

[24] HTS U.S. note 20, subchapter III, chapter 99; and USITC, "Harmonized Tariff Information," August 8, 2021, https://www.usitc.gov/harmonized_tariff_information, retrieved August 18, 2021.

The product

Description and applications

Uncoated paper generally is used for office reprographics (copy and printer paper), books, instruction manuals, inserts, business forms, flyers, maps, and brochures. Uncoated paper is used in office and home printers and copiers and on sheet-fed printing presses, including but not limited to offset presses, digital color presses, color printers, and color copiers. Uncoated paper is sold to office superstores, club stores, retailers, paper merchants/distributors, and end users (such as commercial printers, schools, and offices).

Uncoated paper consists of uncoated paper in the form of finished sheets; weighing at least 40 grams per square meter ("gsm") but not more than 150 gsm; that either is a white paper with a GE[25] brightness level of 85 or higher or is a colored paper; whether or not surface decorated, printed, embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions. Uncoated paper consists of cut-size sheets and folio sheets. Cut-size sheets are produced in standard sizes of 8.5 x 11 inches (letter size), 8.5 x 14 inches (legal size), and 11 x 17 inches. Folio sheets are larger than cut-size sheets and have various dimensions; one common size of folio sheets is 17 x 22 inches. Most uncoated paper is sheeted and sold as finished sheets by paper producers; the remainder is sold in the form of sheeter rolls to independent converters, which sheet the rolls and sell the finished sheets. Important physical characteristics of uncoated paper include: (1) brightness, (2) basis weight, (3) opacity, (4) smoothness, and (5) caliper.

Brightness

Brightness is a measure of the paper's ability to reflect light. A GE Reflectance Scale is used for this measurement. The higher the brightness, the greater the contrast between the paper and the colors printed upon it. Brightness ranges from 1, a totally black grade, to 100, the brightest measured grade.

Basis weight

Basis weight, a traditional unit of measurement for the paper industry in the United States, is the weight in pounds of a ream of paper (500 sheets of paper) of a given size (the

[25] GE is short for General Electric, which invented one of the first machines to measure paper brightness.

basis).[26] The basis weight for office copy paper is predominately 20 pounds but can range from slightly less than this weight to more than 28 pounds.

Opacity

Opacity is a measure of the ability of a sheet of paper to have a printed image on one side without the image showing through to the other side. The measurement is expressed as a range from zero to 100 percent. The higher the value, the opaquer the paper; conversely, the lower the value, the more transparent the paper.

Smoothness

Paper smoothness refers to the amount of evenness the surface of the paper possesses. Factors that play into how smooth the finished paper is include the type of material used to make the paper and the surface treatment it receives in the later phases of production. Chief among the latter are how much wet pressing it receives, which types of coatings are used, and how much calendaring is performed. The most common method used to measure smoothness is the air leak test. This test measures the amount of time it takes for air to leak in between a smooth surface and that of the paper.[27]

Caliper

Caliper is the thickness of a paper. Caliper is measured in thousandths of an inch and typically expressed as points (e.g., 10 points equals 0.010 inch, 8 points equals 0.008 inch, etc.).

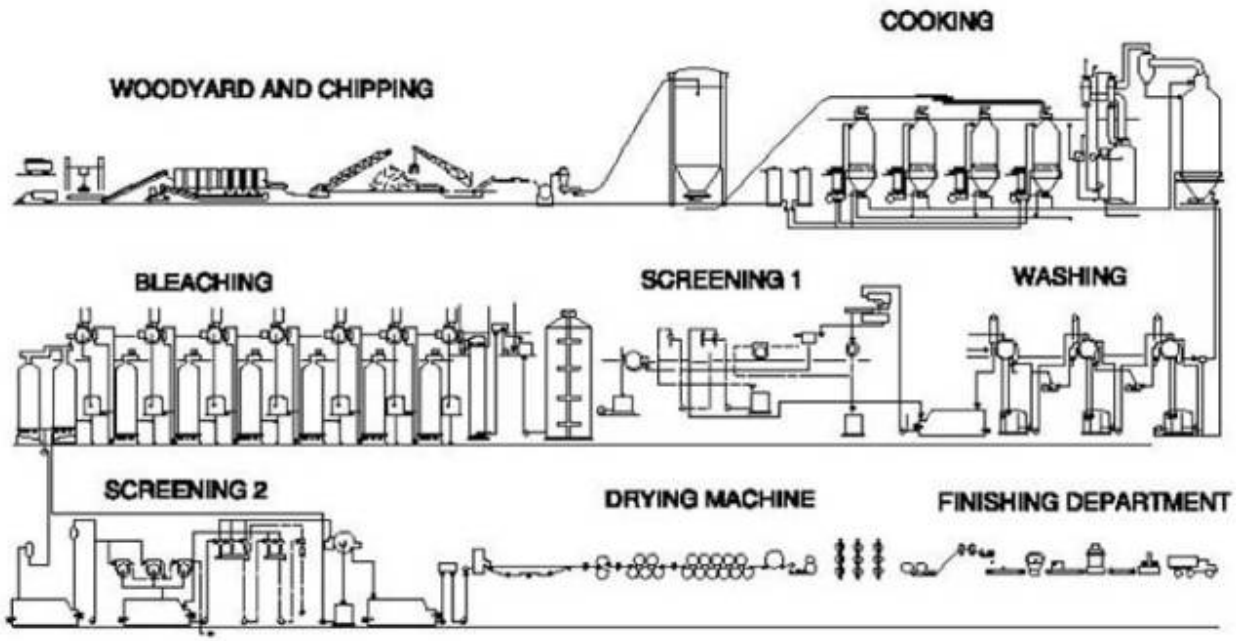
Manufacturing processes

Many U.S. producers of uncoated paper operate integrated manufacturing facilities, producing uncoated paper in one continuous process from the harvested log to the intermediate product (pulp) to the final paper product. The general production process is similar for all U.S. producers (figure I-1).

[26] On a metric basis, the weight of paper is measured in grams per square meter.

[27] "What is paper smoothness?" https://navigator-business-optimizer.com/2016/03/what-is-paper-smoothness/, retrieved April 7, 2021.

Figure I-1
Uncoated paper: Papermaking process



Source: "How is paper manufactured – uncoated paper," https://jakethejeep.wordpress.com/2015/08/13/how-is-paper-manufactured-uncoated-paper/, retrieved February 18, 2021.

The manufacturing process generally begins with the removal of the bark from logs in a debarking machine. The logs are then chipped into small uniformly sized chips in a chipper. The wood chips next undergo a chemical pulping process whereby they are cooked under pressure with water and chemicals in a digester cooking vessel to separate the cellulose fibers from the lignin (the glue that holds the fibers together) and other impurities. The resulting wood pulp is washed and bleached to attain a level of whiteness and brightness required for the grade of paper being produced and then refined to enable the wood fibers to mesh together and to increase their bonding properties. Different materials are added to the pulp, including kaolin clay and calcium carbonate for brightness, opacity, and smoothness, dyes for shade control, optical brighteners for whiteness, and sizing agents for moisture control. The exact proportions of these materials are determined by the specifications for the type of paper that is being produced. A large volume of water is also added.

The pulp mixture is 99.5 percent water as it enters the paper machine. A paper machine has three major parts—the base sheet forming section (the wet end), the press section, and the dryer section. The mixture is pumped out onto a continuously moving wire web that is usually oriented horizontally and which loops around rollers at both ends. As the wire web moves along, water drains through it, the fibers begin to bond, and a sheet (web) of paper begins to form on the wire. The web at this point has an 80 percent water content. The web of paper leaves the moving wire and enters the press section, where a set of steel rollers squeezes more water out of the web, reducing its water content to about 65 percent. The web then proceeds into the dryer section and passes over and under successive steam-heated drying cylinders. This drying process removes most of the remaining water from the web of paper.

The web may then undergo a calendaring process. A calendar is a set of steel rolls, stacked one on top of the other, through which the paper web is passed. The rolls apply heat and pressure to the paper, increasing the smoothness and gloss of the surface. The web of paper is wound onto large reels (jumbo rolls or parent rolls), which are transported to the finishing department where a slitter/rewinder unwinds and slits them into smaller width rolls (sheeter rolls) and rewinds them onto narrower reels. The widths of these narrower rolls are dictated by the sheet sizes into which they will be cut or by the width of the presses for which they are intended. At this point in the production process, any sheeter rolls that are to be sheeted by independent converters are wrapped and labeled for delivery to customers. The remaining sheeter rolls are processed on a sheeter, which cuts the rolls into sheets, performs a quality check of the surface of the paper, removes faulty sheets, counts and packages the sheets in ream quantities, and stacks them on pallets ready for delivery. Until the sheets and sheeter rolls actually leave the paper mill for the customer, they are kept in climate controlled areas and monitored carefully via inventory control software.

Domestic like product issues

In its original determinations, the Commission defined the domestic like product as consisting of uncoated paper that is coextensive with the scope of the investigations.[28] In its notice of institution in these current five-year reviews, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[29] Six interested parties commented on the Commission's definition of the domestic like product. The domestic interested parties and respondents APP Group, Paper Australia, and

[28] Original publication, p. 7.
[29] 86 FR 7734, February 1, 2021.

Navigator do not contest the definition of the domestic like product as outlined in the Commission's notice of institution.[30] Respondent International Paper does not take a position on the definition of the domestic like product.[31] Respondent Suzano did not address the issues relating to the domestic like product definition.[32] No party requested that the Commission collect data concerning other possible domestic like products in their comments on the Commission's draft questionnaires and did not discuss the Commission's definition of the domestic like product in their prehearing or posthearing briefs.[33]

U.S. market participants

U.S. producers

During the original investigations, ten firms supplied the Commission with information on their U.S. operations with respect to uncoated paper. These firms accounted for the vast majority of U.S. production of uncoated paper in 2014.[34] In these current proceedings, the Commission issued U.S. producers' questionnaires to 25 firms, eight of which provided the Commission with information on their uncoated paper operations. These firms are believed to account for the vast majority of U.S. production of uncoated paper in 2020. Presented in table I-15 is a list of domestic producers of uncoated paper and each company's position on continuation of the orders, production locations, related and/or affiliated firms, and share of reported U.S. production of uncoated paper in 2020.

[30] Substantive response of the domestic interested parties, p. 24; substantive response of respondent APP, p. 8; substantive response of respondent Paper Australia, p. 16; and substantive response of respondent Navigator, p. 25.

[31] Substantive response of respondent International Paper do Brasil Ltda. and International Paper Exportadora Ltda, p. 11.

[32] Substantive response of respondent Suzano S.A., p. 7.

[33] Comments on the draft questionnaires were filed on behalf of the domestic interested parties and respondent interested parties Navigator and Paper Australia.

[34] The ten U.S. producers that supplied the Commission with usable questionnaire information during the original investigations were: American Eagle, Boise, Domtar, Finch Paper, Georgia-Pacific, Glatfelter, International Paper, Neenah Paper, Performance Office Papers, and Summit Lake.

Table I-15
Uncoated paper: U.S. producers, positions on orders, U.S. production locations, and shares of reported U.S. production, 2020

Share in percent

Firm	Position on orders	Production location(s)	Share of production
Boise	***	International Falls, MN Jackson, AL	***
Domtar	***	Kingsport, TN Hawesville, KY Bennettsville, SC Ashdown, AR Johnsonberg, PA Rothschild, WI	***
Finch Paper	***	Glens Falls, NY	***
Georgia-Pacific	***	Zachary, LA Camas, WA	***
International Paper	***	Eastover, SC Selma, AL Ticonderoga, NY Georgetown, SC Sumter, SC	***
NORPAC	***	Longview, WA	***
Performance Office Paper	***	Lakeville, MN	***
Pixelle	***	Spring Grove, PA Chillicothe, OH	***
All firms	Various	Various	100.0

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

Note: Effective October 1, 2021, International Paper's communications paper business, which includes uncoated paper, has been spun off into a new publicly traded company, Sylvamo. *Introducing Sylvamo,* https://www.internationalpaper.com/newsroom/introducing-sylvamo, accessed October 4, 2021.

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

As indicated in table I-16, two U.S. producers are related to foreign producers of the subject merchandise and none are related to U.S. importers of the subject merchandise. In addition, as discussed in greater detail in Part III, one U.S. producer (***) directly imports uncoated paper and no producer purchased uncoated paper from U.S. importers.

Table I-16
Uncoated paper: U.S. producers' ownership, related and/or affiliated firms

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

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

U.S. importers

In the original investigations, 30 firms supplied the Commission with usable information on their operations involving the importation of uncoated paper, accounting for the following shares of the individual country's subject imports (as a share of official U.S. import statistics) in 2014 under HTS subheadings 4802.56 and 4802.57.[35]

- All or virtually all of the subject imports from Australia;
- More than 95 percent of the subject imports from Brazil;
- Approximately 81 percent of the subject imports from China;
- Approximately 78 percent of the subject imports from Indonesia;
- All or virtually all of the subject imports from Portugal; and
- Approximately 79 percent of the subject imports from nonsubject sources.

Of the responding U.S. importers, *** were domestic producers: ***.

[35] Original publication, p. IV-1.

Table I-17 lists all responding U.S. importers of uncoated paper from subject sources and other sources, their locations, and their shares of U.S. imports in 2020.

Table I-17
Uncoated paper: U.S. importers, their headquarters, and shares of imports in 2020

Shares in percent

Firm	Headquarters	Subject sources	Nonsubject sources	All import sources
3A Press	Lajas, PR	***	***	***
Central National	Purchase, NY	***	***	***
Charta Global	Anaheim, CA	***	***	***
DD Office	Los Angeles, CA	***	***	***
Distribuidora Blanco	San Juan, PR	***	***	***
Domtar	Fort Mill, SC	***	***	***
Marubeni	New York, NY	***	***	***
Mondi Paper	Wien, Austria	***	***	***
Navigator	Norwalk, CT	***	***	***
Paper 360	Ontario, CA	***	***	***
Paper Products Marketing	Portland, OR	***	***	***
Perez Trading	Miami, FL	***	***	***
Roxcel	Greenville, SC	***	***	***
Shinsei	Torrance, CA	***	***	***
Simon Miller	Newtown Square, PA	***	***	***
Suzano	George Town, Cayman Islands,	***	***	***
UPM-Hymmene	Naperville, IL	***	***	***
All firms	Various	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

In the current proceedings, the Commission issued U.S. importers' questionnaires to 110 firms believed to be importers of uncoated paper and to all U.S. producers of uncoated paper. Usable questionnaire responses were received from 17 firms, representing *** percent of U.S. imports from Brazil and *** percent of U.S. imports from Portugal in 2020.[36] Responding U.S. importers reported imports from Australia and China only in 2015, representing *** percent and *** percent of imports from those sources, respectively. Responding firms *** from Indonesia in 2015 and 2018, accounting for *** and *** percent of imports from Indonesia in those years, respectively. Table I-17 lists all responding U.S. importers of uncoated paper from subject sources and other sources, their locations, and their shares of U.S. imports in 2020.

U.S. purchasers

The Commission received 20 usable questionnaire responses from firms that have purchased uncoated paper since January 2015.[37] [38] [39] Thirteen responding purchasers reported that they are distributors, two reported that they are end users, five reported that they are retailers, and two reported "other" including ***. In general, responding purchasers were located in all regions of the United States including Puerto Rico. The largest purchasers of uncoated paper are (***). These firms' purchases accounted for *** percent of the total quantity reported by responding purchasers in 2020, with volume equivalent to *** percent of apparent U.S. consumption of uncoated paper in 2020.

[36] The coverage percentage of imports from Portugal is *** percent because, *** Email from ***, October 22, 2021.

[37] One firm (***) did not respond to most questions. ***.

[38] Of the 20 responding purchasers, 19 purchased domestic uncoated paper, 0 purchased imports from Australia, 8 purchased imports from Brazil, 2 purchased imports from China, 2 purchased imports from Indonesia, 11 purchased imports from Portugal, and 13 purchased imports from other sources.

[39] Purchaser questionnaires were provided by ***.

Apparent U.S. consumption

Table I-18 and figure I-2 present data on apparent U.S. consumption for uncoated paper. Apparent U.S. consumption by quantity, decreased in each year during 2015-20, ending 38.0 percent lower in 2020 than in 2015.[40] The majority of the decrease occurred from 2019-20, when apparent U.S. consumption decreased by 26.1 percent. It was 0.9 percent higher in January-June ("interim") 2021 than in interim 2020. The quantity of U.S. producers' U.S. shipments decreased by 36.7 percent during 2015-20, with the largest year-to-year decrease occurring from 2019 to 2020.[41] It was 3.0 percent lower in interim 2021 than in interim 2020. U.S. imports from subject sources decreased by *** percent during 2015-20, with the majority of the decrease occurring from 2015 to 2017.[42] It was *** percent higher in interim 2021 than in interim 2020. The decrease during 2015-20 is largely a result of U.S. imports from Indonesia decreasing by 89.7 percent during 2015-17 and nearly exiting the market by 2020, imports from Australia, as indicated by questionnaire responses, ***, and imports from China decreasing by 96.2 percent during 2015-20. The quantity of nonsubject imports increased by *** percent during 2015-19, but then decreased by *** percent in 2020, ending *** percent higher in 2020 than in 2015. It was *** percent higher in interim 2021 than in interim 2020. The value of apparent U.S. consumption fluctuated during 2015-20, decreasing by 9.9 percent from 2015 to 2017, then increasing by 2.5 percent from 2017 to 2019, and finally decreasing by 27.8 percent from 2019 to 2020, ending 33.3 percent lower in 2020 than in 2015. Apparent U.S. consumption, by value, was 1.1 percent lower in interim 2021 than in interim 2020.

[40] See part II for additional information on demand factors.

[41] See part III for additional information on U.S. producers' U.S. shipments.

[42] The quantities of U.S. imports from each subject source were lower in 2020 than in 2015. See part IV for additional information on U.S. imports.

Table I-18
Uncoated paper: Apparent U.S. consumption, by source and period

Quantity in short tons; value in 1,000 dollars

Source	Measure	2015	2016	2017
U.S. producers	Quantity	3,388,795	3,328,741	3,258,741
Australia	Quantity	***	***	***
Brazil	Quantity	***	***	***
China	Quantity	36,241	732	604
Indonesia	Quantity	148,520	43,339	15,317
Portugal	Quantity	***	***	***
Subject sources	Quantity	***	***	***
Nonsubject sources	Quantity	***	***	***
All import sources	Quantity	639,430	433,469	421,441
All sources	Quantity	4,028,225	3,762,210	3,680,182
U.S. producers	Value	3,213,635	3,158,395	3,041,065
Australia	Value	***	***	***
Brazil	Value	***	***	***
China	Value	29,394	901	825
Indonesia	Value	129,380	40,944	13,453
Portugal	Value	***	***	***
Subject sources	Value	***	***	***
Nonsubject sources	Value	***	***	***
All import sources	Value	581,031	397,245	378,447
All sources	Value	3,794,666	3,555,640	3,419,512

Table continued.

Table I-18 Continued
Uncoated paper: Apparent U.S. consumption, by source and period

Quantity in short tons; value in 1,000 dollars

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Quantity	3,192,941	2,951,601	2,143,775	1,087,240	1,054,724
Australia	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
China	Quantity	461	2,462	1,390	1,138	58
Indonesia	Quantity	12,280	21,749	189	189	---
Portugal	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	393,654	425,298	352,848	171,522	215,852
All sources	Quantity	3,586,595	3,376,899	2,496,623	1,258,762	1,270,576
U.S. producers	Value	3,112,681	3,087,613	2,201,391	1,122,490	1,076,026
Australia	Value	***	***	***	***	***
Brazil	Value	***	***	***	***	***
China	Value	627	2,868	2,008	1,543	211
Indonesia	Value	11,657	19,449	144	144	---
Portugal	Value	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	362,071	417,544	329,808	160,354	192,385
All sources	Value	3,474,752	3,505,157	2,531,199	1,282,844	1,268,411

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090, accessed October 21, 2021.

Note: Data for imports from China and Indonesia are based on official U.S. import statistics. Data for all other sources are based on questionnaire responses. Apparent U.S. consumption is calculated using U.S. imports. See Part IV for additional explanation on the presentation of import data. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Figure I-2
Uncoated paper: Apparent U.S. consumption, by source and period

* * * * * * *

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090, accessed October 21, 2021.

Note: Data for imports from China and Indonesia are based on official U.S. import statistics. Data for all other sources are based on data submitted in response to the Commission questionnaires. Apparent U.S. consumption is calculated using U.S. imports. See Part IV for additional explanation on the presentation of import data.

U.S. market shares

Table I-19 presents data on market share for uncoated paper. U.S. producers' market share, by quantity, increased from 84.1 percent in 2015 to 89.0 percent in 2018 and did not fall below 85.9 percent during 2018-20. It was 83.0 percent in interim 2021, compared to 86.4 percent in interim 2020. The market shares of U.S. imports from Brazil, Indonesia, and Portugal, by quantity, decreased by *** percentage points, 3.7 percentage points, and ***, respectively, during 2015-20. The market shares of U.S. imports from Brazil and Portugal, by quantity, were *** percent and *** percent, respectively, in interim 2021, compared to *** percent and *** percent, respectively, in interim 2020. The market share of U.S. imports from Indonesia was less than 0.05 percent in interim 2020 and zero percent in interim 2021. U.S. imports from Australia were present only in 2015, accounting for *** percent of market share, by quantity, while U.S. imports from China accounted for 0.9 percent of market share in 2015 and less than 0.05 percent of market share during in each year during 2016-20, except 2017, and in both interim periods. Overall, no single subject source accounted for more than *** percent of market share during 2015-20 and in both interim periods. Imports from Portugal held the highest market share among subject sources during 2015-20 and both interim periods.

Overall, the market share of subject imports, by quantity, decreased from *** percent to *** percent during 2015-18, but then increased to *** percent in 2020. The market share of subject imports, by quantity, was *** percent in interim 2021, compared to *** percent in interim 2020. The market share of imports from nonsubject sources, by quantity, increased from *** percent in 2015 to *** percent in 2020. It was *** percent in interim 2021, compared to *** percent in interim 2020.

Table I-19
Uncoated paper: Market shares, by source and period

Shares in percent

Source	Measure	2015	2016	2017
U.S. producers	Share of quantity	84.1	88.5	88.5
Australia	Share of quantity	***	***	***
Brazil	Share of quantity	***	***	***
China	Share of quantity	0.9	0.0	0.0
Indonesia	Share of quantity	3.7	1.2	0.4
Portugal	Share of quantity	***	***	***
Subject sources	Share of quantity	***	***	***
Nonsubject sources	Share of quantity	***	***	***
All import sources	Share of quantity	15.9	11.5	11.5
All sources	Share of quantity	100.0	100.0	100.0
U.S. producers	Share of value	84.7	88.8	88.9
Australia	Share of value	***	***	***
Brazil	Share of value	***	***	***
China	Share of value	0.8	0.0	0.0
Indonesia	Share of value	3.4	1.2	0.4
Portugal	Share of value	***	***	***
Subject sources	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	15.3	11.2	11.1
All sources	Share of value	100.0	100.0	100.0

Table continued.

Table I-19 Continued
Uncoated paper: Market shares, by source and period

Shares in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. producers	Share of quantity	89.0	87.4	85.9	86.4	83.0
Australia	Share of quantity	***	***	***	***	***
Brazil	Share of quantity	***	***	***	***	***
China	Share of quantity	0.0	0.1	0.1	0.1	0.0
Indonesia	Share of quantity	0.3	0.6	0.0	0.0	---
Portugal	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	11.0	12.6	14.1	13.6	17.0
All sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. producers	Share of value	89.6	88.1	87.0	87.5	84.8
Australia	Share of value	***	***	***	***	***
Brazil	Share of value	***	***	***	***	***
China	Share of value	0.0	0.1	0.1	0.1	0.0
Indonesia	Share of value	0.3	0.6	0.0	0.0	---
Portugal	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	10.4	11.9	13.0	12.5	15.2
All sources	Share of value	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090, accessed October 21, 2021.

Note: Data for imports from China and Indonesia are based on official U.S. import statistics. Data for all other sources are based on data submitted in response to the Commission questionnaires. See Part IV for additional explanation on the presentation of import data. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

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

U.S. market characteristics

Uncoated paper is largely used in copy/printer machines by businesses, schools, governments, other institutions, and households. U.S. demand for uncoated paper has decreased as printed copies have been replaced by electronic media. In the original investigations, parties agreed that consumption of uncoated paper in the United States has fallen by more than 3 percent each year for during 1999-2014.[1] In 2020, the COVID-19 pandemic has caused major disruptions in offices and schools, reducing the use of uncoated paper.[2]

Apparent U.S. consumption of uncoated paper continued to decrease during 2015-20. Overall, apparent U.S. consumption in 2020 was *** percent lower than in 2015 (an average decline of *** percent per year). Much of the decline in uncoated paper apparent U.S. consumption occurred between 2019 and 2020. The decline from 2015 to 2019 was *** percent, a decline of *** percent per year.[3] In response to the falling apparent U.S. consumption, a number of U.S. uncoated paper production facilities have stopped producing uncoated paper. See part III for details on closures and conversions of U.S. facilities.

Channels of distribution

Both U.S. producers and importers sold mainly to distributors, with retailers accounting most of their other sales, as shown in table II-1.

[1] Original publication p. II-1.

[2] Hearing transcript, pp. 32, 151 (Leblanc, Redondo).

[3] Apparent U.S. consumption in interim 2021 was *** percent higher than apparent U.S. consumption in interim 2020.

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

Shares in percent

Source	Channel	2015	2016	2017	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Distributors	***	***	***	***	***	***	***	***
United States	Retailers	***	***	***	***	***	***	***	***
United States	End users	***	***	***	***	***	***	***	***
Australia	Distributors	***	***	***	***	***	***	***	***
Australia	Retailers	***	***	***	***	***	***	***	***
Australia	End users	***	***	***	***	***	***	***	***
Brazil	Distributors	***	***	***	***	***	***	***	***
Brazil	Retailers	***	***	***	***	***	***	***	***
Brazil	End users	***	***	***	***	***	***	***	***
China	Distributors	***	***	***	***	***	***	***	***
China	Retailers	***	***	***	***	***	***	***	***
China	End users	***	***	***	***	***	***	***	***
Indonesia	Distributors	***	***	***	***	***	***	***	***
Indonesia	Retailers	***	***	***	***	***	***	***	***
Indonesia	End users	***	***	***	***	***	***	***	***
Portugal	Distributors	***	***	***	***	***	***	***	***
Portugal	Retailers	***	***	***	***	***	***	***	***
Portugal	End users	***	***	***	***	***	***	***	***
Subject sources	Distributors	***	***	***	***	***	***	***	***
Subject sources	Retailers	***	***	***	***	***	***	***	***
Subject sources	End users	***	***	***	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***	***	***	***
Nonsubject sources	Retailers	***	***	***	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***	***	***	***
All import sources	Distributors	***	***	***	***	***	***	***	***
All import sources	Retailers	***	***	***	***	***	***	***	***
All import sources	End users	***	***	***	***	***	***	***	***

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

Geographic distribution

Most U.S. producers and importers from subject countries reported selling uncoated paper to all regions in the contiguous United States (table II-2). For U.S. producers, 18.2 percent of sales were within 100 miles of their production facility, 62.8 percent were between 101 and 1,000 miles, and 19.1 percent were over 1,000 miles. For importers *** percent of sales were within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

Table II-2
Uncoated paper: Count of U.S. producers' and U.S. importers' geographic markets

Number of firms reporting

Region	U.S. producers	Australia	Brazil	China	Indonesia	Portugal	Subject sources
Northeast	8	***	***	1	2	***	7
Midwest	8	***	***	1	3	***	7
Southeast	8	***	***	1	2	***	6
Central Southwest	8	***	***	1	3	***	7
Mountain	7	***	***	1	2	***	6
Pacific Coast	7	***	***	4	4	***	9
Other	5	***	***	0	0	***	3
All regions (except Other)	7	***	***	1	2	***	6
Reporting firms	8	1	2	4	4	1	10

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

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

Supply and demand considerations

U.S. supply

Table II-3 provides a summary of the supply factors regarding uncoated paper from U.S. producers and from subject countries. COVID-19 has reduced demand for uncoated paper. Producers responded by reducing production; thus, capacity utilization was unusually low in 2020. In addition, firms idled equipment for relatively long periods of time, which led to some reductions in measured capacity in 2020. It is unclear how much of the change in both demand and supply caused by COVID-19 is permanent and how much is temporary, particularly given the continued uncertainty and disruptions from COVID-19. In order to provide information about market trends before COVID-19 became widespread, data for 2019 have also been included in table II-3. Discussions, however, will compare 2015 to 2020. COVID-19 has also caused logistics problems worldwide and created some supply disruptions. This is discussed in more detail in part V.

Since the subject uncoated paper includes only cut paper, capacity data were collected based on the paper sheeting equipment rather than the papermaking capacity. However, this sheeting capacity can only be used if the paper rolls are available to cut. Papermaking capacity, thus, may be a bottleneck that limits uncoated paper production. For example, Navigator stated that in its mills, paper machines are designed to always be the bottleneck while mills are designed to have excess sheeting capacity.[4] [5] Petitioners agree that papermaking equipment is very expensive and "cannot be turned on and off without incurring significant costs and risking damage to the equipment,"[6] thus, there is a "huge" incentive "for producers to maximize their {paper making} capacity utilization."[7]

[4] Hearing transcript, pp. 204-205 (Redondo).

[5] Both papermaking capacity and sheeting equipment may be used to produce products other than the subject uncoated paper. For more information on these products, please see "Domestic production" and "Subject imports".

[6] Hearing transcript, p. 28 (Melton).

[7] Hearing transcript, p. 67 (Drake).

Most countries typically use A4 paper (8.27 x 11.7 inches), while the United States[8] typically uses 8.5 x 11 inches (letter sized) paper.[9] Paper webs designed to be used to produce A4 paper may result in increased waste if used to produced letter sized paper, or need to be adjusted to produce letter sized paper. Similarly, the equipment used to cut paper will need to be adjusted to change the size of paper produced. This adjustment adds a cost each time equipment is shifted between the two paper sizes and may reduce the efficiency of some foreign producers when they produce for the U.S. market. This cost, however, may be relatively small. Domestic producers estimate that the cost of "new gear" to change cut dimensions is about $125,000 and changing over would require one 8 hour shift.[10] Paper Australia reports that "it takes roughly two shifts to change over the one sheeter that can produce U.S.-cut letter size, 8-and-a-half by 11, and it takes two shifts again to go off it."[11] In addition, respondents state that the weight and color (shades of white) of paper differs between markets and that this may require adjustments to the papermaking equipment.[12]

[8] Other countries using letter sized are Canada, Chile, Colombia, Costa Rica, Mexico, Panama, Guatemala, the Dominican Republic, and the Philippines. https://en.wikipedia.org/wiki/Letter_(paper_size) retrieved July 13, 2021.

[9] Standard sizes are letter size, 8.5 x 14 (legal size), 11 x 17 (tabloid size), and 17 x 11 (ledger size). https://www.lifewire.com/north-american-paper-sheet-sizes-1078675; and https://www.papersizes.org/us-paper-sizes.htm; both retrieved December 6, 2021. Pricing data in the original investigations were collected for letter size, legal size, and 23 x 35 inch size paper, and letter size paper accounted for *** percent of these data. Commission confidential views, p. 33.

[10] Hearing transcript, p. 107 (Melton).

[11] Hearing transcript, p. 199 (Leith).

[12] Hearing transcript, p. 211 (Gupta). Paper produced for the Australian market also is a different basis weight than that sold in the United States, requiring adjustments in the papermaking machine. Hearing transcript, p. 199 (Leith).

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

Quantity in 1,000 short tons; ratio and share in percent; count is number of "yes" responses

Factor	Measure	United States	Australia	Brazil	China	Indonesia	Portugal	Subject suppliers
Sheeting capacity 2015	Quantity	4,347	***	***	0	***	***	***
Sheeting capacity 2019	Quantity	3,973	***	***	0	***	***	***
Sheeting capacity 2020	Quantity	3,477	***	***	0	***	***	***
Sheeting capacity utilization 2015	Ratio	83.8	***	***	0.0	***	***	***
Sheeting capacity utilization 2019	Ratio	80.5	***	***	0.0	***	***	***
Sheeting capacity utilization 2020	Ratio	63.5	***	***	0.0	***	***	***
Ending inventories 2015	Ratio	9.6	***	***	0.0	***	***	***
Ending inventories 2019	Ratio	12.4	***	***	0.0	***	***	***
Ending inventories 2020	Ratio	13.0	***	***	0.0	***	***	***
Home market 2019	Ratio	***	***	***	0.0	***	***	***
Home market 2020	Ratio	***	***	***	0.0	***	***	***
Non-US export markets 2019	Ratio	***	***	***	0.0	***	***	***
Non-US export markets 2020	Ratio	***	***	***	0.0	***	***	***
Ability to shift production	Count	6 of 8	***	***	0 of 0	***	***	***

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

Note: Responding U.S. producers accounted for a substantial majority of U.S. production of uncoated paper in 2020. Responding foreign producer/exporter firms accounted for virtually all of Australian uncoated paper production during 2020. Responding foreign producer/exporter firms accounted for virtually all of U.S. imports of uncoated paper from Brazil during 2020. No Chinese producer/exporter firms provided a questionnaire; public data on uncoated paper produced in China will be discussed below. Responding foreign producer/exporter firms accounted for more than half of U.S. imports of uncoated paper from Indonesia during 2019. (There were no imports from Indonesia in 2020). Responding foreign producer/exporter firms accounted for virtually all of U.S. imports of uncoated paper from Portugal 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: Capacity is sheeting capacity, not papermaking capacity.

Domestic production

Based on available information, U.S. producers of uncoated paper have the ability to respond to changes in demand with small changes in the quantity of shipments of U.S.-produced uncoated paper to the U.S. market. The main factors that increase responsiveness of supply are the availability of unused sheeting capacity and the ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include the bottleneck in the supply of paper that limits the use of the unused capacity, the closure of production facilities, limited inventories, and limited ability to shift shipments from alternate markets.

U.S. producers' sheeting capacity declined from 2015 to 2020, but production decreased by more than sheeting capacity, resulting in reduced sheeting capacity utilization.[13] Reductions in consumption have led to closure or repurposing of U.S. papermaking equipment, resulting in a bottleneck limiting the availability of paper for use in paper sheeting equipment (discussed below under "Supply constraints"). As a result, U.S. producers are not able to respond to increased prices with increased quantities until the papermaking bottlenecks have been addressed.[14] Major export markets included Canada and ***. Other products that producers reportedly can produce on the same equipment as uncoated paper are paper in roll format, heavier weight paper, and ***. Factors affecting U.S. producers' ability to shift production include demand, ***.

[13] Georgia Pacific has stopped producing uncoated paper. Hearing transcript, p. 90 (Byers). Georgia Pacific reported it stopped producing office paper because demand was declining. Georgia-Pacific Announces Layoffs, Says It Will Stop Printing Office Paper https://www.wabe.org/georgia-pacific-announces-layoffs-says-it-will-stop-printing-office-paper/, retrieved October 1, 2021.

[14] Domtar is restarting papermaking in Ashdown, Arkansas and intends to resume full operation by January 2022. This will increase Domtar's capacity by 7 percent. Hearing transcript, p. 29, 78 (Melton).

Subject imports from Australia

Based on available information, producers of uncoated paper from Australia have the ability to respond to changes in demand with moderate changes in the quantity of shipments of uncoated paper to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused sheeting capacity or inventories and an ability to shift shipments from alternate markets. Factors mitigating responsiveness of supply include possible bottlenecks, limited inventories,[15] and limited ability to shift production to or from alternate products.[16]

Australian sheeting capacity is much lower than that of other subject countries. Between 2015 and 2020, sheeting capacity increased while production declined reducing capacity utilization. Australian papermaking equipment may be a bottleneck for its production of uncoated paper. Paper Australia reported that anti-dumping measures in Australia against dumped imports increased its share of the domestic market "from approximately 40 percent to almost 80 percent pre-pandemic" and exporting has become less attractive.[17] Its largest export market is New Zealand.[18]

Subject imports from Brazil

Based on available information, producers of uncoated paper from Brazil have the ability to respond to changes in demand with moderate changes in the quantity of shipments of uncoated paper to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused sheeting capacity, ability to shift shipments from alternate markets, and ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include possible bottlenecks and limited availability of inventories.

[15] in the first half of 2021, "A miniscule amount of these inventories" (*** short tons) were in 8 ½ x 11 inch format used in the United States. Australian Paper posthearing brief, p. 9.

[16] Australian paper states that it is not able to switch production between uncoated paper and other products. Australian Paper posthearing brief, p. 9.

[17] Hearing transcript, pp. 185-186, 198 (Leith).

[18] Australian Paper posthearing brief, p. 6.

Both sheeting capacity and production declined between 2015 and 2020, however, production decreased by more than sheeting capacity, causing sheeting capacity utilization to fall. Brazilian papermaking equipment may be a bottleneck for its production of uncoated paper. Principal export markets include ***. Barriers to other markets included antidumping duties in Australia, Mexico, and Pakistan. Other products that responding foreign producers reportedly can produce on the same equipment as uncoated paper are ***. Factors affecting foreign producers' ability to shift production include ***.

Subject imports from China

No Chinese producer or exporter provided a questionnaire. IBIS World estimated that China produced 125 million tons of paper and paperboard in 2019 and 121 million tons in 2020. Of this, 23.2 percent was reported to be newsprint, writing paper, and other printing paper (a category that includes uncoated paper).[19] [20] ***.[21] China's large production of paper products indicates that it may be able to ship large amounts of uncoated paper to the United States.

Subject imports from Indonesia

Based on available information, producers of uncoated paper from Indonesia have the ability to respond to changes in demand with moderate changes in the quantity of shipments of uncoated paper to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of some unused sheeting capacity and the ability to shift shipments from alternate markets. Factors mitigating responsiveness of supply include possible bottlenecks, limited inventories,[22] and no ability to shift production to or from alternative products.

[19] IBIS World, "Paper and Paperboard Manufacturing in China," December 2020. IBIS World did not specify if this share reflected the share of value or the share of quantity, however, since the report mainly focused on value, it is likely that it is a share of value.

[20] These data are for paper making rather than sheeting capacity and therefore not comparable to the capacities reported for other countries.

[21] Domestic posthearing brief, exhibit 27. ***.

[22] APP reports that its inventories are in A4 sizes and thus not appropriate for the U.S. market. APP's posthearing brief, p, 7.

Indonesian sheeting capacity decreased from 2015 to 2020 while production increased. Indonesian papermaking equipment may be a bottleneck for its production of uncoated paper. Most Indonesian exports are sold to ***. Indonesian exports are reported to have ***.

Subject imports from Portugal

Based on available information, producers of uncoated paper from Portugal have the ability to respond to changes in demand with moderate changes in the quantity of shipments of uncoated paper to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused sheeting capacity, ability to shift shipments from alternate markets, and ability to shift production to or from alternate products. Factors mitigating responsiveness of supply include possible bottlenecks and limited inventories.

Both Portuguese production and sheeting capacity decreased between 2015 and 2020, however, production decreased more. Portuguese papermaking equipment may be a bottleneck for its production of uncoated paper. The Portuguese producer's principal export markets are the EU[23] ***. It reported no barriers to any market other than the United States and reported that ***. The other product that responding the foreign producer reportedly can produce on the same equipment as uncoated paper is ***. Navigator reported that it did not measure its capacity by the availability of sheeting capacity but by its papermaking capacity. Navigator reported that its papermaking capacity is fully utilized and that it produces "products with higher margins that do not require sheeting capacity."[24] Navigator reported that in 2020 it "reduced this capacity all over to keep market share

[23] Hearing transcript, p. 152 (Redondo).
[24] Hearing transcript, p. 153 (Redondo).

stable."[25] Navigator stated that "2020 was the first time ever in our company that we have shuttered paper machines because of lack of orders….Until that time, we had never had a single hour of commercial shutdown. …We have reduced this capacity all over to keep market share stable."[26]

Imports from nonsubject sources

Nonsubject imports accounted for 62.4 percent of total U.S. imports in 2020.[27] The largest sources of nonsubject imports during January 2015 to June 2021 were Canada, Thailand, and Finland. Combined, these countries accounted for 62.5 percent of nonsubject imports in 2020.

Supply constraints

Four of 8 U.S. producers and 8 of 16 importers reported that they had experienced supply constraints since January 1, 2015. U.S. producers listed a variety of production constraints. ***. ***. ***. ***. Importers also listed a variety of supply constraints including: two importers reported a shortage of shipping container limits imports into the United States; *** was "unable to support their

[25] Hearing transcript, p. 159-160 (Redondo). Navigator reported that ***.

[26] Hearing transcript, pp. 159-160 (Redondo).

[27] These numbers are from official statistics for the value of HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.2000, 4802.57.3000, and 4802.57.4000

{customers'} budgets"; *** reported that customers were put on "allocation dependent on mill booking status, especially in 2021;" *** has been unable to import from *** since anti-dumping duties were imposed; and *** reported that the antidumping duties reduced the availability of imports and since then U.S. mills have been shut down, this had led to shortages and allocations.

Most purchasers (14 of 19) reported that they had experienced supply constraints since January 1, 2015. Seven purchasers specifically listed allocations by domestic producers and two of these reported that all domestic producers are using allocations. The other purchasers reporting allocations did not specify if the sellers were domestic producers or importers. *** reported suppliers were ending relationships, declining new business, and failing to meet shipment commitments. Similarly, *** reported that it was on allocation or faced shortages from ***, that *** stopped selling to it because it "could not keep up with demand and wanted to supply closer geographically to the mill," International Paper declined to sell to it, and Domtar declined to sell to ***. None of the purchasers reporting supply constraints, specifically listed imports from any source as having constrained supply.

Navigator claims that "The supply shortage in the United States became more acute after the June 2021 end of the data collection period in the Commission's questionnaires. RISI reports that U.S. mills are asking purchasers to wait 12 to 26 weeks for deliveries because their order books are full."[28]

New suppliers

Seven of 18 responding purchasers indicated that new suppliers entered the U.S. market since January 1, 2015, or that they expect additional entrants. Purchasers cited U.S. producer Norpac as well as foreign producers Ittihad Paper (UAE) and Seshasayee (India) as new suppliers. Others reported the use of suppliers that they had not used before but that were not new to the market.

[28] Hearing transcript, p. 151 (Redondo). Navigator posthearing brief exhibit 8b, which reports backlogs ranging from 90 days to 6 months.

U.S. demand

Based on available information, the overall demand for uncoated paper is likely to experience small changes in response to changes in price. The main contributing factors are the limited range of substitute products and the small share of cost of uncoated paper for most businesses. While direct substitutes (e.g., other papers that may be used to produce printed material on printer/copiers) are limited, printing technology continues to face competition from electronic media. Demand for paper has fallen because information that would have been printed is increasingly transmitted and stored in electronic form.

End uses and cost share

U.S. demand for uncoated paper depends on the demand for printed paper materials that use uncoated paper. Reported end uses include office/personal/school copying and printing, books, business forms, instruction manuals, inserts, flyers, brochures, and maps. All 7 responding U.S. producers, all 12 responding importers, 16 of 19 responding purchasers, and all 5 responding foreign producers reported no changes in end uses. The changes in end uses reported were continued electronic substitution, reduced paper use, and regular substitution between coated and uncoated paper. The use of uncoated paper is declining as electronic media replaces information printed on paper, however, this change does not appear to be caused by the cost of paper but based on the convenience and availability of electronic media.

Because uncoated paper is basically an end use product (the printed material in which it is used is typically not sold on its own), firms were not asked to estimate average cost share in its end uses. However, the cost of paper is not likely to be an important determinant of the amount of paper purchased.[29]

Business cycles

Two of 6 responding U.S. producers, 6 of 16 responding importers, and 9 of 19 responding purchasers indicated that the market was subject to business cycles or unusual conditions of competition. Specifically, firms reported higher demand during parts of the year resulting from the needs of schools and increased demand due to elections. Distinctive conditions of competition include capacity closures and declining demand combined with capital intensive production and a commodity like product.

[29] The original investigations included details about the cost share of paper in the total cost of printed/copied pages (which depends on the type of printer/copier). Original publication, pp. II-9-II-10.

Demand trends

During the adequacy phase of these investigations, U.S. producers reported that electronic media had been a major source of the decrease in demand for uncoated paper since January 1, 2015. The Commission therefore asked firms if electronic media had reduced demand for uncoated paper and by how much demand had declined because of electronic media (table II-4).[30] The majority of the responding firms (including all responding U.S. domestic and foreign producers) reported electronic media had reduced demand for paper in the United States. Most firms also reported electronic media had reduced demand in foreign markets as well. Firms were asked to explain the impact of electronic media, most reported a shift to electronic documents. A few firms reported that the shift to electronic documents had accelerated recently because of improvements in electronic media and or because of COVID-19.

[30] Some of the changes reported may include the effect of the COVID-19 pandemic. Since much of the adjustments to this pandemic led to increased use of electronic media for education and office work, the distinction between the increased use of electronic media and the pandemic is unclear.

Table II-4
Uncoated paper: Count of firms' responses regarding if electronic media had reduced domestic and foreign demand since January 1, 2015 and the average and range of reductions reported by the firms

"Yes"/"no" responses in number of firms

Market	Firm type	Electronic media caused demand to fall (no)	Electronic media caused demand to fall (yes)	Average percent decrease reported	Highest percent decrease reported	Lowest percent decrease reported
Domestic demand	U.S. producers	0	7	6.8	20.0	1.0
Domestic demand	Importers	1	13	5.8	20.0	1.5
Domestic demand	Purchasers	4	15	5.7	12.0	3.0
Domestic demand	Foreign producers	0	5	8.4	18.3	3.0
Foreign demand	U.S. producers	0	6	3.5	5.0	0.5
Foreign demand	Importers	1	11	5.5	20.0	1.0
Foreign demand	Purchasers	2	8	9.0	25.0	3.0
Foreign demand (home market)	Foreign producers	1	4	4.5	8.8	1.0
Foreign demand (other markets)	Foreign producers	1	3	9.9	16.8	3.0

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

Note: Not all firms that reported demand had fallen estimated how much it declined per year. The average is for firms that provided an estimate. Some of the larger values for year to year decrease may reflect the decrease between 2019 and 2020, rather than average decrease for the whole period.

Firms were also asked if they anticipated that electronic media would cause demand to decrease in the future and they were asked to estimate the percentage change in future demand from electronic media (table II-5). Some firms expected substitution out of uncoated paper to slow because uncoated paper cannot be replaced in some uses and because demand may rebound from the 2020 lows caused by COVID-19. Other firms expected that increased remote work will continue to reduce demand for uncoated paper.

Table II-5
Uncoated paper: Count of firms' responses regarding anticipated electronic media reducing domestic and foreign demand overall domestic and foreign demand and the average and range of reductions reported by the firms

"Yes"/"no" responses in number of firms

Market	Firm type	Electronic media caused demand to fall (yes)	Electronic media caused demand to fall (no)	Average percentage decrease reported	Highest percentage decrease reported	Lowest percentage decrease reported
Domestic demand	U.S. producers	0	7	4.2	5.0	2.0
Domestic demand	Importers	2	11	5.7	20.0	1.0
Domestic demand	Purchasers	4	13	5.4	10.0	3.0
Domestic demand	Foreign producers	1	4	4.5	8.0	2.5
Foreign demand	U.S. producers	0	6	3.7	5.0	1.0
Foreign demand	Importers	3	9	6.5	20.0	1.0
Foreign demand	Purchasers	2	9	6.2	10.0	3.0
Foreign demand (home market)	Foreign producers	3	2	3.0	5.0	1.0
Foreign demand (other markets)	Foreign producers	3	1	2.0	3.0	1.0

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

Note: Not all firms expecting demand to fall predicted how much it would decline per year. The average is for firms that provided an estimate.

Foreign producers report that worldwide demand for uncoated paper was falling by an estimated 0.8 percent per year between 2015 and 2019 and 13 percent from 2019 to 2020. Demand in less developed country markets was stronger than in the United States, with either growth or smaller declines in some regions: demand in Asia ***; limitations on internet in *** slowed the shift away from paper in ***; and demand in the Middle East and Africa grew by about 2 percent a year during 2015-19.

Firms (U.S. producers, importers, purchasers, and foreign producers) were also asked if factors other than electronic media had changed U.S. demand since 2015 and if they expected other factors to influence demand in the future (table II-6). Most of the firms providing details (23 of the 31) listed COVID-19 or the pandemic as having changed U.S. demand.[31] Some firms

[31] Two firms reported a demand factor that were clearly unrelated to COVID-19, including increased use in election years and economic recessions reduce demand. Firms also reported supply chain,

(*continued*...)

reported how much COVID-19 had reduced demand, one stating it reduced demand 25 percent in one quarter and another reported that it reduced demand 17 percent from full year 2019 to 2020. Firms listed a number of reasons COVID-19 led to the reduction in uncoated paper demand, including COVID-19 reduced office employment, closed schools, and increased remote work. (See appendix D for producer, importer, and importer responses to questions on the impact of COVID-19). Finally, one firm expects that there will be less chance of a rebound in paper demand when the pandemic ends as people have become more accustomed to using the electronic format. The quantity of product 1 in the price data reflects the quarter-to-quarter impact of COVID-19 on sales of 8½ by 11 inch paper (sold by domestic producers and importers from subject countries) in 2020 and the first half of 2021 (see part V for a discussion of these data).

When asked if they anticipated any changes in demand other than those caused by electronic media answers varied, a number reported that they expected demand to recover from the low caused by COVID-19, while others expected lingering effects from COVID-19 and the changes it caused.

Table II-6
Uncoated paper: Count of firms' responses regarding anticipated electronic media reducing domestic and foreign demand overall domestic and foreign demand

Market	Firm type	Other factors caused demand changes (yes)	Other factors caused demand changes (no)	Other factors anticipated to cause demand changes (yes)	Other factors anticipated to cause demand changes (no)
Domestic demand	U.S. producers	2	5	3	5
Domestic demand	Importers	4	9	7	5
Domestic demand	Purchasers	4	14	4	14
Domestic demand	Foreign producers	0	5	3	2
Foreign demand	U.S. producers	2	4	2	4
Foreign demand	Importers	3	9	5	7
Foreign demand	Purchasers	3	8	4	7
Foreign demand (home market)	Foreign producers	1	4	2	3
Foreign demand (other markets)	Foreign producers	0	5	1	4

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

availability problems, reduced employment, and increased work from home, that may or may not be due to COVID-19.

Substitute products

Direct substitutes for uncoated paper are limited, although other types of paper may sometimes be used for making copies.[32] Print media, however, is being replaced by electronic media, which has reduced demand for uncoated paper. The decision to shift to electronic media may have little to do with the cost of uncoated paper; rather, it reflects the falling costs, increasing convenience, and expanded availability of electronic media.

Most firms, *** responding U.S. producers, 10 of 12 responding importers, 15 of 19 responding purchasers, and 4 of 5 responding foreign producers reported that there had been no change in substitutes for uncoated paper. Changes in substitutes that were reported included electronic media and coated paper or uncoated paper outside of the scope of the investigation which could be used to make copies.

Substitutability issues

This section will assess the degree to which U.S.-produced uncoated paper and imports of uncoated paper from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of uncoated paper from domestic and imported sources based on those factors. Based on available data, staff believes that there is a high degree of substitutability between domestically produced uncoated paper and uncoated paper imported from subject sources.[33] Factors contributing to this level of substitutability include quality,[34] availability,[35] and lead times for uncoated paper from inventory, some preference for particular country of origin or producers, similarities between

[32] For example, ***. Navigator posthearing brief, exhibit 9.

[33] The degree of substitution between domestic and imported uncoated paper depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced uncoated paper to the uncoated paper imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

[34] Most purchasers reported that U.S. and subject imports were equal in quality meets industry standards for all but one subject country.

[35] Almost all purchasers rated availability and reliability of supply as very important factors, and in the initial investigation most purchasers reported that U.S. uncoated paper and uncoated paper from most subject countries were comparable for availability and reliability of supply. However, in the current investigations, purchasers typically rated U.S. product as superior to that from subject on availability and reliability of supply. This change may reflect the impact of the orders on the availability and reliability of supply of uncoated paper from subject countries and thus if the orders were removed, the difference between U.S. and subject imports for availability and reliability of supply would probably diminish.

domestically produced uncoated paper and uncoated paper imported from subject countries across multiple purchase factors, interchangeability between domestic and subject sources, and limited significant factors other than price.

Factors affecting purchasing decisions[36]

Purchaser decisions based on source

As shown in table II-7, most purchasers and their customers either 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 the manufacturer three reported reasons including: due to the orders; purchased based on quality (age of equipment, fiber, defects, consistency, and aesthetics) and capacity; and preferred supplier.

Table II-7
Uncoated paper: Count of purchasing decisions by purchaser or their customer, based on producer and country of origin

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	4	4	7	4
Customer	Producer	0	2	11	5
Purchaser	Country	3	2	11	3
Customer	Country	0	2	10	5

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

Importance of purchasing domestic product

Eleven of 16 responding purchasers reported that 80 percent or more of their purchases did not require purchasing U.S.-produced product. Eight reported that domestic product was required by law (for 2.5 to 15.0 percent of their purchases), 10 reported it was required by their customers (for 0.5 to 40.0 percent of their purchases), and 3 reported other preferences for domestic product. Reasons cited for preferring domestic product included: price, availability, and prefer domestic in order to have a consistent product that runs well in copiers.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for uncoated paper were price (17 firms), quality (17 firms), and availability (17 firms) as shown in table II-8. Quality was the most frequently cited first-most important factor (cited by 9 firms),

[36] Nineteen purchasers indicated they had marketing/pricing knowledge of domestic product, 1 of product from Australia, 9 of Brazil, 4 of China, 4 of Indonesia, 11 of Portugal, and 10 of product from nonsubject countries.

followed by price (6 firms); availability was the most frequently reported second-most important factor (9 firms); and price was the most frequently reported third-most important factor (8 firms).

Table II-8
Uncoated paper: Count of ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Factor	First	Second	Third	Total
Price	6	3	8	17
Quality	9	4	4	17
Availability/consistent supply/reliability	3	9	5	17
Relationship	1	0	0	1
Credit/terms	0	2	0	2
Fiber source	0	0	1	1

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

Purchasers responses to how frequently they purchase the lowest-priced product varied. Most firms reported that they always (5 of 19) or usually (7 of 19) purchase the lowest-priced product. Of the remaining, five purchasers reported that they sometimes purchase the lowest-priced product and two that they never purchase the lowest-priced product.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 19 factors in their purchasing decisions (table II-9). The factors rated as “very important” by more than half of responding purchasers were availability (19); reliability of supply (18); quality meets industry standards and product consistency, (17 each) delivery time, price, and runnability (16 each); jamming/misfeeds (15); delivery terms (12); U.S. transportation costs (11); and quality exceeds industry standards (10). The only factor that more firms reported as unimportant than as very important was minimum quantity requirement.

Table II-9
Uncoated paper: Count of importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Very important	Somewhat important	Not important
Availability	19	0	0
Brightness	8	11	0
Delivery terms	12	4	2
Delivery time	16	3	0
Discounts offered	9	6	4
Jamming/Misfeeds	15	2	1
Minimum quantity requirements	1	14	3
Opacity	7	11	0
Packaging	8	9	1
Payment terms	7	10	2
Price	16	2	1
Product consistency	17	1	0
Product range	3	12	2
Quality meets industry standards	17	2	0
Quality exceeds industry standards	10	6	2
Reliability of supply	18	1	0
Runnability	16	3	0
Technical support/service	7	11	0
U.S. transportation costs	11	7	0

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

Lead times

Uncoated paper is primarily sold from inventory. U.S. producers reported 70.2 percent of their commercial U.S. shipments came from inventories, with lead times averaging 4 days. The remaining 29.8 percent of their commercial U.S. shipments were produced-to-order, with lead times averaging 23 days. Importers reported *** percent of their commercial U.S. shipments came from inventories, with lead times averaging 5 days. The remaining *** percent of their commercial U.S. shipments were produced-to-order, with lead times averaging 93 days.[37]

Supplier certification

Seven of 19 responding purchasers require their suppliers to become certified or qualified to sell uncoated paper to their firm. Purchasers reported that the time to qualify a new supplier ranged from 10 to 180 days. Two purchasers reported that foreign suppliers had failed in its attempt to qualify uncoated paper, or had lost its approved status since 2015. One reported that *** were not qualified (but did

[37] No importer reported shipments from foreign inventories.

not explain why) and one reported that Asian and Indonesian producers were not qualified because of low whiteness.[38]

Minimum quality specifications

As can be seen from table II-10, most responding purchasers reported that domestically produced uncoated paper as well as uncoated paper from Australia and Brazil "always" met minimum quality specifications. All responding purchasers reported that product from Portugal and other nonsubject countries "always" or "usually" met minimum quality specifications. Most responding purchasers reported that product from Indonesia either "always" or "usually" met minimum quality specifications. No firms reported that Chinese suppliers "always" met minimum quality specifications, but most firms reported that Chinese suppliers "usually" met minimum quality specifications.

Table II-10
Uncoated paper: Count of firms' responses regarding suppliers' ability to meet minimum quality specifications, by source

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	11	8	0	0	0
Australia	2	1	0	0	14
Brazil	5	4	0	1	7
China	0	4	2	0	11
Indonesia	3	4	2	0	9
Portugal	6	6	0	0	5
Nonsubject sources	3	3	0	0	4

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

Note: Purchasers were asked how often domestically produced or imported uncoated paper meets minimum quality specifications for their own or their customers' uses.

Nineteen purchasers reported factors that determined quality of uncoated paper. The most common responses included: appearance of the paper (brightness, whiteness, and opacity); shape of the paper (thickness/caliper/weight, finish, smoothness, and curl); other paper attributes (no miscuts, non-dusting, consistency, and fiber source); paper functioning in copiers/printers (runnability, consistently runs in different types of machines, does not jam, and printability); and packaging.[39] One purchaser reported that industry standards are well established and there is little variation from mill to mill.

[38] No U.S. producer was reported to have been unable to certify or qualify.

[39] One firm reported that price determined quality and one that brightness and price determined quality.

Changes in purchasing patterns

Thirteen of 19 responding purchasers reported that they had purchased uncoated paper from subject sources before 2015. Of these 13 purchasers, 6 reported their purchases were unchanged, 3 reported discontinuing purchases of uncoated paper from subject countries because of the order, 2 reported reducing purchases of uncoated paper from subject countries because of the order, and 2 reported changes for other reasons. One of these reported discontinuing purchases from 3 countries, reducing purchases from Brazil, and increasing purchases from Portugal. The other reported purchasing based on quality, availability, and price.

Purchasers were asked about changes in their purchasing patterns from different sources since 2015 (table II-11). Purchasers increasing purchases of U.S. product attributed this to the orders, increased demand and "new programs." All firms reporting that they decreased purchases of U.S. uncoated paper reported this was due to declines in demand or ***.

Almost all firms reported that either they had decreased purchases or made no purchases of uncoated paper from Australia, China, and Indonesia, they explained these responses either as a result of the orders or because they changed the relationship with the supplier.[40] A number of firms reported increased purchases from Portugal and Brazil because of the orders, changing relationships, or increased demand. Others reported constant purchases from Brazil and Portugal because they are a good supplier at a good price or because the volumes that are purchased from these sources are small.

[40] While a small number of firms reported constant purchase levels from these countries, no firm explained why purchases from these countries were constant. The only firm reporting that their purchases from China fluctuated reported that ***.

Table II-11
Uncoated paper: Count of changes in purchase patterns from U.S., subject, and nonsubject countries

Source of purchases	Decreased	Increased	Constant	Fluctuated	Did not purchase
United States	3	5	10	1	0
Australia	1	0	0	0	15
Brazil	3	1	3	2	8
China	2	0	1	1	12
Indonesia	2	0	2	0	13
Portugal	0	5	5	1	5
Nonsubject sources	0	4	5	1	6
Sources unknown	0	0	1	1	7

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

Purchase factor comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing uncoated paper produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 19 factors (table II-12) for which they were asked to rate the importance (table II-9). This section focus on the eight factors that 15 or more purchasers reported were very important, other factors are included in table II-12 and the footnotes. While most responding purchasers reported domestic and Australian uncoated paper were comparable for most factors (including factors rated as very important by 15 or more purchasers: jamming/misfeeds, price, product consistency, quality meets industry standards, and runnability). U.S. product was rated as superior to Australian by most responding purchasers in availability, delivery time, and reliability of supply (factors that 15 or more purchasers had rated as very important).[41] Most purchasers rated U.S. and Brazilian uncoated paper to be comparable for most factors (including factors rated as very important by 15 or more purchasers: jamming/misfeeds, price, product consistency, quality meets industry standards, and runnability). For availability, delivery time, and reliability of supply, (factors that 15 of more purchasers had rated as very important) responses were mixed, a plurality of purchasers rated U.S. product as superior to Brazilian, however more firms rated product as comparable or U.S. product as inferior, than rated U.S. product superior.[42] Responses by purchasers comparing U.S. and Chinese uncoated paper were more varied. Of the eight factors

[41] U.S. uncoated paper was also rated as superior to Australian uncoated paper for product range and technical support/service.

[42] U.S. uncoated paper rated as superior to Brazilian by a plurality of purchasers for product range and technical support/service.

reported as very important by most purchasers, most rated U.S. product as superior for availability and reliability of supply; most rated U.S. and Chinese products as comparable for quality meets industry standards and price; and two purchasers each reported U.S. product was superior and U.S. and Chinese product were comparable for delivery time, jamming misfeeds, product consistency, and runnability.[43] A plurality of purchasers rated U.S. and Indonesian product comparable for 11 factors (including factors rated as very important by most purchasers: deliver time, jamming/ misfeeds, price, quality meets industry standards, and runnability). For other factors rated as very important by most purchasers U.S. product was rated as superior for availability, and reliability of supply; and two purchasers each rated U.S. product as superior, U.S. and Indonesian product as comparable, and U.S. product as inferior on product consistency.[44] Purchasers rated U.S. and Portuguese product as comparable for 17 factors (including factors rated as very important by most purchasers: availability, jamming/misfeeds, price, product consistency, quality meets industry standards, and runnability). The other factors rated as very important by most purchasers were delivery time and reliability of supply. For delivery time, five firms each reported U.S. product was superior and U.S. and Portuguese product were comparable and for reliability of supply a plurality of firms reported U.S. product was superior.[45]

Most or a plurality of purchasers reported that U.S. and nonsubject uncoated paper were comparable for 18 of the 19 factors (including all factors very important by most firms except availability). For availability, there was no consensus, with three firms each reporting U.S. product was superior, U.S. product was comparable, and U.S. product was inferior.

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[43] A plurality rated Chinese product as superior for brightness and discounts offered. A plurality rated U.S. product as superior for payment terms, product terms, and technical support/services. Two purchasers each reported U.S. product was inferior and U.S. and Chinese product were comparable for delivery terms. For the remaining factors a plurality of the firms reported U.S. and Chinese products were comparable.

[44] Other factors not rated as comparable by a plurality of purchasers were discounts offered, product range, and technical support/service a plurality rated U.S. product as superior; brightness three firms rated U.S. and Indonesia as comparable and U.S. product as inferior; discounts offered, two firms each rated U.S. and Indonesia comparable and U.S. inferior; and minimum quantity requirements two purchasers each rated U.S. product as superior and U.S. and Indonesian product as comparable.

[45] The other only other factor that a plurality of purchasers did not report to be comparable was technical support for which most firms rated U.S. product as superior.

Table II-12
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Australia	3	2	0
Brightness	U.S. vs Australia	0	3	2
Delivery terms	U.S. vs Australia	1	4	0
Delivery time	U.S. vs Australia	3	2	0
Discounts offered	U.S. vs Australia	1	3	0
Jamming/Misfeeds	U.S. vs Australia	0	5	0
Minimum quantity requirements	U.S. vs Australia	1	3	0
Opacity	U.S. vs Australia	0	4	1
Packaging	U.S. vs Australia	0	5	0
Payment terms	U.S. vs Australia	0	4	1
Price	U.S. vs Australia	0	3	2
Product consistency	U.S. vs Australia	1	4	0
Product range	U.S. vs Australia	3	2	0
Quality meets industry standards	U.S. vs Australia	2	3	0
Quality exceeds industry standards	U.S. vs Australia	2	3	0
Reliability of supply	U.S. vs Australia	3	2	0
Runnability	U.S. vs Australia	1	4	0
Technical support/service	U.S. vs Australia	4	1	0
U.S. transportation costs	U.S. vs Australia	0	4	0

Table continued.

Table II-12 Continued
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Brazil	4	3	3
Brightness	U.S. vs Brazil	1	5	3
Delivery terms	U.S. vs Brazil	2	7	1
Delivery time	U.S. vs Brazil	4	4	2
Discounts offered	U.S. vs Brazil	2	6	0
Jamming/Misfeeds	U.S. vs Brazil	3	5	1
Minimum quantity requirements	U.S. vs Brazil	1	7	1
Opacity	U.S. vs Brazil	0	8	2
Packaging	U.S. vs Brazil	3	6	1
Payment terms	U.S. vs Brazil	2	8	0
Price	U.S. vs Brazil	0	6	4
Product consistency	U.S. vs Brazil	3	7	0
Product range	U.S. vs Brazil	4	3	3
Quality meets industry standards	U.S. vs Brazil	1	9	0
Quality exceeds industry standards	U.S. vs Brazil	3	6	1
Reliability of supply	U.S. vs Brazil	4	3	3
Runnability	U.S. vs Brazil	3	7	0
Technical support/service	U.S. vs Brazil	6	1	2
U.S. transportation costs	U.S. vs Brazil	1	8	0

Table continued.

Table II-12 Continued
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs China	3	0	2
Brightness	U.S. vs China	1	2	3
Delivery terms	U.S. vs China	1	2	2
Delivery time	U.S. vs China	2	2	1
Discounts offered	U.S. vs China	1	1	2
Jamming/Misfeeds	U.S. vs China	2	2	1
Minimum quantity requirements	U.S. vs China	2	1	1
Opacity	U.S. vs China	1	4	1
Packaging	U.S. vs China	1	3	1
Payment terms	U.S. vs China	4	1	1
Price	U.S. vs China	0	3	2
Product consistency	U.S. vs China	2	2	1
Product range	U.S. vs China	4	0	1
Quality meets industry standards	U.S. vs China	1	4	1
Quality exceeds industry standards	U.S. vs China	2	3	1
Reliability of supply	U.S. vs China	3	1	1
Runnability	U.S. vs China	2	2	1
Technical support/service	U.S. vs China	4	0	1
U.S. transportation costs	U.S. vs China	0	4	1

Table continued.

Table II-12 Continued
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Indonesia	3	1	2
Brightness	U.S. vs Indonesia	1	3	3
Delivery terms	U.S. vs Indonesia	1	4	1
Delivery time	U.S. vs Indonesia	2	3	1
Discounts offered	U.S. vs Indonesia	1	2	2
Jamming/Misfeeds	U.S. vs Indonesia	2	3	1
Minimum quantity requirements	U.S. vs Indonesia	2	2	1
Opacity	U.S. vs Indonesia	1	5	1
Packaging	U.S. vs Indonesia	1	4	1
Payment terms	U.S. vs Indonesia	2	4	1
Price	U.S. vs Indonesia	0	4	2
Product consistency	U.S. vs Indonesia	2	2	2
Product range	U.S. vs Indonesia	3	2	1
Quality meets industry standards	U.S. vs Indonesia	1	4	2
Quality exceeds industry standards	U.S. vs Indonesia	2	3	2
Reliability of supply	U.S. vs Indonesia	3	1	2
Runnability	U.S. vs Indonesia	2	3	1
Technical support/service	U.S. vs Indonesia	3	2	1
U.S. transportation costs	U.S. vs Indonesia	0	5	1

Table continued.

Table II-12 Continued
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Portugal	4	6	0
Brightness	U.S. vs Portugal	0	7	4
Delivery terms	U.S. vs Portugal	4	6	0
Delivery time	U.S. vs Portugal	5	5	0
Discounts offered	U.S. vs Portugal	2	7	0
Jamming/Misfeeds	U.S. vs Portugal	0	10	0
Minimum quantity requirements	U.S. vs Portugal	1	8	0
Opacity	U.S. vs Portugal	0	8	3
Packaging	U.S. vs Portugal	1	9	0
Payment terms	U.S. vs Portugal	2	9	0
Price	U.S. vs Portugal	0	6	4
Product consistency	U.S. vs Portugal	1	8	1
Product range	U.S. vs Portugal	4	5	1
Quality meets industry standards	U.S. vs Portugal	0	10	1
Quality exceeds industry standards	U.S. vs Portugal	1	8	2
Reliability of supply	U.S. vs Portugal	5	4	1
Runnability	U.S. vs Portugal	1	9	0
Technical support/service	U.S. vs Portugal	6	3	1
U.S. transportation costs	U.S. vs Portugal	1	9	0

Table continued.

Table II-12 Continued
Uncoated paper: Count of purchasers' responses comparing U.S.-produced and imported product

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Nonsubject	3	3	3
Brightness	U.S. vs Nonsubject	1	6	2
Delivery terms	U.S. vs Nonsubject	2	6	1
Delivery time	U.S. vs Nonsubject	1	6	2
Discounts offered	U.S. vs Nonsubject	1	6	1
Jamming/Misfeeds	U.S. vs Nonsubject	1	7	0
Minimum quantity requirements	U.S. vs Nonsubject	2	6	0
Opacity	U.S. vs Nonsubject	0	9	0
Packaging	U.S. vs Nonsubject	0	9	0
Payment terms	U.S. vs Nonsubject	0	8	1
Price	U.S. vs Nonsubject	1	6	2
Product consistency	U.S. vs Nonsubject	0	9	0
Product range	U.S. vs Nonsubject	2	7	0
Quality meets industry standards	U.S. vs Nonsubject	0	9	0
Quality exceeds industry standards	U.S. vs Nonsubject	1	8	0
Reliability of supply	U.S. vs Nonsubject	3	4	1
Runnability	U.S. vs Nonsubject	0	9	0
Technical support/service	U.S. vs Nonsubject	3	5	1
U.S. transportation costs	U.S. vs Nonsubject	1	8	0

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

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.

Comparison of U.S.-produced and imported uncoated paper

In order to determine whether U.S.-produced uncoated paper can generally be used in the same applications as imports from subject countries, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables II-13 and 14, most producers reported products from all country pairs were always interchangeable and most importers reported that they were always or frequently interchangeable. Purchaser responses were more varied (table II-15). More of the responding purchasers reported always or frequently than frequently or sometimes when comparing U.S. and Australia, Australia and Brazil, Australia and Portugal, Brazil and Portugal, and Australia and nonsubject countries. An equal number of the responding purchasers reported always or frequently as frequently or sometimes when comparing Australia and China, Australia and Indonesia, Indonesia and Portugal, Brazil and nonsubject countries, and Portugal and nonsubject countries. More purchasers reported frequently or sometimes for the 11 other country pairs.

Interchangeability was reported to be limited by differences in quality (lower quality paper from some Asian sources may increase jamming and reduce print quality), inconsistency in product from China and Indonesia, sizing (*** paper is only available in 8 ½ by 11, but not legal or double letter size limiting the purchasers since purchasers typically want to purchase all their paper from the same producer to get an identical shade), and differences in brightness, whiteness, smoothness, shade, opacity, fiber source, and packaging. One purchaser reported product was sometimes interchangeable between U.S. and product from China, Indonesia, Portugal, and nonsubject countries due to differences in quality, sizing, opacity, and runnability; Australia product was superior to that from China or Indonesia on bulk and runnability; Brazilian product is superior to that from China or Indonesia on bulk runnability and brightness; Chinese product is inferior to that from Indonesia and Portugal; and Indonesia product is superior to Portuguese and nonsubject product on product range.

Table II-13
Uncoated paper: Count of U.S. producers reporting the interchangeability between uncoated paper produced in the United States and in other countries, by country pair

Count of U.S. producers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	5	1	0	0
United States vs. Brazil	5	1	0	0
United States vs. China	5	1	0	0
United States vs. Indonesia	5	2	0	0
United States vs. Portugal	5	1	0	0
Australia vs. Brazil	5	0	0	0
Australia vs. China	5	0	0	0
Australia vs. Indonesia	5	0	0	0
Australia vs. Portugal	5	0	0	0
Brazil vs. China	5	0	0	0
Brazil vs. Indonesia	5	0	0	0
Brazil vs. Portugal	5	0	0	0
China vs. Indonesia	5	0	0	0
China vs. Portugal	5	0	0	0
Indonesia vs. Portugal	5	0	0	0
United States vs. nonsubject	5	2	0	0
Australia vs. nonsubject	5	0	0	0
Brazil vs. nonsubject	5	0	0	0
China vs. nonsubject	5	0	0	0
Indonesia vs. nonsubject	5	0	0	0
Portugal vs. nonsubject	5	0	0	0

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

Table II-14
Uncoated paper: Count of importers reporting the interchangeability between uncoated paper produced in the United States and in other countries, by country pair

Count of importers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	6	0	4	0
United States vs. Brazil	5	3	4	0
United States vs. China	4	4	3	1
United States vs. Indonesia	6	4	4	0
United States vs. Portugal	5	1	5	0
Australia vs. Brazil	6	1	4	0
Australia vs. China	4	2	4	0
Australia vs. Indonesia	6	2	4	0
Australia vs. Portugal	5	1	5	0
Brazil vs. China	4	2	3	0
Brazil vs. Indonesia	6	2	3	0
Brazil vs. Portugal	5	2	3	0
China vs. Indonesia	6	2	2	0
China vs. Portugal	4	1	4	0
Indonesia vs. Portugal	5	1	4	0
United States vs. nonsubject	6	5	4	0
Australia vs. nonsubject	6	2	4	0
Brazil vs. nonsubject	6	2	3	0
China vs. nonsubject	5	2	3	0
Indonesia vs. nonsubject	6	2	3	0
Portugal vs. nonsubject	6	1	4	0

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

Table II-15
Uncoated paper: Count of purchasers reporting the interchangeability between uncoated paper produced in the United States and in other countries, by country pair

Count of purchasers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	4	0	2	0
United States vs. Brazil	3	5	4	0
United States vs. China	1	2	6	1
United States vs. Indonesia	1	3	6	1
United States vs. Portugal	3	5	4	0
Australia vs. Brazil	3	1	1	0
Australia vs. China	2	1	2	0
Australia vs. Indonesia	2	1	2	0
Australia vs. Portugal	3	1	1	0
Brazil vs. China	2	1	3	0
Brazil vs. Indonesia	2	1	4	0
Brazil vs. Portugal	3	4	2	0
China vs. Indonesia	2	1	3	0
China vs. Portugal	2	1	3	0
Indonesia vs. Portugal	3	1	3	0
United States vs. nonsubject	4	5	3	0
Australia vs. nonsubject	2	2	0	1
Brazil vs. nonsubject	2	3	2	0
China vs. nonsubject	1	2	2	0
Indonesia vs. nonsubject	1	2	2	1
Portugal vs. nonsubject	2	2	2	1

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 uncoated paper from the United States, subject, or nonsubject countries. As seen in table II-16, all responding U.S. producers reported that there were either sometimes or never differences other than price for uncoated paper from all country pairs except between the United States and Indonesia. Importer responses were more varied, but most responded either sometimes or never for all country pairs except U.S. and Portugal, China and Portugal, and Portugal and other (in these most the importers responded always or frequently) (table II-17). Half or more purchasers reported that there were always or frequently differences other than price for all country pairs except China and Portugal, and all subject countries compared to nonsubject countries (table II-18).

Table II-16
Uncoated paper: Count of U.S. producers reporting the significance of differences other than price between uncoated paper produced in the United States and in other countries, by country pair

Count of U.S. producers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	0	0	3	3
United States vs. Brazil	0	0	3	3
United States vs. China	0	0	3	3
United States vs. Indonesia	1	0	3	3
United States vs. Portugal	0	0	3	3
Australia vs. Brazil	0	0	2	3
Australia vs. China	0	0	2	3
Australia vs. Indonesia	0	0	2	3
Australia vs. Portugal	0	0	2	3
Brazil vs. China	0	0	2	3
Brazil vs. Indonesia	0	0	2	3
Brazil vs. Portugal	0	0	2	3
China vs. Indonesia	0	0	2	3
China vs. Portugal	0	0	2	3
Indonesia vs. Portugal	0	0	2	3
United States vs. nonsubject	0	0	4	3
Australia vs. nonsubject	0	0	2	3
Brazil vs. nonsubject	0	0	2	3
China vs. nonsubject	0	0	2	3
Indonesia vs. nonsubject	0	0	2	3
Portugal vs. nonsubject	0	0	2	3

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

Table II-17
Uncoated paper: Count of importers reporting the significance of differences between uncoated paper produced in the United States and in other countries, by country pair

Count of importers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	2	1	3	3
United States vs. Brazil	2	2	4	2
United States vs. China	2	0	5	3
United States vs. Indonesia	2	0	6	4
United States vs. Portugal	2	3	2	2
Australia vs. Brazil	2	1	3	3
Australia vs. China	2	1	3	2
Australia vs. Indonesia	2	1	4	3
Australia vs. Portugal	2	2	3	2
Brazil vs. China	3	0	2	2
Brazil vs. Indonesia	2	1	3	3
Brazil vs. Portugal	2	1	3	2
China vs. Indonesia	2	0	4	2
China vs. Portugal	2	2	1	2
Indonesia vs. Portugal	2	1	2	3
United States vs. nonsubject	3	0	8	2
Australia vs. nonsubject	3	1	4	2
Brazil vs. nonsubject	3	1	3	2
China vs. nonsubject	3	0	4	1
Indonesia vs. nonsubject	3	0	4	2
Portugal vs. nonsubject	3	2	2	2

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

Table II-18
Uncoated paper: Count of purchasers reporting the significance of differences between uncoated paper produced in the United States and in other countries, by country pair

Count of purchasers

Country pair	Always	Frequently	Sometimes	Never
United States vs. Australia	2	1	3	0
United States vs. Brazil	4	2	4	0
United States vs. China	4	2	2	0
United States vs. Indonesia	4	1	4	0
United States vs. Portugal	4	2	6	0
Australia vs. Brazil	1	2	2	0
Australia vs. China	1	2	2	0
Australia vs. Indonesia	2	1	2	0
Australia vs. Portugal	2	1	2	0
Brazil vs. China	1	2	3	0
Brazil vs. Indonesia	1	2	3	0
Brazil vs. Portugal	1	3	4	0
China vs. Indonesia	1	2	2	1
China vs. Portugal	1	1	3	1
Indonesia vs. Portugal	1	2	2	1
U.S. vs. nonsubject	3	2	4	1
United States vs. nonsubject	1	0	2	1
Australia vs. nonsubject	1	0	3	1
Brazil vs. nonsubject	1	0	2	2
China vs. nonsubject	1	0	2	2
Indonesia vs. nonsubject	1	1	4	0

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

A number of firms reported significant differences other than price. Many of these were already listed as factors that limited interchangeability. Differences not already listed included differences in U.S. product and Indonesian product on quality, availability, and transportation; product from Portugal is superior to that from product from other subject countries on availability (because the Portuguese importer faces lower antidumping margins than imports from other subject countries); Portuguese imports are superior to U.S. product on availability (because of the closure or conversion of U.S. mills away from uncoated paper production has reduced the availability of U.S. uncoated paper); product from Australia, Brazil, and Portugal is superior to uncoated paper from other sources because Australia, Brazil, and Portugal use eucalyptus fiber, which leads to superior paper performance; and U.S. producers' availability is better than that from any other source.

Elasticity estimates

This section discusses elasticity estimates. Parties did not comment on these estimates in their briefs. The U.S. supply elasticity, however, has been changed because of the information provided on production bottlenecks in papermaking equipment and shortages (discussed on page II-4 in this section).

U.S. supply elasticity

The domestic supply elasticity for uncoated paper measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of uncoated paper. The elasticity of domestic supply depends on several factors including the level of excess capacity, capacity bottlenecks, 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 uncoated paper. Analysis of these factors above indicates that the U.S. industry has the ability to slightly increase or decrease shipments to the U.S. market in response to changes in demand; an estimate in the range of 1 to 3 is suggested. As bottlenecks are eliminated, firms will have increasing ability to change production in response to changes in demand.

U.S. demand elasticity

The U.S. demand elasticity for uncoated paper measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of uncoated paper. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the uncoated paper in the production of any downstream products. Based on the available information, the aggregate demand for uncoated paper is likely to be highly inelastic; a range of -0.25 to -0.5 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[46] Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced uncoated paper and imported uncoated paper is likely to be in the range of 3 to 5.

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

Part III: Condition of the U.S. industry

Overview

The information in this section of the report was compiled from responses to the Commission's questionnaires from eight firms, which accounted for the vast majority of U.S. production of uncoated paper during 2020.[1] Table III-1 presents developments in the industry since the imposition of the countervailing duty and antidumping duty orders.

[1] This section of the report includes data from U.S. producer ***.

Table III-1
Uncoated paper: Developments in the U.S. industry since the imposition of the orders

Year	Firm	Event
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
2018	Glatfelter	Glatfelter sold its specialty paper business unit to Lindsay Goldberg, which rebranded it as Pixelle Specialty Solutions. The assets include two mills (Spring Grove, Pennsylvania and Chillicothe, Ohio), converting operations (Fremont, Ohio), and woodyard operations (Delmar, Maryland; Piketon, Ohio; and Washington, West Virginia).
2019	Domtar	Domtar closes one paper machine at its Ashdown, Arkansas paper mill.
2019	***	***
2019	Georgia-Pacific and Flambeau River Paper	Georgia-Pacific (at its Port Hudson, Louisiana mill) and Flambeau River Paper (at its Park Falls, Wisconsin mill) exits communications paper business.
2020	Boise	Packaging Corporation of America announced it will temporarily idle uncoated freesheet manufacturing at its mill in Jackson, Alabama.
2020	Glatfelter	Glatfelter announced it is moving its corporate headquarters from City of York, Pennsylvania to Charlotte, North Carolina.
2020	Domtar	Domtar announced it is shutting down uncoated freesheet manufacturing at the Kingsport Mill in Kingsport, Tennessee and will convert it to manufacturing of containerboard.
August 2020	Domtar	Domtar announces it will permanently close its Port Huron, Michigan paper mill.
December 2020	International Paper	International Paper announces spin-off of printing papers business.
May 2021	Domtar	Paper Excellence enters into definitive agreement to acquire Domtar.
July 2021	Domtar	Domtar to restart paper machine at Ashdown, Arkansas.
July 2021	Domtar	Domtar, Paper Excellence merger approved by stockholders.
August 2021	International Paper	International Paper announces the record date and distribution date in connection with the spin-off of its printing papers business (Sylvamo Corporation).
October 2021	International Paper	International Paper completes the spin-off of its communications paper business (Sylvamo Corporation).
November 2021	Domtar	Paper Excellence Group announces the closing of its acquisition of Domtar Corporation.

Table continued.

Table III-1 Continued
Uncoated paper: Developments in the U.S. industry since the imposition of the orders

Sources: "Lindsay Goldberg Acquires Specialty Papers Business Unit of P.H. Glatfelter Company and Rebrands It Pixelle Specialty Solutions," October 31, 2018, https://www.businesswire.com/news/home/20181031005751/en/Lindsay-Goldberg-Acquires-Specialty-Papers-Business-Unit-of-P.H.-Glatfelter-Company-and-Rebrands-It-Pixelle-Specialty-Solutions, retrieved April 7, 2021; Domestic interested parties' response to the notice of institution, March 3, 2021, pp. 6 and 22; "Northern Wisconsin Paper Mill Seeks Buyer Amid Financial Struggles," May 10, 2019, https://www.wpr.org/northern-wisconsin-paper-mill-seeks-buyer-amid-financial-struggles, retrieved April 7, 2021; "Georgia-Pacific to Exit Communication Papers Business," January 10, 2019, https://www.gp.com/news/2019/01/georgia-pacific-exits-communication-papers-business-port-hudson#:~:text=Port%20Hudson%20Communication%20Papers%20and%20Pulping%20Operations%20to%20Shut%20Down&text=ATLANTA%20%2F%20PORT%20HUDSON%2C%20LOUISIANA%20%E2%80%93,position%20in%20a%20declining%20market, retrieved April 7, 2021; "The Domtar Plant in Ashdown Shut Down One of Its Two Paper Machines, Resulting in an Expected Downsizing of 79 Positions, October 10, 2019, https://www.texarkanagazette.com/news/texarkana/story/2019/oct/10/domtar-plant-ashdown-shut-down-one-its-two-paper-machines-resulting-expected-downsizing-79-positions/799134/, retrieved September 22, 2021; "PCA Announces Plans To Take Economic Downtime At Its Jackson, AL Uncoated Freesheet Mill," April 1, 2020, http://ir.packagingcorp.com/news-releases/news-release-details/pca-announces-plans-take-economic-downtime-its-jackson-al, retrieved April 1, 2021; "Glatfelter announces move out of York, ending 155-year run," February 12, 2020, https://local21news.com/news/local/glatfelter-announces-move-out-of-york-ending-155-year-run, retrieved April 1, 2021; "Domtar to Enter Containerboard Market with Kingsport Mill Conversion," September 5, 2020, https://newsroom.domtar.com/containerboard-kingsport-mill-conversion/, retrieved April 1, 2021; "Domtar Corp. to Close Port Huron Paper Mill, Eliminating About 200 Jobs, August 7, 2020, https://www.thetimesherald.com/story/news/2020/08/07/domtar-corp-close-port-huron-mill-eliminate-200-jobs/3317308001/, retrieved September 22, 2021; "International Paper to Sharpen Focus on Industrial Packaging, Announces Spin-Off of Printing Papers," December 3, 2020. https://internationalpaper2015.q4web.com/news-releases/press-r/2020/International-Paper-to-Sharpen-Focus-on-Industrial-Packaging-Announces-Spin-off-of-Printing-Papers/default.aspx, retrieved September 22, 2021. "Paper Excellence Enters into Definitive Agreement to Acquire Domtar for $55.50 Per Share in Cash, May 1, 2021, https://newsroom.domtar.com/press-release/paper-excellence-enters-into-definitive-agreement-to-acquire-domtar-for-55-50-per-share-in-cash/, retrieved September 22, 2021; "Domtar, Paper Excellence Merger Approved by Stockholders," July 29, 2021, https://newsroom.domtar.com/press-release/domtar-paper-excellence-merger-approved-by-stockholders/, retrieved September 22, 2021; "Domtar to Restart Paper Machine at Ashdown, Arkansas, Mill to Meet Customer Demand," July 15, 2021, https://newsroom.domtar.com/press-release/domtar-to-restart-paper-machine-at-ashdown-arkansas-mill-to-meet-customer-demand/.
"Paper Excellence Welcomes Domtar Into Its Group of Companies", November 30, 2021, https://paperexcellence.com/paper-excellence-welcomes-domtar-into-its-group-of-companies/.

Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of

uncoated paper since January 1, 2015. All responding U.S. producers indicated that they had experienced such changes; their responses are presented in table III-2.

Table III-2
Uncoated paper: U.S. producers' reported changes in operations since January 1, 2015

Item	Firm name and accompanying narrative response
Plant closings	***.
Expansions	***.
Acquisitions	***.
Acquisitions	***
Contractions or re-purposing	***.
Contractions or re-purposing	***.
Contractions or re-purposing	***.
Prolonged shutdowns or curtailments	***.
Prolonged shutdowns or curtailments	***.
Prolonged shutdowns or curtailments	***.
Revised labor agreements	***.

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

In February 2021, Packaging Corporation of America ("PCA"), the parent company of Boise, announced that it discontinued production of uncoated freesheet paper in paper machine number 3 at Boise's paper mill in Jackson, Alabama and began preparation for the permanent conversion to linerboard production.[2] This machine temporarily began producing linerboard in the fourth quarter of 2020 and continued production in the first quarter of 2021.[3] It will be converted into a 700,000 ton-per-year, kraft linerboard machine over the next 36 months.[4] According to PCA Chairman and CEO Mark Kowlzan, "this approach allows us to effectively enhance the mill's profitability and viability by managing the exacerbated decline in demand for uncoated freesheet product while addressing the Company's integrated containerboard supply needs."[5]

In 2020, Domtar stopped uncoated freesheet manufacturing in its paper mills in Kingsport, Tennessee, Port Huron, Michigan, and Ashdown, Arkansas as well as a converting center in Ridgefields, Tennessee.[6] Domtar plans to enter the linerboard market by converting the Kingsport, Tennessee paper machine.[7] The conversion is expected to be completed by the end of 2022.[8] In July 2021, Domtar announced that it will restart a paper machine in its paper mill in Ashdown, Arkansas to meet increasing customer demand.[9] The restart is expected to be completed in January 2022 and will enable Domtar to add 185,000 tons of uncoated freesheet capacity.[10]

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[2] *Packaging Corporation of America Announces Conversion of Jackson, AL Mill Paper Machine To High-Performance Virgin Linerboard*, http://ir.packagingcorp.com/news-releases/news-release-details/packaging-corporation-america-announces-conversion-jackson-al, accessed October 10, 2021.

[3] Ibid.

[4] Ibid.

[5] Ibid.

[6] *Domtar Corporation Reports Preliminary Second Quarter 2020 Financial Results and Announced Strategic Initiatives*, https://newsroom.domtar.com/press-release/domtar-corporation-reports-preliminary-second-quarter-2020-financial-results-and-announces-strategic-initiatives/, accessed October 10, 2021.

[7] Hearing transcript, p. 29 (Melton).

[8] *Domtar Corporation Reports Preliminary Second Quarter 2020 Financial Results and Announced Strategic Initiatives*, https://newsroom.domtar.com/press-release/domtar-corporation-reports-preliminary-second-quarter-2020-financial-results-and-announces-strategic-initiatives/, accessed October 10, 2021 and *Domtar Corporation Reports Preliminary Third Quarter 2020 Financial Results*, https://newsroom.domtar.com/press-release/domtar-corporation-reports-preliminary-third-quarter-2020-financial-results/, accessed October 10, 2021.

[9] *Domtar to Restart Paper Machine at Ashdown, Arkansas, Mill to Meet Customer Demand*, https://newsroom.domtar.com/press-release/domtar-to-restart-paper-machine-at-ashdown-arkansas-mill-to-meet-customer-demand/, accessed October 10, 2021.

[10] Ibid. Hearing transcript, p. 29 (Melton).

In 2017, International Paper announced plans to invest approximately $300 million to convert paper machine number 15 at its Riverdale paper mill in Selma, Alabama from uncoated freesheet production to whitetop linerboard and containerboard production.[11] Mike Amick Jr., International Paper's Senior Vice President for Papers in the Americas and India stated, "This investment proactively repositions Riverdale No. 15 to serve our growing packaging business."[12] The conversion of this paper machine was completed in the first quarter of 2021.[13] In October 2021, International Paper completed the spin-off of its communications paper business to form a new company, Sylvamo.[14]

In January 2019, Georgia-Pacific announced its exit from the communications paper business after an "assessment of its long-term competitive position in a declining market."[15] This exit resulted in the permanent shutdown of Georgia-Pacific's communications papers machines, related converters, and woodyard pulp mill in Port Hudson, Louisiana.[16] According to Mike Adams, Georgia-Pacific's President of PRO and Communication Papers, "the required investment to sustain the operation long-term, coupled with the declining market, is not viable."[17]

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of uncoated paper. Their responses appear in table III-3.

[11] *International Paper to Convert Riverdale Paper Machine*, https://www.pulpapernews.com/20190803/8860/international-paper-convert-riverdale-paper-machine, accessed October 10, 2021.

[12] Ibid.

[13] *A Mostly Sunny Forecast for OCC, Mixed Paper Markets*, https://www.recyclingtoday.com/article/mostly-sunny-forecast-occ-mixed-paper-markets/, accessed October 10, 2021 and *Riverdale Mill – International Paper, https://www.internationalpaper.com/docs/default-source/english/careers/riverdale-mill.pdf?sfvrsn=6824a533_14*, accessed October 10, 2021.

[14] *Introducing Sylvamo*, https://www.internationalpaper.com/newsroom/introducing-sylvamo, accessed October 10, 2021.

[15] *Georgia-Pacific to Exit Communication Papers Business*, https://gp.com/news/2019/01/georgia-pacific-exits-communication-papers-business-port-hudson, accessed October 10, 2021.

[16] Ibid.

[17] Ibid.

Table III-3
Uncoated paper: U.S. producers' anticipated changes in operations

Item	Firm name and accompanying narrative response
Anticipated changes in operations	***.
Anticipated changes in operations	***.

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

U.S. production, sheeting capacity, and sheeting capacity utilization

Table III-4 presents data on U.S. producers' production, sheeting capacity, and sheeting capacity utilization. The collective annual sheeting capacity of the responding U.S. producers decreased in each year during 2015-20, ending 20.0 percent lower in 2020 than in 2015. The majority of the decrease during this period occurred during 2018-20, which reflected *** and the impact of the COVID-19 pandemic on several producers' operations in 2020. Among the five firms that reported sheeting capacity in each year during 2015-20, only *** reported more sheeting capacity in 2020 than in 2015.[18] *** entered the uncoated paper industry in 2017 and its sheeting capacity *** during 2017-20. Responding U.S. producers' sheeting capacity was 27.4 percent lower in interim 2021 than in interim 2020. Four out of the seven firms that reported sheeting capacity in both interim periods had less sheeting capacity in interim 2021 than in interim 2020.[19]

[18] *** sheeting capacity increased in each year during 2015-20, ending *** percent higher in 2015 than in 2020. *** sheeting capacities decreased by *** percent, *** percent, and *** percent, respectively, during 2015-20. *** sheeting capacity decreased less noticeably by *** percent over the same period. The majority of *** decreases in sheeting capacity occurred from 2019 to 2020. *** decrease in sheeting capacity from 2019 to 2020 was largely due to ***. *** decrease in sheeting capacity from 2019 to 2020 reflected ***. *** decrease in production capacity from 2019 to 2020 was caused by ***. Email from ***, September 22, 2021; email from ***, September 24, 2021; email from ***, September 24, 2021.

[19] There was minimal difference in *** sheeting capacity between interim 2020 and interim 2021 (*** percent). *** sheeting capacities were *** percent, *** percent, and *** percent lower, respectively, in interim 2021 than in interim 2020. *** lower sheeting capacity in interim 2021 was due to ***. *** lower sheeting capacity in interim 2021 reflected ***. *** decreased production capacity in interim 2021 was caused by ***. Email from ***, September 22, 2021; email from ***, September 24, 2021; and email from ***, October 5, 2021.

Table III-4
Uncoated paper: U.S. producers' sheeting capacity, by firm and period

Capacity in short tons

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	4,347,405	4,314,835	4,293,756

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' sheeting capacity, by firm and period

Capacity in short tons

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	4,259,054	3,972,716	3,476,598	1,850,914	1,343,360

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' production, by firm and period

Production in short tons

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	3,642,012	3,531,714	3,497,671

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' production, by firm and period

Production in short tons

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	3,426,136	3,198,896	2,208,112	1,119,265	1,039,049

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' sheeting capacity utilization ratio, by firm and period

Ratio in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	83.8	81.9	81.5

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' sheeting capacity utilization ratio, by firm and period

Ratio in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	80.4	80.5	63.5	60.5	77.3

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' share of production, by firm and period

Share in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	100.0	100.0	100.0

Table continued.

Table III-4 Continued
Uncoated paper: U.S. producers' share of production, by firm and period

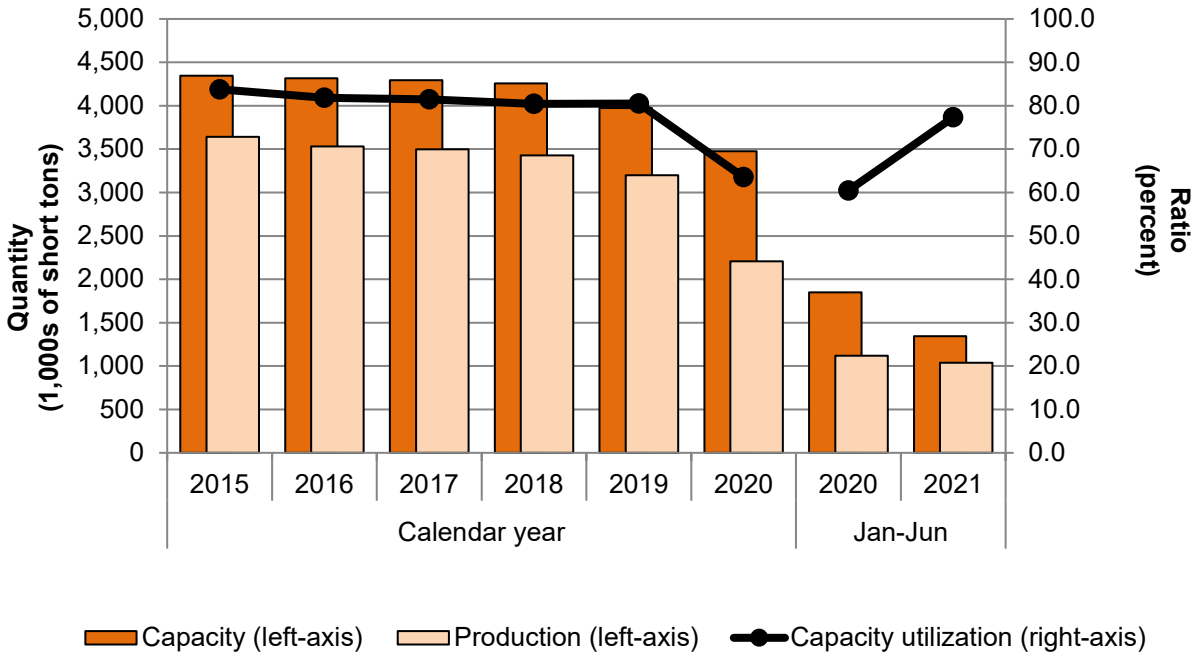
Share in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Figure III-1
Uncoated paper: U.S. producers' capacity, production, and capacity utilization, by period



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

Responding U.S. producers' combined production also decreased in each year during 2015-20, ending 39.4 percent lower in 2020 than in 2015.[20] The majority of their decrease in production occurred from 2019 to 2020, reflecting the impact of the COVID-19 pandemic on several firms' production in 2020. All five firms that reported production in each year during 2015-20 reported less production in 2020 than in 2015, with *** accounting for the vast majority of the decrease.[21] U.S. producers' combined production was 7.2 percent lower in interim 2021 than in interim 2020. Although five of seven firms reported more production in interim 2021 than in interim 2020, this increase was offset by the reduced production reported by ***.[22]

[20] ***.

[21] *** production increased by *** percent and *** percent, respectively, during 2015-19, but then decreased by *** percent and *** percent, respectively, from 2019 to 2020. Overall, *** production were *** percent and *** percent lower, respectively, in 2020 than in 2015. ***. *** had a more continuous decrease in production during 2015-20, ending *** percent lower in 2020 than in 2015. ***. Email from ***, September 22, 2021; email from ***, September 24, 2021; and email from ***, October 5, 2021.

[22] ***. Email from ***, September 24, 2021 and email from ***, October 5, 2021.

Responding U.S. producers' sheeting capacity utilization decreased irregularly from 83.8 percent in 2015 to 63.5 percent in 2020.[23] Most of this decrease occurred from 2019 to 2020 (80.5 percent to 63.5 percent) as production decreased faster than sheeting capacity. *** reported more than *** percent sheeting capacity utilization during 2015-19, but each reported noticeably lower sheeting capacity utilization in 2020 (*** percent and *** percent, respectively). ***, had a more gradual decrease in sheeting capacity utilization from *** percent in 2015 to *** percent in 2020. Responding U.S. producers' sheeting capacity utilization was 77.3 percent in interim 2021, compared to 60.5 percent in interim 2020. Five out of seven firms, including ***, reported a higher sheeting capacity utilization in interim 2021 than in interim 2020.

Table III-5 presents responding U.S. producers' production by input. Nearly all U.S. producers' production (over *** percent) during 2015-20 and both interim periods were from internally-produced sheeter rolls. Only one producer, ***, produced uncoated paper using purchased sheeter rolls during 2015-20 and in both interim periods. No responding firm produced uncoated paper using imported sheeter rolls during 2015-20 or in either interim period.

[23] Since the in-scope merchandise only includes cut paper, capacity is based on the papercutting equipment rather than the papermaking capacity. Navigator, however, states that its paper machines are designed to always be the bottleneck while its mills are designed to have excess sheeting capacity. Hearing transcript, pp. 204-205 (Redondo).

Table III-5
Uncoated paper: U.S. producers' production, by input and period

Quantity in short tons; share in percent

Item	Measure	2015	2016	2017
Internally produced rolls	Quantity	***	***	***
Domestically purchased rolls	Quantity	***	***	***
Imported rolls	Quantity	***	***	***
Total production	Quantity	3,642,012	3,531,714	3,497,671
Internally produced rolls	Share of quantity	***	***	***
Domestically purchased rolls	Share of quantity	***	***	***
Imported rolls	Share of quantity	***	***	***
Total production	Share of quantity	100.0	100.0	100.0

Table continued.

Table III-5 Continued
Uncoated paper: U.S. producers' production, by input and period

Quantity in short tons; share in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internally produced rolls	Quantity	***	***	***	***	***
Domestically purchased rolls	Quantity	***	***	***	***	***
Imported rolls	Quantity	***	***	***	***	***
Total production	Quantity	3,426,136	3,198,896	2,208,112	1,119,265	1,039,049
Internally produced rolls	Share of quantity	***	***	***	***	***
Domestically purchased rolls	Share of quantity	***	***	***	***	***
Imported rolls	Share of quantity	***	***	***	***	***
Total production	Share of quantity	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" percent represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Alternative products

As shown in table III-6, uncoated paper accounted for *** percent of total production on shared equipment in each year during 2015-20 and in both interim periods. *** reported production of out-of-scope merchandise on the same machinery used to produce uncoated paper during 2015-20 and both interim periods. ***.

Table III-6
Uncoated paper: U.S. producers' overall sheeting capacity and production on the same equipment as subject production, by product type and period

Quantity in short tons; share and ratio in percent

Item	Measure	2015	2016	2017
Overall sheeting capacity	Quantity	4,444,813	4,410,584	4,381,562
Production: Uncoated paper	Quantity	3,642,012	3,531,714	3,497,671
Production: Sheets over 150 gsm	Quantity	***	***	***
Production: Coated paper	Quantity	***	***	***
Production: Other products	Quantity	***	***	***
Production: Out-of-scope products	Quantity	***	***	***
Production: All products on same machinery	Quantity	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***
Production: Uncoated paper	Share	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***
Production: Coated paper	Share	***	***	***
Production: Other products	Share	***	***	***
Production: Out-of-scope products	Share	***	***	***
Production: All products on same machinery	Share	100.0	100.0	100.0

Table continued.

Table III-6 Continued
Uncoated paper: U.S. producers' overall sheeting capacity and production on the same equipment as subject production, by product type and period

Quantity in short tons; share and ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall sheeting capacity	Quantity	4,352,788	4,055,529	3,547,631	1,893,522	1,380,516
Production: Uncoated paper	Quantity	3,426,136	3,198,896	2,208,112	1,119,265	1,039,049
Production: Sheets over 150 gsm	Quantity	***	***	***	***	***
Production: Coated paper	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Production: Out-of-scope products	Quantity	***	***	***	***	***
Production: All products on same machinery	Quantity	***	***	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***	***	***
Production: Uncoated paper	Share	***	***	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***	***	***
Production: Coated paper	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Production: Out-of-scope products	Share	***	***	***	***	***
Production: All products on same machinery	Share	100.0	100.0	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Constraints on capacity

All eight responding U.S. producers reported production constraints. In their responses to the Commission's questionnaire, the firms cited *** as factors that limit production and production capacity of uncoated paper.

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

Table III-7 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments accounted for the vast majority of responding U.S. producers' total shipments in each year during 2015-20 and in both interim periods.[24] Exhibiting a similar trend as production, the quantity of responding U.S. producers' U.S. shipments decreased in each year during 2015-20, ending 36.7 percent lower in 2020 than in 2015. The majority of the decrease occurred from 2019 to 2020 when U.S. shipments decreased by 27.4 percent. In contrast, the year-to-year decrease during 2015-19 never exceeded 7.6 percent and was no more than 2.1 percent for three of those years. Among the six firms that reported U.S. shipments in each year during 2015-20, only one, ***, reported more shipments in 2020 than in 2015. *** accounted for the vast majority of the decrease in U.S. shipments during 2015-20, with most of their decreases occurring from 2019 to 2020.[25] Responding U.S. producers' U.S. shipments quantity was 3.0 percent lower in interim 2021 and interim 2020. Five of the six firms that reported U.S. shipments in both interim periods had lower U.S. shipments in interim 2021 than in interim 2020. The value of responding U.S. producers' U.S. shipments irregularly decreased by 31.5 percent during 2015-20, with the vast majority of the decrease occurring from 2019 to 2020. It was 4.1 percent lower in interim 2021 than in interim 2020.

[24] *** reported commercial U.S. shipments in each year during 2015-20 and both interim periods, while *** reported commercial U.S. shipments only during 2015-19. *** reported internal consumption during 2015-20 and both interim periods. None of the responding U.S. producers reported transfers to related firms during the period for which data were collected.

[25] *** U.S. shipments irregularly increased by *** percent during 2015-19, but then decreased by *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015. ***. *** U.S. shipments decreased by *** percent during 2015-19, but then decreased more by *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015. According to ***. *** U.S. shipments irregularly increased by *** percent during 2015-19, but then decreased by *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015. ***. Email from ***, September 22, 2021; email from ***, September 24, 2021; and email from ***, October 5, 2021.

Table III-7
Uncoated paper: U.S. producers' shipments, by destination and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; shares in percent

Item	Measure	2015	2016	2017
U.S. shipments	Quantity	3,388,795	3,328,741	3,258,741
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
U.S. shipments	Value	3,213,635	3,158,395	3,041,065
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***
U.S. shipments	Unit value	948	949	933
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
U.S. shipments	Share of quantity	***	***	***
Export shipments	Share of quantity	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***
Export shipments	Share of value	***	***	***
Total shipments	Share of value	100.0	100.0	100.0

Table continued.

Table III-7 Continued
Uncoated paper: U.S. producers' shipments, by destination and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; shares in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. shipments	Quantity	3,192,941	2,951,601	2,143,775	1,087,240	1,054,724
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	3,112,681	3,087,613	2,201,391	1,122,490	1,076,026
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	975	1,046	1,027	1,032	1,020
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

The average unit value of responding U.S. producers' U.S. shipments decreased from $948 per short ton in 2015 to $933 per short ton in 2017, but then increased irregularly to $1,027 per short ton in 2020.[26] It was $1,020 per short ton in interim 2021 and $1,032 per short ton in interim 2020. Five out of seven firms reported lower unit values in interim 2021 than in interim 2020.[27]

By quantity, export shipments accounted for a small minority of responding U.S. producers' total shipments in each year during 2015-20 and in both interim periods. *** reported export shipments during 2015-20.[28] Responding U.S. producers' export shipments, by quantity, fluctuated during 2015-20. It increased irregularly by *** percent from 2015 to 2018, but then decreased by *** percent during 2018-20, ending *** percent lower in 2020 than in 2015. The quantity of responding U.S. producers' export shipments was *** percent lower in interim 2021 than in interim 2020. Responding U.S. producers' export shipments, by value, also fluctuated during 2015-20. It increased by *** percent from 2015 to 2018, but then decreased by *** percent during 2018-20, ending *** percent lower in 2020 than in 2015. The combined value of U.S. producers' export shipments was *** percent lower in interim 2021 than in interim 2020. The unit value of export shipments was lower than the unit value of U.S. shipments in each year during 2015-20 and in both interim periods.

[26] The unit values of *** U.S. shipments followed the same trend as the average unit value, decreasing from 2015 to 2017, but then increasing from 2017 to 2020, ending higher in 2020 than in 2015. The unit value of *** U.S. shipments increased in each year during 2015-20, reaching a high of $*** per short ton. ***. The unit values of *** U.S. shipments were *** per short ton in each year during 2015-20, while the unit value of *** U.S. shipments were *** per short ton. U.S. producers' unit values ranged from $*** per short ton to $*** per short ton during 2015-20.

[27] ***. Email from ***, September 22, 2021.

[28] In their responses to the Commission's U.S. producers' questionnaire, *** identified *** as their principal export market. *** also identified *** as a principal export market. *** did not identify its export markets.

U.S. producers' inventories

Table III-8 presents responding U.S. producers' end-of-period inventories and the ratio of inventories to their production, U.S. shipments, and total shipments**.** Responding U.S. producers' end-of-period inventories fluctuated year to year during 2015-20, ending 14.2 percent lower in 2020 than in 2015. It was 33.0 percent lower in interim 2021 than in interim 2020. The ratio of responding U.S. producers' end-of-period inventories to their production ranged from 9.5 percent in 2016 to 13.5 percent in 2020 and was 22.6 percent in interim 2021, compared with 31.3 percent in interim 2020.[29] The ratio of responding U.S. producers' end-of-period inventories to their U.S. shipments ranged from 10.1 percent in 2016 to 13.9 percent in 2020 and was 11.1 percent in interim 2021, compared with 16.1 percent in interim 2020.

Table III-8
Uncoated paper: U.S. producers' end-of-period inventories, by period

Quantity in short tons; inventory ratio in percent

Item	2015	2016	2017
End-of-period inventory quantity	347,848	335,251	346,627
Inventory ratio to U.S. production	9.6	9.5	9.9
Inventory ratio to U.S. shipments	10.3	10.1	10.6
Inventory ratio to total shipments	***	***	***

Table continued.

Table III-8 Continued
Uncoated paper: U.S. producers' end-of-period inventories, by period

Quantity in short tons; inventory ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
End-of-period inventory quantity	334,573	391,314	298,457	349,974	234,633
Inventory ratio to U.S. production	9.8	12.2	13.5	31.3	22.6
Inventory ratio to U.S. shipments	10.5	13.3	13.9	16.1	11.1
Inventory ratio to total shipments	***	***	***	***	***

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

[29] The higher ratio in interim 2020 is largely due to the decrease in responding U.S. producers' production from 2019 to 2020 as a result of the COVID-19 pandemic, which is discussed previously in this Part.

U.S. producers' imports and purchases

Table III-9 presents data on *** imports of uncoated paper and table III-10 presents *** reasons for importing uncoated paper. *** imported uncoated paper from *** in each year during 2015-20. The ratio of *** imports from *** to its U.S. production ranged from *** percent in 2018 to *** percent in 2020 and was *** percent in interim 2021, compared with *** percent in interim 2020. No responding U.S. producer reported purchases of uncoated paper during 2015-20 or either interim periods.

Table III-9
Uncoated paper: * U.S. production, U.S. imports, and ratio of imports to production, by period**

Quantity in short tons; ratio in percent

Item	Measure	2015	2016	2017
U.S. production	Quantity	***	***	***
Imports from ***	Quantity	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***

Table continued.

Table III-9 Continued
Uncoated paper: * U.S. production, U.S. imports, and ratio of imports to production, by period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
U.S. production	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***

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

Table III-10
Uncoated paper: * reasons for importing**

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

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

U.S. employment, wages, and productivity

Table III-11 presents U.S. producers' employment-related data. The number of production related workers ("PRWs") decreased by 28.1 percent during 2015-20 with the majority of the decrease occurring from 2019 to 2020 when the number of PRWs decreased by 26.1 percent. In contrast, the year-to-year change in the number PRWs did not exceed 6.0 percent during 2015-19. The number of PRWs was 27.8 percent lower in interim 2021 than in interim 2020. Productivity decreased in each year during 2015-20, except from 2016 to 2017, ending 19.7 percent lower in 2020 than in 2015. It was 21.4 percent higher in interim 2021 than in interim 2020. Unit labor costs increased in each year during 2015-20, except from 2016 to 2017, ending 32.0 percent higher in 2020 than in 2015. It was 17.5 percent lower in interim 2021 than in interim 2020. Total hours worked and wages paid were lower in 2020 than in 2015 and lower in interim 2021 than in interim 2020. However, hourly wages were higher in 2020 than in 2015 and were higher in interim 2021 than in interim 2020.

Table III-11
Uncoated paper: U.S. producers' employment-related data, by period

Item	2015	2016	2017
Production and related workers (PRWs) (number)	5,844	5,836	5,489
Total hours worked (1,000 hours)	12,461	12,406	12,111
Hours worked per PRW (hours)	2,132	2,126	2,206
Wages paid ($1,000)	485,504	490,969	461,565
Hourly wages (dollars per hour)	$38.96	$39.58	$38.11
Productivity (short tons per 1,000 hour)	292	285	289
Unit labor costs (dollars per short ton)	$133	$139	$132

Table continued.

Table III-11 Continued
Uncoated paper: U.S. producers' employment-related data, by period

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Production and related workers (PRWs) (number)	5,816	5,683	4,201	4,488	3,242
Total hours worked (1,000 hours)	12,647	12,063	9,413	5,166	3,950
Hours worked per PRW (hours)	2,175	2,123	2,241	1,151	1,218
Wages paid ($1,000)	495,918	497,912	388,680	214,149	164,109
Hourly wages (dollars per hour)	$39.21	$41.28	$41.29	$41.45	$41.55
Productivity (short tons per 1,000 hour)	271	265	235	217	263
Unit labor costs (dollars per short ton)	$145	$156	$176	$191	$158

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

Financial experience of U.S. producers

Background[30]

Eight U.S. producers provided usable financial results on their uncoated paper operations: Boise, Domtar, Finch Paper, Georgia-Pacific, International Paper, NORPAC, Performance Office Paper, and Pixelle.[31] [32] All eight U.S. producers reported financial data for a fiscal year ending December 31 and on the basis of GAAP. The questionnaire responses are believed to account for over 80 percent of U.S. producers' sales of uncoated paper in 2020.[33] [34]

Net sales consisted primarily of commercial sales, with only one producer reporting internal consumption from January 2015 to June 2021.[35] [36] Non-commercial sales are included

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[30] The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

[31] Pixelle Specialty Solutions ("Pixelle") became a U.S. producer of uncoated paper in October 2018, when Lindsay Goldberg LLC acquired the assets from Glatfelter (two mills located in Spring Grove, Pennsylvania and Chillicothe, Ohio; one converting operation at Fremont, Ohio; and, three woodyard operations at Delmar, Maryland, Piketon, Ohio, and Washington, West Virginia). ***. See table III-1 for additional information. Email from Ben Pember, Pixelle, November 29, 2021.

[32] On November 30, 2021, Domtar was acquired by Paper Excellence Group, a private limited company organized under the laws of the Netherlands ("Paper Excellence" with seven pulp and paper manufacturing facilities in Canada). Domtar will operate as a stand-alone business entity within Paper Excellence Group. Domtar added that it will have ***. Paper Excellence webpage, https://paperexcellence.com/paper-excellence-welcomes-domtar-into-its-group-of-companies/ , retrieved December 14, 2021 and domestic interested parties' posthearing brief, exh. 2.

[33] Domestic interested parties' response to the notice of institution, March 3, 2021, p. 23 and exh. 3; Domestic interested parties' supplemental response to the notice of institution, April 1, 2021, p. 4.

[34] Effective October 1, 2021, International Paper (NYSE: IP) has spun-off its Printing Papers segment into a standalone, publicly traded company called Sylmano (NYSE: SLVM). International Paper and Sylmano webpages: https://www.internationalpaper.com/newsroom/introducing-sylvamo; https://internationalpaper2015.q4web.com/news-releases; and, https://www.sylvamo.com/us/en/newsroom, retrieved October 12, 2021.

[35] The internal consumption reported by *** accounted for less than *** percent of total net sales by quantity and value from January 2015 to June 2021. No U.S. producer reported transfers to related firms during this period.

[36] Tolling arrangements of U.S. producers accounted for less than *** percent of total U.S. shipments by quantity in 2020. Four U.S. producers (***) reported toll arrangements as a tollee; *** reported operating as a toller for Boise and Pixelle (formerly Glatfelter). Individually, tolling arrangements by *** accounted for from *** to *** percent of each firm's total shipments in 2020 and have minimal impact on the financial data. *** did not have any tolling arrangement over the period for which data were collected. See footnote 20 in this section of the report and staff worksheet, EDIS Doc. 755308 (December 1, 2021).

but not presented separately in this section of the report. Figure III-2 presents each responding firm's share of the net sales quantity in 2020 in the uncoated paper market.

Figure III-2
Uncoated paper: Share of net sales quantity in 2020, by firm

* * * * * * *

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

Operations on uncoated paper

Table III-12 presents aggregated data on U.S. producers' operations in relation to uncoated paper, while table III-13 presents corresponding changes in AUVs. Appendix table G-1 presents selected company-specific financial data. Differences in AUVs of sales and costs are largely attributable to differences in product mix and level of vertical integration among producers as well as the impact of COVID-19 on sales of uncoated paper in 2020.[37]

Table III-12
Uncoated paper: Results of operations of U.S. producers, by item and period

Quantity in short tons; value in 1,000 dollars; ratios in percent and represent ratio to net sales

Item	Measure	2015	2016	2017
Total net sales	Quantity	3,623,700	3,549,814	3,486,383
Total net sales	Value	3,396,525	3,332,430	3,220,163
Raw material costs	Value	1,363,634	1,337,779	1,326,171
Energy costs	Value	207,042	195,618	203,380
Direct labor costs	Value	371,248	380,234	347,315
Other factory costs	Value	939,740	941,103	893,048
Cost of goods sold	Value	2,881,664	2,854,734	2,769,914
Gross profit or (loss)	Value	514,861	477,696	450,249
SG&A expenses	Value	222,498	214,322	214,694
Operating income or (loss)	Value	292,363	263,374	235,555
Other expense / (income), net	Value	67,699	30,137	101,047
Net income or (loss)	Value	224,664	233,237	134,508
Depreciation/amortization	Value	213,205	216,489	269,698
Cash flow	Value	437,869	449,726	404,206
Raw material costs	Ratio	40.1	40.1	41.2
Energy costs	Ratio	6.1	5.9	6.3
Direct labor costs	Ratio	10.9	11.4	10.8
Other factory costs	Ratio	27.7	28.2	27.7
Cost of goods sold	Ratio	84.8	85.7	86.0
Gross profit	Ratio	15.2	14.3	14.0
SG&A expense	Ratio	6.6	6.4	6.7
Operating income or (loss)	Ratio	8.6	7.9	7.3
Net income or (loss)	Ratio	6.6	7.0	4.2

Table continued on next page.

[37] Six of eight U.S. producers cited negative impact on financial performance and/or production as a result of conditions caused by COVID-19 such as reduced demand for uncoated paper and supply chain difficulties. U.S. producer questionnaires, II-2b. For additional information, see appendix G.

Table III-12—Continued
Uncoated paper: Results of operations of U.S. producers, by item and period

Quantity in short tons; value in 1,000 dollars; ratios in percent and represent ratio to net sales

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Total net sales	Quantity	3,437,750	3,155,666	2,261,139	1,151,445	1,104,262
Total net sales	Value	3,322,432	3,270,723	2,305,494	1,177,281	1,123,554
Raw material costs	Value	1,364,316	1,266,316	877,288	459,604	398,457
Energy costs	Value	208,938	191,595	139,236	72,902	59,976
Direct labor costs	Value	381,779	388,904	331,562	182,182	134,613
Other factory costs	Value	1,009,594	864,703	696,134	381,393	302,920
Cost of goods sold	Value	2,964,627	2,711,518	2,044,220	1,096,081	895,966
Gross profit or (loss)	Value	357,805	559,205	261,274	81,200	227,588
SG&A expenses	Value	210,967	208,740	101,791	61,845	48,025
Operating income or (loss)	Value	146,838	350,465	159,483	19,355	179,563
Other expense / (income), net	Value	304,280	48,612	171,093	9,022	12,863
Net income or (loss)	Value	(157,442)	301,853	(11,610)	10,333	166,700
Depreciation/amortization	Value	437,588	139,414	120,339	62,940	33,716
Cash flow	Value	280,146	441,267	108,729	73,273	200,416
Raw material costs	Ratio	41.1	38.7	38.1	39.0	35.5
Energy costs	Ratio	6.3	5.9	6.0	6.2	5.3
Direct labor costs	Ratio	11.5	11.9	14.4	15.5	12.0
Other factory costs	Ratio	30.4	26.4	30.2	32.4	27.0
Cost of goods sold	Ratio	89.2	82.9	88.7	93.1	79.7
Gross profit	Ratio	10.8	17.1	11.3	6.9	20.3
SG&A expense	Ratio	6.3	6.4	4.4	5.3	4.3
Operating income or (loss)	Ratio	4.4	10.7	6.9	1.6	16.0
Net income or (loss)	Ratio	(4.7)	9.2	(0.5)	0.9	14.8

Table continued on next page.

Table III-12—Continued
Uncoated paper: Results of operations of U.S. producers, by item and period

Shares in percent and represent the share of COGS; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2015	2016	2017
Raw material costs	Share	47.3	46.9	47.9
Energy costs	Share	7.2	6.9	7.3
Direct labor costs	Share	12.9	13.3	12.5
Other factory costs	Share	32.6	33.0	32.2
Cost of goods sold	Share	100.0	100.0	100.0
Total net sales	Unit value	937	939	924
Raw material costs	Unit value	376	377	380
Energy costs	Unit value	57	55	58
Direct labor costs	Unit value	102	107	100
Other factory costs	Unit value	259	265	256
Cost of goods sold	Unit value	795	804	794
Gross profit or (loss)	Unit value	142	135	129
SG&A expenses	Unit value	61	60	62
Operating income or (loss)	Unit value	81	74	68
Net income or (loss)	Unit value	62	66	39
Operating losses	Count	1	1	2
Net losses	Count	1	2	2
Data	Count	8	8	8

Table continued on next page.

Table III-12—Continued
Uncoated paper: Results of operations of U.S. producers, by item and period

Shares in percent and represent the share of COGS; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Raw material costs	Share	46.0	46.7	42.9	41.9	44.5
Energy costs	Share	7.0	7.1	6.8	6.7	6.7
Direct labor costs	Share	12.9	14.3	16.2	16.6	15.0
Other factory costs	Share	34.1	31.9	34.1	34.8	33.8
Cost of goods sold	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	966	1,036	1,020	1,022	1,017
Raw material costs	Unit value	397	401	388	399	361
Energy costs	Unit value	61	61	62	63	54
Direct labor costs	Unit value	111	123	147	158	122
Other factory costs	Unit value	294	274	308	331	274
Cost of goods sold	Unit value	862	859	904	952	811
Gross profit or (loss)	Unit value	104	177	116	71	206
SG&A expenses	Unit value	61	66	45	54	43
Operating income or (loss)	Unit value	43	111	71	17	163
Net income or (loss)	Unit value	(46)	96	(5)	9	151
Operating losses	Count	3	1	1	2	0
Net losses	Count	3	1	1	2	0
Data	Count	8	8	7	7	7

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

Table III-13
Uncoated paper: Changes in AUVs between comparison periods

Changes in percent

Item	2015-20	2015-16	2016-17	2017-18	2018-19	2019-20	Jan-Jun 2020-21
Total net sales	▲8.8	▲0.2	▼(1.6)	▲4.6	▲7.2	▼(1.6)	▼(0.5)
Raw material costs	▲3.1	▲0.1	▲0.9	▲4.3	▲1.1	▼(3.3)	▼(9.6)
Energy costs	▲7.8	▼(3.6)	▲5.9	▲4.2	▼(0.1)	▲1.4	▼(14.2)
Direct labor costs	▲43.1	▲4.6	▼(7.0)	▲11.5	▲11.0	▲19.0	▼(23.0)
Other factory costs	▲18.7	▲2.2	▼(3.4)	▲14.6	▼(6.7)	▲12.4	▼(17.2)
Cost of goods sold	▲13.7	▲1.1	▼(1.2)	▲8.5	▼(0.4)	▲5.2	▼(14.8)

Table continued.

Table III-13—Continued
Uncoated paper: Changes in AUVs between comparison periods

Changes in dollars per short ton

Item	2015-20	2015-16	2016-17	2017-18	2018-19	2019-20	Jan-Jun 2020-21
Total net sales	▲82.3	▲1.5	▼(15.1)	▲42.8	▲70.0	▼(16.8)	▼(5.0)
Raw material costs	▲11.7	▲0.5	▲3.5	▲16.5	▲4.4	▼(13.3)	▼(38.3)
Energy costs	▲4.4	▼(2.0)	▲3.2	▲2.4	▼(0.1)	▲0.9	▼(9.0)
Direct labor costs	▲44.2	▲4.7	▼(7.5)	▲11.4	▲12.2	▲23.4	▼(36.3)
Other factory costs	▲48.5	▲5.8	▼(9.0)	▲37.5	▼(19.7)	▲33.9	▼(56.9)
Cost of goods sold	▲108.8	▲9.0	▼(9.7)	▲67.9	▼(3.1)	▲44.8	▼(140.5)
Gross profit or (loss)	▼(26.5)	▼(7.5)	▼(5.4)	▼(25.1)	▲73.1	▼(61.7)	▲135.6
SG&A expense	▼(16.4)	▼(1.0)	▲1.2	▼(0.2)	▲4.8	▼(21.1)	▼(10.2)
Operating income or (loss)	▼(10.1)	▼(6.5)	▼(6.6)	▼(24.9)	▲68.3	▼(40.5)	▲145.8
Net income or (loss)	▼(67.1)	▲3.7	▼(27.1)	▼(84.4)	▲141.5	▼(100.8)	▲142.0

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

Net sales

As presented in table III-12, U.S. producers reported declining net sales volume and value from 2015 to 2020, reflecting declines in both U.S. commercial sales and export sales. Total net sales fell by 37.6 percent and 32.1 percent, by quantity and value, respectively from 2015 to 2020; both net sales quantity and value were lower in January to June 2021 ("interim 2021") than in January to June 2020 ("interim 2020").[38]

As shown in table III-12, the average unit value of sales increased irregularly by 8.8 percent from 2015 to 2020 and was slightly lower in interim 2021 than in interim 2020. Sales AUVs ranged from $924 to $1,036 from 2015 to 2020. Differences in unit values among the U.S. producers were largely attributable to product mix, level of integration, and volume of sales in the uncoated paper market.[39]

Cost of goods sold and gross profit or loss

Raw materials accounted for the largest share of total COGS in each year and partial year period, ranging from 41.9 to 47.9 percent of total COGS (table III-12). Wood fiber accounted for the largest share of raw material costs followed by chemicals used in the papermaking process.[40] On a value basis, raw material costs fell (reflecting the decline in net sales quantity) from 2015 to 2020 and were lower in interim 2021 than in interim 2020. On a per-unit basis, raw material costs increased irregularly from $376 in 2015 to $388 in 2020 but were lower in interim 2021 than in interim 2020 (table III-12). Company-specific per-short ton raw material costs varied widely within the industry, primarily attributable to the level of vertical integration and the form of primary inputs used to produce uncoated paper.[41] Table III-14 presents raw materials, by type.[42]

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[38] Table G-1 shows that all but one firm (***) reported reduced sales quantity and value from 2015 to 2020. At the beginning of the period for which data was collected, ***, as a result, its sales increases from 2015 to 2020. See table III-1 and staff telephone interview with ***.

[39] With the exception of U.S. producer ***, *** consistently reported ***, ranging from $*** to $*** per short ton (table G-1).

[40] Chemicals listed by U.S. producers include precipitated calcium carbonate (PCC/GCC), sodium chlorate, starch, bleach, optical brighteners, and other additives.

[41] As shown in table G-1, the highest unit values were calculated from the data ***, while the lowest values were those of ***.

[42] One firm (***) reported ***. ***. *** U.S. producer questionnaire, III-7a.

Table III-14
Uncoated paper: Raw material costs in 2020

Value in 1,000 dollars; Unit values in dollars per short ton; Share of value in percent

Item	Value	Unit value	Share of value
Wood fiber	330,726	146	37.7
Pulp	81,129	36	9.3
Chemicals	283,319	125	32.3
Other material inputs	181,797	80	20.7
All raw materials	876,970	388	100.0

Note: Total raw materials value in table III-12 is slightly higher (by .04 percent) due to rounding differences.

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

Other factory costs (including fixed and variable manufacturing overhead costs but excluding energy costs) were the second largest component of COGS, ranging from 31.9 to 34.1 percent of total COGS from 2015 to 2020 (table III-12). The per-short ton other factory costs fluctuated but increased overall from $259 to $308 during this period. Other factory costs AUVs were lower in interim 2021 than in interim 2020. U.S. producers reported large fluctuations in other factory costs per-short ton from 2015 to 2020 and for the interim periods (table G-1).[43] [44] Direct labor was the third largest component of COGS, accounting for between 12.5 to 16.2 percent of total COGS from 2015 to 2020 (table III-12). The per-short ton cost of direct labor increased irregularly, from $102 in 2015 to $147 in 2020 and was lower in interim 2021 than in interim 2020.

Energy costs made up the smallest share of COGS, ranging from 6.8 percent to 7.3 percent of total COGS (table III-12). The per-short ton energy costs fluctuated but increased overall, from $57 in 2015 to $62 in 2020 but was lower in interim 2021 than in interim 2020.

As presented in table III-12, total COGS to sales ratio increased irregularly from 84.8 to 88.7 percent from 2015 to 2020 but were lower in interim 2021 than in interim 2020.[45] Table III-12 shows that unit COGS fluctuated but increased overall from $795 in 2015 to $904 in 2020;

[43] *** per-short ton other factory costs, these fluctuated from 2015 to 2020, reflecting fluctuations in its net sales quantity. ***'s per-short ton other factory costs were lower in interim 2021 than in interim 2020.

[44] *** reported the largest variation in per-short ton other factory costs, ***.

[45] The high COGS to sales ratios reported by U.S. producers is partially attributable to plant closures, shutdowns, and repurposing uncoated paper facilities to produce other products. Two U.S. producers (***) reported selling uncoated paper at prices lower than their COGS for several periods from 2015 to 2020, resulting in COGS to sales ratio of over 100 percent. As of early 2019, *** is no longer operating any uncoated paper facility in the United States. See table III-2 for additional information on changes in U.S. producers' operations.

unit COGS was lower in interim 2021 than in interim 2020. Company-specific differences in the direction of unit COGS reflect variations in both average raw material costs and conversion costs (combined direct labor, other factory, and energy costs).[46] [47]

Gross profit fluctuated from $514.9 million in 2015 to $261.3 million in 2020 and was higher in interim 2021 than in 2020 (table III-12).[48]

SG&A expenses and operating income or loss

As presented in table III-12, SG&A expenses declined irregularly from 2015 to 2020 and were lower in interim 2021 than in interim 2020. The SG&A expense ratio (i.e., total SG&A expenses divided by total revenue) irregularly decreased from 6.6 percent to 4.4 percent from 2015 to 2020 and was lower in interim 2021 than in interim 2020.[49]

Operating income reflected the changes in sales and costs/expenses, declining irregularly from $292.4 million in 2015 to $159.5 million in 2020; operating income was higher in interim 2021 than in interim 2020 (table III-12). The number of companies reporting operating income declines year-to-year increased from three U.S. producers *** at the beginning of the period (2015-16) to *** U.S. producers at the end of the annual period (2019-20).[50]

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[46] *** U.S. producers *** reported the highest increases in unit COGS from 2015 to 2020 (see table G-1).

[47] Industry witnesses testified at the hearing that shutdowns caused by COVID-19 pandemic led to fewer orders; however, their fixed costs stayed high resulted in the high COGS to net sales ratios in interim 2020. In addition, the industry realigned its capacity (throughout the period, especially in 2020) to reduce fixed costs, converting uncoated paper machines to other products (e.g., container paper). Hearing transcript, p. 116 (Melton) and p. 117 (LeBlanc); domestic interested parties' posthearing brief, exh. 1, p. 88-90.

[48] *** are the only U.S. producer reporting negative gross profits in any full year period for which data were collected. *** accounted for the largest decline in gross profit from 2015 to 2020 and reported gross losses in interim 2020, reflecting COGS that increased at rates higher than sales price (see table G-1).

[49] On a company-specific basis (see table G-1), U.S. producers reported a wide range of SG&A expense ratios, with *** reporting the largest increase from 2015 to 2020 ***. Small producer ***. Email from ***, November 29, 2021. *** U.S. producers (***) *** and reported fluctuating but overall declining SG&A expense ratios as a result of SG&A expenses that generally declined more than net sales values.

[50] The count of U.S. producers' declining operating profits from 2019-20 ***. U.S. producers *** accounted for most of the operating income declines from 2015 to 2020 (see table G-1).

All other expenses and net income or loss

Classified below the operating income level are interest expense, and all other expenses or income, which are usually allocated to the subject product from high levels in the corporation. In table III-12, these items are aggregated with the net amount shown. "All other expenses/income, net" reflect net expenses throughout the reporting period, and fluctuated but increased overall from 2015 to 2020. Net expenses were higher in interim 2021 than in interim 2020.[51] Net income followed the same directional trend as operating income throughout the period for which data were collected.[52]

Capital expenditures and research and development expenses

Table III-15 presents capital expenditures, by firm, and table III-17 presents R&D expenses, by firm. Tables III-16 and III-18 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively.[53]

Table III-15
Uncoated paper: U.S. producers' capital expenditures, by firm and period

Value in 1,000 dollars; zeroes and null values are suppressed and shown as "---".

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	***	***	***

Table continued.

[51] A positive number for "all other income/expenses, net" indicates that interest expense and all other expenses were higher than all other income (i.e., it had a negative effect on net income). The large "all other income/expenses, net" costs in 2017 and 2018 ***. In 2020, U.S. producer (***) reported nonrecurring "all other expenses" of $*** from ***. U.S. producers questionnaire, III-10.

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

[53] A hearing witness for Domtar testified that a comparable paper facility would cost $1.5 billion dollars to build today. Hearing transcript, p. 28 (Melton).

Table III-15—Continued
Uncoated paper: U.S. producers' capital expenditures, by firm and period

Value in 1,000 dollars; zeroes and null values are suppressed and shown as "---".

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	***	***	***	***	***

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

Table III-16
Uncoated paper: Narrative descriptions of U.S. producers' capital expenditures, by firm

Firm	Narrative explanation
Boise	***
Domtar	***
Finch Paper	***
Georgia-Pacific	***
International Paper	***
NORPAC	***
Performance Office Paper	***
Pixelle	***

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

Table III-17
Uncoated paper: U.S. producers' R&D expenses, by firm and period

Value in 1,000 dollars; zeroes and null values are suppressed and shown as "---".

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	***	***	***

Table continued.

Table III-17—Continued
Uncoated paper: U.S. producers' R&D expenses, by firm and period

Value in 1,000 dollars; zeroes and null values are suppressed and shown as "---".

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	***	***	***	***	***

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

Table III-18
Uncoated paper: Narrative descriptions of U.S. producers R&D expenses, by firm

Firm	Narrative explanation
Boise	***
Domtar	***
Finch Paper	***
International Paper	***
NORPAC	***
Performance Office Paper	***
Pixelle	***

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

Assets and return on assets

Table III-19 presents data on the U.S. producers' total net assets, while table III-20 presents their operating ROA.[54] [55] Table III-21 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. Fixed asset values reflect an allocation to uncoated paper from total production, such as by the relative share of production or sales of uncoated paper to the total.[56] Current assets are also allocated.

Table III-19
Uncoated paper: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2015	2016	2017	2018	2019	2020
Boise	***	***	***	***	***	***
Domtar	***	***	***	***	***	***
Finch Paper	***	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***	***
International Paper	***	***	***	***	***	***
NORPAC	***	***	***	***	***	***
Performance Office Paper	***	***	***	***	***	***
Pixelle	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

[54] Total net assets include current and non-current assets, associated with the production, warehousing, and sale of uncoated paper.

[55] The operating 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 total asset value for uncoated paper.

[56] In the original investigations, petitioners estimated a new paper machine installed in an existing paper mill with supporting pulp product to cost in excess of $600 million and a new greenfield pulp and paper mill to cost in excess of $1 billion. The cost of a sheeting line was estimated at $15 to $20 million. The cost of switching sheeting sizes would be $500,000 to $600,000 to permit sheeting of different sizes (e.g., switching from international to U.S. sizes or vice-versa). These estimates were provided in 2016. Certain Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal, Inv. Nos. 701-TA-528-529 and 731-TA-1264-1268 (Final), USITC Publication 4592, February 2016, p. VI-7, footnote 18.

Table III-20
Uncoated paper: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2015	2016	2017	2018	2019	2020
Boise	***	***	***	***	***	***
Domtar	***	***	***	***	***	***
Finch Paper	***	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***	***
International Paper	***	***	***	***	***	***
NORPAC	***	***	***	***	***	***
Performance Office Paper	***	***	***	***	***	***
Pixelle	***	***	***	***	***	***
All firms	***	***	***	***	***	***

Note: Ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

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

Table III-21
Uncoated paper: Narrative descriptions of U.S. producers' total net assets, by firm

Firm	Narrative explanation
Boise	***
Domtar	***
Georgia-Pacific	***
International Paper	***
NORPAC	***
Performance Office Paper	***
Pixelle	***.

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

Part IV: U.S. imports and the foreign industries

U.S. imports

Overview

The Commission issued questionnaires to 110 potential importers of uncoated paper between 2015 and 2020.[1] Seventeen firms provided data and information in response to the questionnaires, while thirteen firms indicated that they had not imported product during the period for which data were collected.[2] Based on official Commerce statistics for imports of uncoated paper, importers' questionnaire data accounted for *** percent of total U.S. imports during 2020 and *** percent of total subject imports during 2020. Firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's subject imports (as a share of official import statistics, by quantity) during 2020.

- *** percent of subject imports from Australia, China, and Indonesia during 2020[3] [4]
- *** percent of the subject imports from Brazil during 2020
- *** percent of the subject imports from Portugal during 2020[5]
- *** percent of nonsubject imports during 2020

[1] The Commission issued questionnaires to those firms identified in responses to the notice of institution, along with firms that, based on a review of data from third-party sources, may have imported more than one percent of total imports under HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 in any year since 2015.

[2] Three U.S. importers that responded to the questionnaire, ***, ***, and *** were removed from the data due to reporting importing only a small quantity of uncoated paper during 2015-20. ***, ***, and ***.

[3] *** firm reported imports from Australia and ***. *** accounted for *** percent of imports from Australia in 2015. According to official Commerce statistics, there was one short ton imported from Australia into the U.S. in 2020.

[4] Responding firms *** from China in 2015, accounting for *** percent of imports from China in that year. Responding firms *** from Indonesia in 2015 and 2018, accounting for *** and *** percent of imports respectively. According to official Commerce statistics, there were 189 short tons of imports from Indonesia in 2020.

[5] The coverage percentage of imports from Portugal is *** percent because, *** Email from ***, October 22, 2021.

In light of the data coverage by the Commission's questionnaires, import data from China and Indonesia are based on *official Commerce statistics* while import data from Australia, Brazil, and Portugal are based on *questionnaire responses*.[6]

The Commission requested data on imports of 83+/-1 percent bright uncoated paper from Australia, Brazil, China, Indonesia, and Portugal as a result of Commerce's affirmative anti-circumvention determination.[7] Additionally, the Commission requested data on out-of-scope sheeter rolls as a result of Commerce's affirmative determination that that imports of certain uncoated paper rolls from Brazil, China, and Indonesia are circumventing the antidumping duty orders on uncoated paper from Brazil, China, and Indonesia, and that imports of certain uncoated paper rolls from China and Indonesia are circumventing the countervailing duty orders on uncoated paper from China and Indonesia.[8] One importer reported that the majority of their imports from Brazil entered directly into a foreign trade zone (FTZ) and were not entered into the United States for consumption. Therefore, those imports are omitted in the report.[9]

Imports from subject and nonsubject countries

Table IV-1 and figure IV-1 present information on U.S. imports of uncoated paper from Australia, Brazil, China, Indonesia, Portugal, and all other sources during 2015-20, January-June ("interim") 2020, and interim 2021. Questionnaire data and official Commerce statistics indicate the quantity of imports of uncoated paper from subject sources declined *** percent from 2015 to 2020. [10] However, imports of uncoated paper from subject sources were *** percent higher in interim 2021 than in interim 2020.[11] Imports from nonsubject sources, by quantity, increased by *** percent during 2015-19, but then decreased by *** percent from 2019 to 2020, ending *** percent higher in 2020 than in 2015. Imports from nonsubject sources saw the largest increase in 2016-17 of *** percent, driven by *** and

[6] Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

[7] 82 FR 41610, September 1, 2017.

[8] 86 FR 71025, December 14, 2021.

[9] Email from ***, August 20, 2021.

[10] See appendix D for producer, importer, and importer responses to questions on the impact of COVID-19.

[11] This increase is driven by *** who both claim that the increase is driven by ***. Email from ***, September 27, 2021. Email from ***, September 27, 2021.

***. [12] Nonsubject imports were *** percent higher in interim 2021 than in interim 2020. The difference between the interim periods was driven by ***.[13] [14] The three largest nonsubject sources in 2020 were Canada, Thailand, and Finland. [15]

[12] *** Email from ***, October 11, 2021. *** Email from ***, September 22, 2021.

[13] *** attributed the increase to ***. Email from ***, September 23, 2021.

[14] Contrarily, *** reported fewer imports in interim 2021 than interim 2020 because the ***. Email from ***, September 22, 2021.

[15] According to official import statistics, 72.4 percent of imports of uncoated paper in 2020 were from nonsubject sources. In 2020, 27.4 percent of all U.S. imports of uncoated paper were from Canada.

Table IV-1
Uncoated paper: U.S. imports by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

Source	Measure	2015	2016	2017
Australia	Quantity	***	***	***
Brazil	Quantity	***	***	***
China	Quantity	36,241	732	604
Indonesia	Quantity	148,520	43,339	15,317
Portugal	Quantity	***	***	***
Subject sources	Quantity	***	***	***
Nonsubject sources	Quantity	***	***	***
All import sources	Quantity	639,430	433,469	421,441
Australia	Value	***	***	***
Brazil	Value	***	***	***
China	Value	29,394	901	825
Indonesia	Value	129,380	40,944	13,453
Portugal	Value	***	***	***
Subject sources	Value	***	***	***
Nonsubject sources	Value	***	***	***
All import sources	Value	581,031	397,245	378,447
Australia	Unit value	***	***	***
Brazil	Unit value	***	***	***
China	Unit value	811	1,232	1,365
Indonesia	Unit value	871	945	878
Portugal	Unit value	***	***	***
Subject sources	Unit value	***	***	***
Nonsubject sources	Unit value	***	***	***
All import sources	Unit value	909	916	898

Table continued.

Table IV-1 Continued
Uncoated paper: U.S. imports by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Australia	Quantity	***	***	***	***	***
Brazil	Quantity	***	***	***	***	***
China	Quantity	461	2,462	1,390	1,138	58
Indonesia	Quantity	12,280	21,749	189	189	---
Portugal	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	393,654	425,298	352,848	171,522	215,852
Australia	Value	***	***	***	***	***
Brazil	Value	***	***	***	***	***
China	Value	627	2,868	2,008	1,543	211
Indonesia	Value	11,657	19,449	144	144	---
Portugal	Value	***	***	***	***	***
Subject sources	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	362,071	417,544	329,808	160,354	192,385
Australia	Unit value	***	***	***	***	***
Brazil	Unit value	***	***	***	***	***
China	Unit value	1,359	1,165	1,445	1,356	3,603
Indonesia	Unit value	949	894	765	765	---
Portugal	Unit value	***	***	***	***	***
Subject sources	Unit value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	920	982	935	935	891

Table continued.

Table IV-1 Continued
Uncoated paper: Share of U.S. imports by source and period

Share and ratio in percent

Source	Measure	2015	2016	2017
Australia	Share of quantity	***	***	***
Brazil	Share of quantity	***	***	***
China	Share of quantity	5.7	0.2	0.1
Indonesia	Share of quantity	23.2	10.0	3.6
Portugal	Share of quantity	***	***	***
Subject sources	Share of quantity	***	***	***
Nonsubject sources	Share of quantity	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0
Australia	Share of value	***	***	***
Brazil	Share of value	***	***	***
China	Share of value	5.1	0.2	0.2
Indonesia	Share of value	22.3	10.3	3.6
Portugal	Share of value	***	***	***
Subject sources	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	100.0	100.0	100.0
Australia	Ratio	***	***	***
Brazil	Ratio	***	***	***
China	Ratio	1.0	0.0	0.0
Indonesia	Ratio	4.1	1.2	0.4
Portugal	Ratio	***	***	***
Subject sources	Ratio	***	***	***
Nonsubject sources	Ratio	***	***	***
All import sources	Ratio	17.6	12.3	12.0

Table continued.

Table IV-1 Continued
Uncoated paper: Share of U.S. imports by source and period

Share and ratio in percent

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Australia	Share of quantity	***	***	***	***	***
Brazil	Share of quantity	***	***	***	***	***
China	Share of quantity	0.1	0.6	0.4	0.7	0.0
Indonesia	Share of quantity	3.1	5.1	0.1	0.1	---
Portugal	Share of quantity	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
Australia	Share of value	***	***	***	***	***
Brazil	Share of value	***	***	***	***	***
China	Share of value	0.2	0.7	0.6	1.0	0.1
Indonesia	Share of value	3.2	4.7	0.0	0.1	---
Portugal	Share of value	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
Australia	Ratio	***	***	***	***	***
Brazil	Ratio	***	***	***	***	***
China	Ratio	0.0	0.1	0.1	0.1	0.0
Indonesia	Ratio	0.4	0.7	0.0	0.0	---
Portugal	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	11.5	13.3	16.0	15.3	20.8

Source: Compiled from data submitted in response to Commission questionnaires and Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Note: Data for imports from China and Indonesia are based on official Commerce statistics. Data for all other sources are based on questionnaire responses. Share of quantity is the share of all U.S. imports by quantity; share of value is the share of all U.S. imports by value; and ratio are U.S. imports to U.S. production. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Figure IV-1
Uncoated paper: U.S. import quantities and average unit values by period

* * * * * * *

Source: Compiled from data submitted in response to Commission questionnaires and Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Cumulation considerations

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

Fungibility

Table IV-2 and figure IV-2 present U.S. producers' and U.S. importers' U.S. shipments by type (plain white letter size and all other) and source in 2020. Plain letter white sized accounted for the majority of U.S. producers' U.S. shipments and U.S. shipments of imports from Brazil and Portugal in 2020. There were no shipments of imports of uncoated paper from Australia or Indonesia in 2020 and just *** of U.S. shipments of imports from China. Plain letter white sized accounted for the majority of U.S. shipments of subject imports in 2020 (*** percent). Plain white letter size accounted for the majority of U.S. shipments by U.S. producers and subject sources at *** percent and *** percent, respectively.

Table IV-2
Uncoated paper: U.S. producers' and U.S. importers' U.S. shipments by type and source, 2020

Quantity in short tons

Source	Plain white letter size	All other	All types
U.S. producers	***	***	2,143,775
Australia	***	***	***
Brazil	***	***	***
China	***	***	***
Indonesia	***	***	***
Portugal	***	***	***
Subject sources	***	***	***
All sources	***	***	***

Table continued.

Table IV-2 Continued
Uncoated paper: U.S. producers' and U.S. importers' U.S. shipments by type and source, 2020

Share across in percent

Source	Plain white letter size	All other	All types
U.S. producers	***	***	***
Australia	***	***	***
Brazil	***	***	***
China	***	***	***
Indonesia	***	***	***
Portugal	***	***	***
Subject sources	***	***	***
All sources	***	***	***

Table continued.

Table IV-2 Continued
Uncoated paper: U.S. producers' and U.S. importers' U.S. shipments by type and source, 2020

Share down in percent

Source	Plain white letter size	All other	All types
U.S. producers	***	***	***
Australia	***	***	***
Brazil	***	***	***
China	***	***	***
Indonesia	***	***	***
Portugal	***	***	***
Subject sources	***	***	***
All sources	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Figure IV-2
Uncoated paper: U.S. producers' and U.S. importers' U.S. shipments by type and source, 2020

* * * * * * *

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

Table IV-3 and figure IV-3 presents data on foreign producers' total shipments by type in 2020. The majority of shipments of uncoated paper by Australia, Brazil, Indonesia, and Portugal are plain, white other dimensions, ranging from *** percent to *** percent of all types.

Table IV-3
Uncoated paper: Foreign producers' total shipments by type and source, 2020

Quantity in short tons

Source	Plain white letter size	Plain white other dimensions	All other	All types
U.S producers	***	***	***	2,143,775
Australia producers	***	***	***	***
Brazil producers	***	***	***	***
China producers	***	***	***	***
Indonesia producers	***	***	***	***
Portugal producers	***	***	***	***
Subject sources	***	***	***	***
U.S. and subject producers	***	***	***	***

Table continued.

Table IV-3 Continued
Uncoated paper: Foreign producers' total shipments by type and source, 2020

Share across in percent

Source	Plain white letter size	Plain white other dimensions	All other	All types
U.S producers	***	***	***	***
Australia producers	***	***	***	***
Brazil producers	***	***	***	***
China producers	***	***	***	***
Indonesia producers	***	***	***	***
Portugal producers	***	***	***	***
Subject sources	***	***	***	***
U.S. and subject producers	***	***	***	***

Table continued.

Table IV-3 Continued
Uncoated paper: Foreign producers' total shipments by type and source, 2020

Share down in percent

Source	Plain, white letter size	Plain, white other dimensions	All other	All types
U.S producers	***	***	***	***
Australia producers	***	***	***	***
Brazil producers	***	***	***	***
China producers	***	***	***	***
Indonesia producers	***	***	***	***
Portugal producers	***	***	***	***
Subject sources	***	***	***	***
U.S. and subject producers	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Figure IV-3
Uncoated paper: Foreign producers' total shipments by type and source, 2020

* * * * * * *

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

Geographical markets

Uncoated paper produced in the United States is shipped nationwide (see Part II for more information on geographic markets). U.S. imports of subject merchandise from Australia, Brazil, China, Indonesia, and Portugal entered multiple U.S. ports of entry across the nation. Table IV-4 presents U.S. imports of uncoated paper, by source and border of entry in 2020, based on official import statistics. The vast majority of imports of uncoated paper from subject sources (79.2 percent) entered through the eastern border of entry.[16] The majority of imports from Brazil and Portugal (86.3 percent and 76.8 percent, respectively) entered the United States in 2020 through ports located in the East. The majority of imports from Indonesia (63.8 percent) and 92.4 percent of imports from China entered the United States through ports located on the southern border in 2020. The majority of imports from nonsubject countries (50.5 percent) entered the United States through ports located in the East.

Table IV-4
Uncoated paper: Quantity of U.S. imports by border of entry, 2020

Quantity in short tons

Source	East	North	South	West	All borders
Australia	1	---	---	---	1
Brazil	39,053	---	3,333	2,882	45,268
China	23	23	1,284	60	1,390
Indonesia	---	---	120	68	189
Portugal	63,040	5,858	10,362	2,817	82,077
Subject sources	102,118	5,881	15,099	5,827	128,925
Nonsubject sources	171,200	80,738	50,566	36,250	338,755
All import sources	273,318	86,619	65,666	42,077	467,680

Table continued.

[16] According to Official Commerce Statistics, there were no reported imports of uncoated paper from Australia in 2020.

Table IV-4 Continued
Uncoated paper: Share of quantity of U.S. imports by border of entry region, 2020

Share in percent

Source	East	North	South	West	All borders
Australia	100.0	---	---	---	100.0
Brazil	86.3	---	7.4	6.4	100.0
China	1.7	1.6	92.4	4.3	100.0
Indonesia	---	---	63.8	36.2	100.0
Portugal	76.8	7.1	12.6	3.4	100.0
Subject sources	79.2	4.6	11.7	4.5	100.0
Nonsubject sources	50.5	23.8	14.9	10.7	100.0
All import sources	58.4	18.5	14.0	9.0	100.0

Table continued.

Table IV-4 Continued
Uncoated paper: Share of quantity of U.S. imports by source, 2020

Share in percent

Source	East	North	South	West	All borders
Australia	0.0	---	---	---	0.0
Brazil	14.3	---	5.1	6.8	9.7
China	0.0	0.0	2.0	0.1	0.3
Indonesia	---	---	0.2	0.2	0.0
Portugal	23.1	6.8	15.8	6.7	17.5
Subject sources	37.4	6.8	23.0	13.8	27.6
Nonsubject sources	62.6	93.2	77.0	86.2	72.4
All import sources	100.0	100.0	100.0	100.0	100.0

Source: Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Presence in the market

Uncoated paper produced in the United States was present in the market throughout the period for which data were collected. Tables IV-5 and IV-6 and figures IV-4 and IV-5 present monthly data for U.S. imports of uncoated paper from subject and nonsubject sources between January 2015 and December 2020. Imports from Brazil and Portugal were present in each month during this period. Imports from China were present in 75 out of 79 months, imports from Indonesia were present in 59 out of 79 months, and imports from Australia were present in 13 out of 79 months.

Table IV-5
Uncoated paper: Quantity of U.S. imports, by month

Quantity in short tons

Year	Month	Australia	Brazil	China	Indonesia	Portugal
2015	January	4,326	19,757	4,615	17,472	5,664
2015	February	4,852	17,567	3,694	18,832	19,400
2015	March	6,290	16,444	6,996	23,432	17,374
2015	April	6,850	8,945	7,776	22,533	9,554
2015	May	7,105	15,816	6,523	32,370	18,868
2015	June	5,649	16,401	2,416	24,856	18,773
2015	July	8,337	12,459	230	746	15,438
2015	August	4,284	6,910	2,599	2,309	22,555
2015	September	---	8,904	680	462	18,644
2015	October	---	4,486	56	500	11,316
2015	November	43	4,832	632	2,149	22,658
2015	December	---	7,049	24	2,859	8,411
2016	January	---	2,644	11	10,226	1,928
2016	February	---	5,298	140	6,758	17,370
2016	March	---	11,139	3	344	18,261
2016	April	---	8,968	16	1,832	11,367
2016	May	---	10,631	63	2,139	13,876
2016	June	---	10,300	127	4,677	12,770
2016	July	---	5,441	34	1,238	12,044
2016	August	---	11,433	12	5,127	15,344
2016	September	---	4,630	70	3,339	12,241
2016	October	23	6,628	24	2,705	16,827
2016	November	---	5,817	231	3,142	11,110
2016	December	---	6,362	0	1,812	6,793

Table continued.

Table IV-5 Continued
Uncoated paper: Quantity of U.S. imports, by month

Quantity in short tons

Year	Month	Australia	Brazil	China	Indonesia	Portugal
2017	January	---	3,565	8	2,243	3,639
2017	February	---	5,936	2	1,573	8,400
2017	March	---	7,996	1	854	13,704
2017	April	---	10,469	141	1,224	14,137
2017	May	---	7,217	52	1,165	9,518
2017	June	---	3,654	3	1,442	9,708
2017	July	---	5,260	6	489	3,333
2017	August	---	6,936	12	2,270	12,992
2017	September	---	2,952	315	1,833	15,116
2017	October	---	2,409	58	1,110	8,402
2017	November	---	3,400	4	844	13,565
2017	December	---	2,203	4	271	9,919
2018	January	---	1,281	7	456	8,768
2018	February	---	2,099	2	430	6,317
2018	March	---	2,065	---	157	12,850
2018	April	---	1,449	---	886	16,197
2018	May	---	1,253	114	862	11,270
2018	June	---	1,200	7	161	13,200
2018	July	---	1,503	1	2,426	11,724
2018	August	---	1,551	94	2,030	11,569
2018	September	---	1,484	1	578	12,920
2018	October	---	2,368	109	621	10,776
2018	November	---	3,979	42	2,814	11,811
2018	December	---	4,634	85	857	8,803

Table continued.

Table IV-5 Continued
Uncoated paper: Quantity of U.S. imports, by month

Quantity in short tons

Year	Month	Australia	Brazil	China	Indonesia	Portugal
2019	January	---	4,164	---	859	9,023
2019	February	---	4,463	242	830	7,129
2019	March	---	3,927	---	822	13,735
2019	April	---	7,148	421	5,834	8,150
2019	May	---	7,826	377	8,703	8,504
2019	June	---	12,364	9	989	13,544
2019	July	---	5,981	378	2,540	9,508
2019	August	---	2,780	147	96	11,977
2019	September	70	7,050	247	980	10,482
2019	October	105	2,810	290	98	4,958
2019	November	---	1,355	174	---	6,948
2019	December	---	383	177	---	7,743
2020	January	---	769	19	---	3,950
2020	February	---	1,379	261	---	5,420
2020	March	---	1,892	213	189	12,343
2020	April	---	4,878	291	---	6,877
2020	May	1	5,584	349	---	10,708
2020	June	---	3,820	5	---	4,766
2020	July	---	4,362	19	---	5,771
2020	August	---	2,478	5	---	2,531
2020	September	---	5,808	9	---	8,311
2020	October	---	2,732	197	---	8,343
2020	November	---	3,534	19	---	5,509
2020	December	---	8,033	3	---	7,548

Table continued.

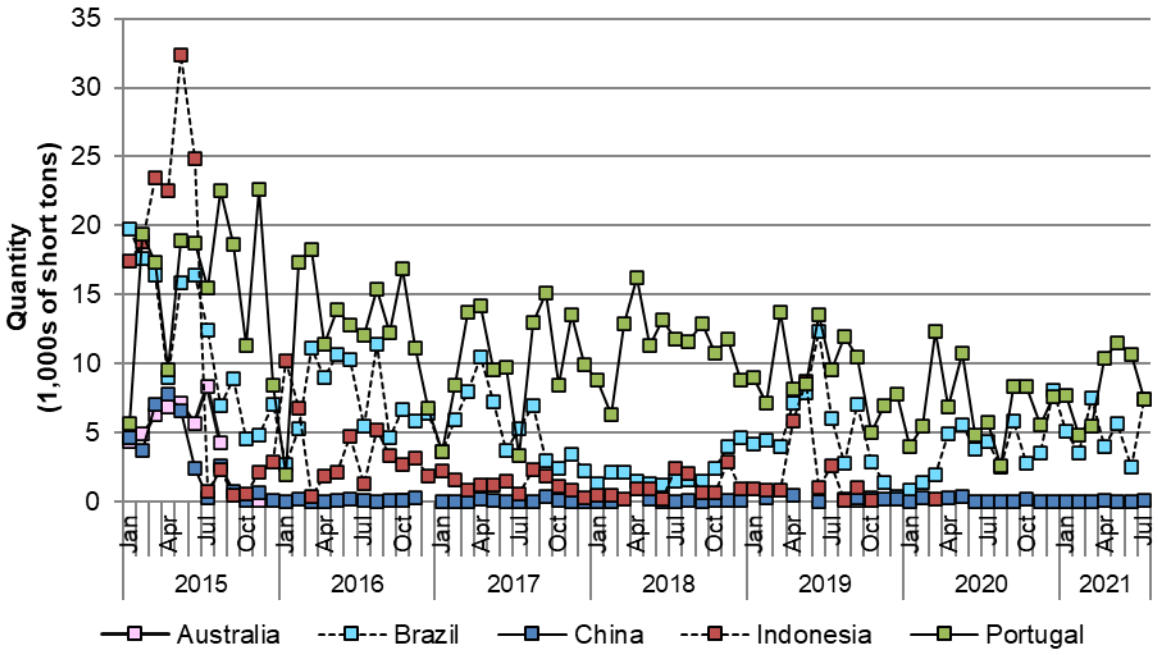
Table IV-5 Continued
Uncoated paper: Quantity of U.S. imports, by month

Quantity in short tons

Year	Month	Australia	Brazil	China	Indonesia	Portugal
2021	January	---	5,076	2	---	7,656
2021	February	---	3,491	2	---	4,828
2021	March	---	7,466	1	---	5,450
2021	April	---	4,008	46	---	10,356
2021	May	---	5,592	3	---	11,488
2021	June	---	2,457	4	---	10,629
2021	July	---	7,400	22	---	7,395

Source: Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Figure IV-4
Uncoated paper: U.S. imports from individual subject sources, by month and source



Source: Official U.S. import statistics using HTS statistical reporting number 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Table IV-6
Uncoated paper: Subject and nonsubject U.S. imports by month and source

Quantity in short tons

Year	Month	Subject sources	Nonsubject sources	All import sources
2015	January	51,834	16,585	68,420
2015	February	64,345	18,015	82,361
2015	March	70,536	16,918	87,454
2015	April	55,659	17,525	73,184
2015	May	80,683	21,061	101,744
2015	June	68,094	25,043	93,138
2015	July	37,210	19,265	56,474
2015	August	38,656	19,969	58,625
2015	September	28,689	22,365	51,054
2015	October	16,358	26,752	43,110
2015	November	30,315	29,994	60,309
2015	December	18,343	26,300	44,642
2016	January	14,809	23,887	38,696
2016	February	29,566	22,518	52,084
2016	March	29,747	25,382	55,129
2016	April	22,184	24,303	46,487
2016	May	26,710	22,741	49,451
2016	June	27,875	26,896	54,771
2016	July	18,757	27,750	46,507
2016	August	31,916	32,501	64,417
2016	September	20,279	28,368	48,647
2016	October	26,207	26,783	52,990
2016	November	20,299	29,064	49,363
2016	December	14,968	30,157	45,125

Table continued.

Table IV-6 Continued
Uncoated paper: Subject and nonsubject U.S. imports by month and source

Quantity in short tons

Year	Month	Subject sources	Nonsubject sources	All import sources
2017	January	9,456	30,297	39,753
2017	February	15,910	27,147	43,057
2017	March	22,555	34,990	57,545
2017	April	25,971	23,298	49,269
2017	May	17,952	26,915	44,867
2017	June	14,807	21,721	36,528
2017	July	9,088	20,987	30,075
2017	August	22,209	29,372	51,581
2017	September	20,215	27,604	47,819
2017	October	11,978	24,862	36,839
2017	November	17,812	25,765	43,577
2017	December	12,397	28,484	40,881
2018	January	10,512	24,365	34,878
2018	February	8,849	25,462	34,311
2018	March	15,072	26,664	41,735
2018	April	18,533	29,271	47,804
2018	May	13,499	29,438	42,937
2018	June	14,567	28,470	43,037
2018	July	15,654	30,776	46,430
2018	August	15,244	33,078	48,321
2018	September	14,983	28,387	43,370
2018	October	13,874	37,890	51,764
2018	November	18,646	35,086	53,731
2018	December	14,379	32,640	47,019

Table continued.

Table IV-6 Continued
Uncoated paper: Subject and nonsubject U.S. imports by month and source

Quantity in short tons

Year	Month	Subject sources	Nonsubject sources	All import sources
2019	January	14,046	37,302	51,347
2019	February	12,664	32,591	45,254
2019	March	18,484	38,849	57,334
2019	April	21,552	45,045	66,597
2019	May	25,410	45,949	71,359
2019	June	26,906	30,967	57,873
2019	July	18,407	40,406	58,814
2019	August	14,999	36,113	51,112
2019	September	18,828	29,524	48,352
2019	October	8,260	34,732	42,992
2019	November	8,477	24,555	33,031
2019	December	8,303	21,990	30,293
2020	January	4,739	23,343	28,082
2020	February	7,059	22,590	29,650
2020	March	14,636	25,156	39,792
2020	April	12,047	30,906	42,952
2020	May	16,642	32,140	48,782
2020	June	8,591	31,865	40,456
2020	July	10,151	29,008	39,159
2020	August	5,014	26,865	31,879
2020	September	14,129	25,733	39,862
2020	October	11,272	28,092	39,364
2020	November	9,061	29,307	38,369
2020	December	15,584	33,749	49,333

Table continued.

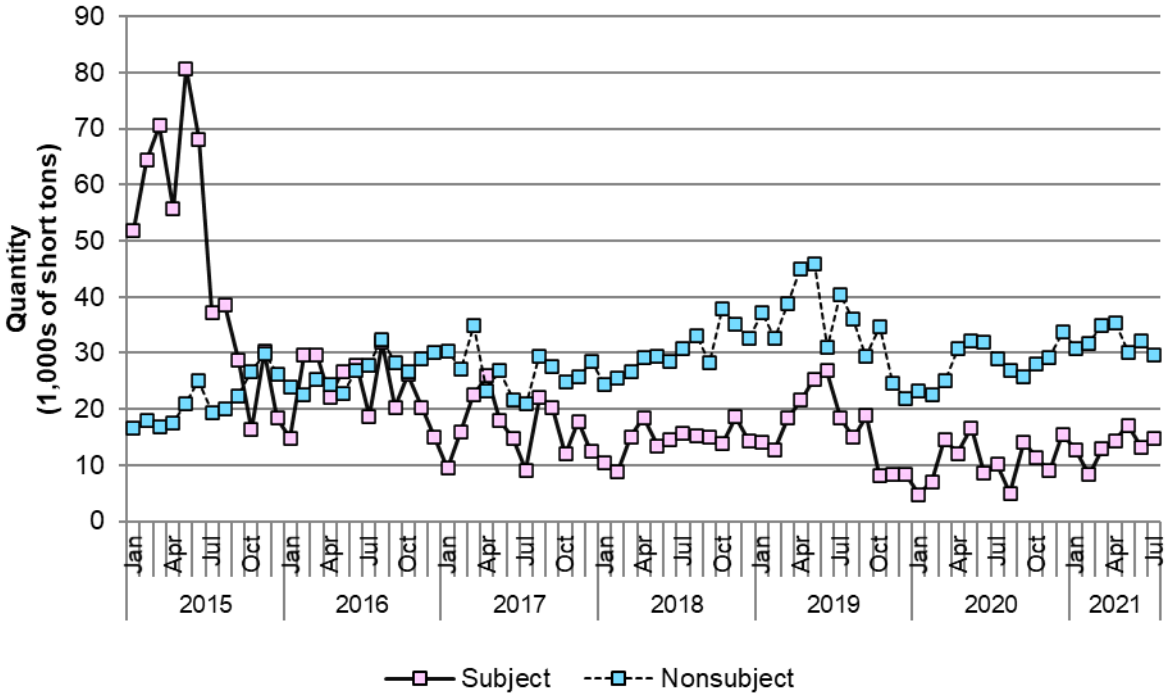
Table IV-6 Continued
Uncoated paper: Subject and nonsubject U.S. imports by month and source

Quantity in short tons

Year	Month	Subject sources	Nonsubject sources	All import sources
2021	January	12,734	30,862	43,596
2021	February	8,322	31,694	40,016
2021	March	12,917	35,014	47,931
2021	April	14,410	35,439	49,849
2021	May	17,083	30,041	47,124
2021	June	13,090	32,231	45,322
2021	July	14,817	29,748	44,565

Source: Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Figure IV-5
Uncoated paper: U.S. imports from aggregated subject and nonsubject sources, by year and month



Source: Official U.S. import statistics using HTS statistical reporting numbers 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

U.S. importers' imports subsequent to June 30, 2021

The Commission requested importers to indicate whether they had imported or arranged for the importation of uncoated paper from Australia, Brazil, China, Indonesia, and Portugal for delivery after June 30, 2021, presented in Table IV-7. *** importers reported that they had arranged imports for delivery after June 30, 2021, while *** importers reported no arranged imports. Importers arranged *** short tons of imports from subject sources between July 2021 and December 2021. *** reported arranged imports from any subject source after December 2021. *** importers reported that they had arranged *** short tons in imports from nonsubject sources between July 2021 to June 2022.

Table IV-7
Uncoated paper: Arranged imports by period

Quantity in short tons

Source of arranged imports	Jul-Sept 2021	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022	Total
Australia	***	***	***	***	***
Brazil	***	***	***	***	***
China	***	***	***	***	***
Indonesia	***	***	***	***	***
Portugal	***	***	***	***	***
Subject sources	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

U.S. importers' inventories

Table IV-8 presents data for inventories of U.S. imports of uncoated paper from Australia, Brazil, China, Indonesia, Portugal, and all other sources held in the United States.[17] End-of period inventories of subject imports decreased by *** percent during 2015-19, before increasing *** percent in 2019-20, ending *** percent lower in 2020 than in 2015. This decrease was driven by ***. End-of-period inventories of subject imports were *** percent lower in interim 2021 than in interim 2020.

U.S. importers' end-of-period inventories of nonsubject imports fluctuated during 2015-20. End-of-period inventories of nonsubject imports decreased by *** percent from 2015 to 2018, but then increased by *** from 2018 to 2020, ending *** percent higher in 2020 than in 2015. The increase during 2018-20 reflects *** operations.[18]

[17] Inventories for uncoated paper from Australia were reported *** in 2015 and inventories from China *** after 2017.

[18] ***. Email from ***, October 11, 2021.

Table IV-8
Uncoated paper: U.S. importers' end-of-period inventories of imports, by source, by period

Quantity in short tons; ratio in percent

Measure	Source	2015	2016	2017
Inventories quantity	Australia	***	***	***
Ratio to imports	Australia	***	***	***
Ratio to U.S. shipments of imports	Australia	***	***	***
Ratio to total shipments of imports	Australia	***	***	***
Inventories quantity	Brazil	***	***	***
Ratio to imports	Brazil	***	***	***
Ratio to U.S. shipments of imports	Brazil	***	***	***
Ratio to total shipments of imports	Brazil	***	***	***
Inventories quantity	China	***	***	***
Ratio to imports	China	***	***	***
Ratio to U.S. shipments of imports	China	***	***	***
Ratio to total shipments of imports	China	***	***	***
Inventories quantity	Indonesia	***	***	***
Ratio to imports	Indonesia	***	***	***
Ratio to U.S. shipments of imports	Indonesia	***	***	***
Ratio to total shipments of imports	Indonesia	***	***	***
Inventories quantity	Portugal	***	***	***
Ratio to imports	Portugal	***	***	***
Ratio to U.S. shipments of imports	Portugal	***	***	***
Ratio to total shipments of imports	Portugal	***	***	***
Inventories quantity	Subject	***	***	***
Ratio to imports	Subject	***	***	***
Ratio to U.S. shipments of imports	Subject	***	***	***
Ratio to total shipments of imports	Subject	***	***	***
Inventories quantity	Nonsubject	***	***	***
Ratio to imports	Nonsubject	***	***	***
Ratio to U.S. shipments of imports	Nonsubject	***	***	***
Ratio to total shipments of imports	Nonsubject	***	***	***
Inventories quantity	All sources	***	***	***
Ratio to imports	All sources	***	***	***
Ratio to U.S. shipments of imports	All sources	***	***	***
Ratio to total shipments of imports	All sources	***	***	***

Table continued.

Table IV-8 Continued
Uncoated paper: U.S. importers' end-of-period inventories of imports, by source, by period

Quantity in short tons; ratio in percent

Measure	Source	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Inventories quantity	Australia	***	***	***	***	***
Ratio to imports	Australia	***	***	***	***	***
Ratio to U.S. shipments of imports	Australia	***	***	***	***	***
Ratio to total shipments of imports	Australia	***	***	***	***	***
Inventories quantity	Brazil	***	***	***	***	***
Ratio to imports	Brazil	***	***	***	***	***
Ratio to U.S. shipments of imports	Brazil	***	***	***	***	***
Ratio to total shipments of imports	Brazil	***	***	***	***	***
Inventories quantity	China	***	***	***	***	***
Ratio to imports	China	***	***	***	***	***
Ratio to U.S. shipments of imports	China	***	***	***	***	***
Ratio to total shipments of imports	China	***	***	***	***	***
Inventories quantity	Indonesia	***	***	***	***	***
Ratio to imports	Indonesia	***	***	***	***	***
Ratio to U.S. shipments of imports	Indonesia	***	***	***	***	***
Ratio to total shipments of imports	Indonesia	***	***	***	***	***
Inventories quantity	Portugal	***	***	***	***	***
Ratio to imports	Portugal	***	***	***	***	***
Ratio to U.S. shipments of imports	Portugal	***	***	***	***	***
Ratio to total shipments of imports	Portugal	***	***	***	***	***

Table continued.

Table IV-8 Continued
Uncoated paper: U.S. importers' end-of-period inventories of imports, by source, by period

Quantity in short tons; ratio in percent

Measure	Source	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Inventories quantity	Subject	***	***	***	***	***
Ratio to imports	Subject	***	***	***	***	***
Ratio to U.S. shipments of imports	Subject	***	***	***	***	***
Ratio to total shipments of imports	Subject	***	***	***	***	***
Inventories quantity	Nonsubject	***	***	***	***	***
Ratio to imports	Nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject	***	***	***	***	***
Inventories quantity	All sources	***	***	***	***	***
Ratio to imports	All sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All sources	***	***	***	***	***
Ratio to total shipments of imports	All sources	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

The industry in Australia

Overview

During the final phase of the original investigations, the Commission received one foreign producer/exporter questionnaire, which accounted for all known production and exports of uncoated paper from Australia to the United States during 2014.

In these first full five-year reviews, the Commission issued and received a response to the foreign producer/exporter questionnaire from Paper Australia Pty LTD ("Paper Australia"), which was the only firm identified as possible producer or exporter of uncoated paper in Australia. By its estimate, Paper Australia accounted for approximately *** percent of uncoated paper production in Australia during 2020.

Table IV-9 presents information on the uncoated paper operations of the responding producer and exporter in Australia.

Table IV-9
Uncoated paper: Summary data for producers in Australia, 2020

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Paper Australia	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Changes in operations

As presented in table IV-10, the producer in Australia reported several operational and organizational changes since January 1, 2015.

Table IV-10
Uncoated paper: Australia producers' reported changes in operations, since January 1, 2015

Item	Firm name and accompanying narrative response
Acquisitions	***
Revised labor agreements	***

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

Operations on uncoated paper

Table IV-11 presents data on the uncoated paper operations of the responding producer in Australia for 2015-20, interim 2020, and interim 2021. Table IV-12 presents data on the responding Australian producer's export shipments by market. Paper Australia's sheeting capacity remained relatively steady, increasing by *** percent during 2015-20. It was *** percent lower in interim 2021 than in interim 2020.

Production increased by *** percent from 2015 to 2019, but then decreased by *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015.[19] Production of

[19] *** attributes the decrease in production from 2019-2020 to ***. Email from ***, September 28, 2021.

uncoated paper was *** percent lower in interim 2021 than interim 2020.[20] Sheeting capacity utilization decreased *** percentage points during 2015-20, with the largest decrease occurring from 2019 to 2020 (*** percentage points).[21] [22] Sheeting capacity utilization was *** percentage points lower in interim 2021 than interim 2020.

End-of-period inventories decreased by *** percent during 2015-20.[23] End-of-period inventories were *** percent lower in interim 2021 than interim 2020. Home market shipments accounted for between *** percent of total shipments from 2015 to 2020.

Home market shipments, by quantity, increased *** percent from 2015-19, then decreased by *** percent from 2019-20, ending *** percent higher in 2020 than in 2015. It was *** percent lower in interim 2021 than in interim 2020. The value of home market shipments increased by *** percent from 2015 to 2018, and then decreased by *** percent from 2018 to 2020, ending *** percent lower in 2020 than in 2015. However, it was *** percent higher in interim 2021 than in interim 2020. The unit value of home market shipments decreased in each year from 2015-20.[24]

[20] *** notes that ***. *** foreign producer questionnaire response, section II-3d.

[21] This reflects the *** as referenced above.

[22] Since the subject uncoated paper includes only cut paper, the capacity was collected based on the papercutting equipment rather than the papermaking capacity. However, this cutting capacity can only be used if the paper rolls are available to cut. As a result, papermaking capacity may be a bottleneck that limits uncoated paper production. Navigator states that paper machines are designed to always be the bottleneck while mills are designed to have excess sheeting capacity. Petitioners agree that papermaking equipment is very expensive and "cannot be turned on and off without incurring significant costs and risking damage to the equipment" thus there is a "huge" incentive "for producers to maximize their {paper making} capacity utilization." Hearing transcript, pp. 204-205 (Redondo); hearing transcript, p. 28 (Melton); and hearing transcript, p. 67 (Drake).

[23] The reason for this decrease in ending inventories was ***. Email from ***, September 28, 2021.

[24] *** reported that this decrease was because, ***

Export shipments, by quantity, decreased *** percent from 2015-19, and then increased *** percent from 2019 to 2020, ending *** percent lower in 2020 than 2015.[25] It was *** percent lower in interim 2021 than in interim 2020. The value of export shipments decreased by *** percent from 2015-19, and then increased *** percent from 2019-20, ending *** percent lower in 2020 than in 2015. Export shipments, by value, were *** percent higher in interim 2021 than in interim 2020. Australian Paper reported ***.[26]

***. Email from ***, September 28, 2021.

[25] A representative of Paper Australia testified that the increase in export shipments from 2019-20 was due to "orders that were taken prior to the pandemic, we fulfilled those orders. The overall capacity and production was reduced due to circumstances related to COVID, like everyone else. So they produced those orders also because of the opposition and the uncertainty, the acquisition of fiber assets of Aurora Packaging in Australia New Zealand by our parent company. We also were managing our cash flow. We had inventories we did not see demand for in the going forward period of 2020 because of COVID, and we chose to sell those as cash, that was all paid for product and sold to the Southeast Asia markets." Hearing transcript, p. 187 (Leith).

[26] ***. Email from ***, September 28, 2021.

Table IV-11
Uncoated Paper: Australian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2015	2016	2017
Sheeting capacity	Quantity	***	***	***
Production	Quantity	***	***	***
End-of-period inventories	Quantity	***	***	***
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***

Table continued.

Table IV-11 Continued
Uncoated Paper: Australian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Sheeting capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***

Table continued.

Table IV-11 Continued
Uncoated Paper: Australian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2015	2016	2017
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***
Inventory ratio to production	Ratio	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	***	***	***

Table continued.

Table IV-11 Continued
Uncoated Paper: Australian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Export shipments	Share	***	***	***	***	***
Total shipments	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Table IV-12
Uncoated paper: Producers' and exporters' in Australia exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2015	2016	2017
United States	Quantity	***	***	***
European Union	Quantity	***	***	***
Asia	Quantity	***	***	***
Middle East	Quantity	***	***	***
South/Central America	Quantity	***	***	***
All other markets	Quantity	***	***	***
All markets	Quantity	***	***	***
United States	Value	***	***	***
European Union	Value	***	***	***
Asia	Value	***	***	***
Middle East	Value	***	***	***
South/Central America	Value	***	***	***
All other markets	Value	***	***	***
All markets	Value	***	***	***
United States	Unit value	***	***	***
European Union	Unit value	***	***	***
Asia	Unit value	***	***	***
Middle East	Unit value	***	***	***
South/Central America	Unit value	***	***	***
All other markets	Unit value	***	***	***
All markets	Unit value	***	***	***
United States	Ratio	***	***	***
European Union	Ratio	***	***	***
Asia	Ratio	***	***	***
Middle East	Ratio	***	***	***
South/Central America	Ratio	***	***	***
All other markets	Ratio	***	***	***
All markets	Ratio	***	***	***

Table continued.

Table IV-12 Continued
Uncoated paper: Producers' and exporters' in Australia exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
Middle East	Quantity	***	***	***	***	***
South/Central America	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
Middle East	Value	***	***	***	***	***
South/Central America	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
Middle East	Unit value	***	***	***	***	***
South/Central America	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All markets	Unit value	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
Middle East	Ratio	***	***	***	***	***
South/Central America	Ratio	***	***	***	***	***
All other markets	Ratio	***	***	***	***	***
All markets	Ratio	***	***	***	***	***

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

Note: Ratios represent the ratio of exports to production.

Alternative products

Paper Australia did not report production of other products on the same machinery used to produce uncoated paper.[27]

Exports

Table IV-13 presents data for uncoated paper and paperboard from Australia in descending order of quantity for 2020. During 2020, New Zealand was the top export market for uncoated paper from Australia, by quantity, accounting for 38.2 percent, followed by Germany, accounting for 9.6 percent. The United States accounted for less than 0.3 percent of exports from Australia in 2020, by quantity.

[27] Paper Australia stated ***. *** foreign producer questionnaire response, section II-3e.

Table IV-13
Uncoated paper and paperboard: Exports from Australia, by destination market and by year

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2015	2016	2017
United States	Quantity	44,128	2	1
New Zealand	Quantity	12,110	20,129	17,752
Germany	Quantity	11,601	14,533	9,386
Chile	Quantity	1,629	8,317	2,726
Mexico	Quantity	44	22	---
Hong Kong	Quantity	482	430	583
Pakistan	Quantity	---	---	---
Papua New Guinea	Quantity	1,564	1,553	1,116
Lithuania	Quantity	606	886	126
All other destination markets	Quantity	12,613	17,060	7,579
All destination markets	Quantity	84,776	62,933	39,269
United States	Value	32,473	12	2
New Zealand	Value	9,395	15,423	14,040
Germany	Value	6,927	8,805	5,828
Chile	Value	1,100	5,414	1,786
Mexico	Value	29	13	---
Hong Kong	Value	504	317	474
Pakistan	Value	---	---	---
Papua New Guinea	Value	1,600	1,565	1,127
Lithuania	Value	345	523	86
All other destination markets	Value	8,284	10,553	4,755
All destination markets	Value	60,656	42,626	28,098

Table continued.

Table IV-13 Continued
Uncoated paper and paperboard: Exports from Australia, by destination market and by year

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	---	482	105
New Zealand	Quantity	20,485	15,015	15,211
Germany	Quantity	1,570	545	3,833
Chile	Quantity	---	688	3,233
Mexico	Quantity	---	---	2,262
Hong Kong	Quantity	811	755	1,773
Pakistan	Quantity	---	---	1,727
Papua New Guinea	Quantity	1,375	1,238	1,346
Lithuania	Quantity	---	52	1,071
All other destination markets	Quantity	3,197	2,983	9,268
All destination markets	Quantity	27,438	21,756	39,829
United States	Value	5	393	72
New Zealand	Value	16,330	12,053	11,272
Germany	Value	1,266	382	2,208
Chile	Value	---	449	1,965
Mexico	Value	---	---	1,049
Hong Kong	Value	686	669	1,206
Pakistan	Value	---	---	965
Papua New Guinea	Value	1,367	1,270	1,338
Lithuania	Value	---	38	588
All other destination markets	Value	3,504	2,533	5,783
All destination markets	Value	23,158	17,787	26,447

Table continued.

Table IV-13 Continued
Uncoated paper and paperboard: Exports from Australia, by destination market and by year

Unit value in dollars per short ton; share in percent

Destination market	Measure	2015	2016	2017
United States	Unit value	736	5,530	2,177
New Zealand	Unit value	776	766	791
Germany	Unit value	597	606	621
Chile	Unit value	675	651	655
Mexico	Unit value	653	606	---
Hong Kong	Unit value	1,045	738	813
Pakistan	Unit value	---	---	---
Papua New Guinea	Unit value	1,023	1,008	1,010
Lithuania	Unit value	569	590	680
All other destination markets	Unit value	657	619	627
All destination markets	Unit value	715	677	716
United States	Share of quantity	52.1	0.0	0.0
New Zealand	Share of quantity	14.3	32.0	45.2
Germany	Share of quantity	13.7	23.1	23.9
Chile	Share of quantity	1.9	13.2	6.9
Mexico	Share of quantity	0.1	0.0	---
Hong Kong	Share of quantity	0.6	0.7	1.5
Pakistan	Share of quantity	---	---	---
Papua New Guinea	Share of quantity	1.8	2.5	2.8
Lithuania	Share of quantity	0.7	1.4	0.3
All other destination markets	Share of quantity	14.9	27.1	19.3
All destination markets	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-13 Continued
Uncoated paper and paperboard: Exports from Australia, by destination market and by year

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	---	815	689
New Zealand	Unit value	797	803	741
Germany	Unit value	807	701	576
Chile	Unit value	---	653	608
Mexico	Unit value	---	---	464
Hong Kong	Unit value	846	885	681
Pakistan	Unit value	---	---	559
Papua New Guinea	Unit value	995	1,026	994
Lithuania	Unit value	---	726	549
All other destination markets	Unit value	1,096	849	624
All destination markets	Unit value	844	818	664
United States	Share of quantity	---	2.2	0.3
New Zealand	Share of quantity	74.7	69.0	38.2
Germany	Share of quantity	5.7	2.5	9.6
Chile	Share of quantity	---	3.2	8.1
Mexico	Share of quantity	---	---	5.7
Hong Kong	Share of quantity	3.0	3.5	4.5
Pakistan	Share of quantity	---	---	4.3
Papua New Guinea	Share of quantity	5.0	5.7	3.4
Lithuania	Share of quantity	---	0.2	2.7
All other destination markets	Share of quantity	11.7	13.7	23.3
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheadings 4802.56 and 4802.57 reported by the Australian Bureau of Statistics in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

The industry in Brazil

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms, Suzano and International Paper Brazil, that accounted for *** percent of production of uncoated paper in Brazil and *** percent of U.S. imports of uncoated paper from Brazil during 2014. In these first full five-year reviews, the Commission issued foreign producer/exporter questionnaires to two firms identified as possible producers of uncoated paper in Brazil. The Commission received a usable questionnaire response from: Suzano S.A. ("Suzano") and Sylvamo Do Brazil Tlda. And Sylvamo Exports Ltda. ("Sylvamo"). By their estimates, the Brazilian foreign producers accounted for approximately *** percent of uncoated paper production in Brazil and responding U.S. importers' U.S. imports of uncoated paper from Brazil during 2020.

Table IV-14 presents information on the uncoated paper operations of the responding producers in Brazil.

Table IV-14
Uncoated paper: Summary data for producers in Brazil, 2020

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Suzano	***	***	***	***	***	***
Sylvamo	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Changes in operations

As presented in table IV-15 producers in Brazil reported several operational and organizational changes since January 1, 2015.

Table IV-15
Uncoated paper: Brazilian producers' reported changes in operations, since January 1, 2015

Item	Firm name and accompanying narrative response
Plant openings	***.
Expansions	***
Contractions or re-purposing	***.
Prolonged shutdowns or curtailments	***.
Prolonged shutdowns or curtailments	***.
Revised labor agreements	***.

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

Operations on uncoated paper

Table IV-16 presents data on the uncoated paper operations of the responding producers in Brazil for 2015-20, interim 2020, and interim 2021. Table IV-17 presents data on the responding Brazilian producers' export shipments by market. Sheeting capacity in Brazil decreased by *** percent during 2015-20. Brazil saw the largest decrease in sheeting capacity of *** percent between 2017 and 2018, which was driven by ***. [28] Sheeting capacity then increased *** percent from 2018-20. Sheeting capacity was *** percent lower in interim 2021 than in interim 2020.

Production in Brazil decreased in each year during 2015-20, ending *** percent lower in 2020 than in 2015. The majority of the decrease occurred from 2019 to 2020, with ***. Production was *** percent higher in interim 2021 than in interim 2020.[29] Sheeting capacity utilization in Brazil fluctuated during 2015-20. After a *** percentage point increase from 2015 to 2018,

[28] *** attributed the decline as a result of ***. Email from ***, September 28, 2021. ***. *** foreign producer questionnaire response, section II-11.

[29] ***. Email from ***, September 30, 2021.

sheeting capacity utilization decreased by *** percentage points from 2018 to 2020, ending *** percentage points lower in 2020 than in 2015. Sheeting capacity utilization was *** percentage points higher in interim 2021 than interim 2020.[30]

End-of-period inventories irregularly increased by *** percent from 2015 to 2020. However, end-of-period inventories were *** percent lower in interim 2021 than interim 2020.

Home market shipments accounted for between *** percent of total shipments from 2015 to 2020. Home market shipments, by quantity, decreased in each year during 2015-20, except from 2015 to 2016, ending *** percent lower in 2020 than in 2015. The majority of the decrease occurred from 2019 to 2020, when home market shipments decreased by *** percent.[31] It was *** percent higher in interim 2021 than interim 2020. The value of home market shipments increased *** percent from 2015-17, then decreased *** percent from 2017-20, ending *** percent lower in 2020 than in 2015. However, it was *** percent higher in interim 2021 than in interim 2020. The unit value of home market shipments increased *** percent from 2015 to 2017, before decreasing *** percent from 2017 to 2020, ending *** percent lower in 2020 than in 2015.

Export shipments, by quantity, decreased by *** percent between 2015-20, decreasing in each period, except for 2017-18, and accounted for between *** percent of total shipments during 2015-20. However, export shipments were *** percent higher in interim 2021 than interim 2020.[32] The value of export shipments decreased *** percent from 2015 to 2020, declining in each period, expect 2017-18. It was *** percent higher in interim 2021 than in interim 2020. The average unit value of export shipments decreased from 2015-17, then increased from 2017-18 before declining *** percent from 2019 to 2020.[33] From 2015 through interim 2021, Brazilian producers primarily exported to ***.

[30] ***. Email from ***, September 30, 2021.
[31] ***. Email from ***, September 28, 2021.
[32] *** reports that the increase in quantity exports ***. Email from ***, September 28, 2021.
[33] ***. Email from ***, September 30, 2021.

Table IV-16
Uncoated paper: Brazilian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2015	2016	2017
Sheeting capacity	Quantity	***	***	***
Production	Quantity	***	***	***
End-of-period inventories	Quantity	***	***	***
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***

Table continued.

Table IV-16 Continued
Uncoated paper: Brazilian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Sheeting capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***

Table continued.

Table IV-16 Continued
Uncoated paper: Brazilian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2015	2016	2017
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***
Inventory ratio to production	Ratio	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	***	***	***

Table continued.

Table IV-16 Continued
Uncoated paper: Brazilian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Export shipments	Share	***	***	***	***	***
Total shipments	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Table IV-17
Uncoated paper: Producers' and exporters' in Brazil exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2015	2016	2017
United States	Quantity	***	***	***
European Union	Quantity	***	***	***
Asia	Quantity	***	***	***
Middle East	Quantity	***	***	***
South/Central America	Quantity	***	***	***
All other markets	Quantity	***	***	***
All markets	Quantity	***	***	***
United States	Value	***	***	***
European Union	Value	***	***	***
Asia	Value	***	***	***
Middle East	Value	***	***	***
South/Central America	Value	***	***	***
All other markets	Value	***	***	***
All markets	Value	***	***	***
United States	Unit value	***	***	***
European Union	Unit value	***	***	***
Asia	Unit value	***	***	***
Middle East	Unit value	***	***	***
South/Central America	Unit value	***	***	***
All other markets	Unit value	***	***	***
All markets	Unit value	***	***	***
United States	Ratio	***	***	***
European Union	Ratio	***	***	***
Asia	Ratio	***	***	***
Middle East	Ratio	***	***	***
South/Central America	Ratio	***	***	***
All other markets	Ratio	***	***	***
All markets	Ratio	***	***	***

Table continued.

Table IV-17 Continued
Uncoated paper: Producers' and exporters' in Brazil exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
Middle East	Quantity	***	***	***	***	***
South/Central America	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
Middle East	Value	***	***	***	***	***
South/Central America	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
Middle East	Unit value	***	***	***	***	***
South/Central America	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All markets	Unit value	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
Middle East	Ratio	***	***	***	***	***
South/Central America	Ratio	***	***	***	***	***
All other markets	Ratio	***	***	***	***	***
All markets	Ratio	***	***	***	***	***

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

Note: Ratios represent the ratio of exports to production.

Alternative products

As shown in table IV-18, responding Brazilian firms produced other products on the same equipment and machinery used to produce uncoated paper.

Table IV-18
Uncoated paper: Brazilian producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2015	2016	2017
Overall sheeting capacity	Quantity	***	***	***
Production: Uncoated paper	Quantity	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***
Production: Coated paper	Quantity	***	***	***
Production: Other products	Quantity	***	***	***
Production: Out-of-scope products	Quantity	***	***	***
Production: All products on same machinery	Quantity	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***
Production: Uncoated paper	Share	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***
Production: Coated paper	Share	***	***	***
Production: Other products	Share	***	***	***
Production: Out-of-scope products	Share	***	***	***
Production: All products on same machinery	Share	***	***	***

Table continued.

Table IV-18 Continued
Uncoated paper: Brazilian producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall sheeting capacity	Quantity	***	***	***	***	***
Production: Uncoated paper	Quantity	***	***	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***	***	***
Production: Coated paper	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Production: Out-of-scope products	Quantity	***	***	***	***	***
Production: All products on same machinery	Quantity	***	***	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***	***	***
Production: Uncoated paper	Share	***	***	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***	***	***
Production: Coated paper	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Production: Out-of-scope products	Share	***	***	***	***	***
Production: All products on same machinery	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Exports

Table IV-19 presents data for exports of uncoated paper and paperboard from Brazil in descending order of quantity for 2020. During 2020, the United States was the top export market for uncoated paper and paperboard from Brazil, accounting for 13.0 percent, followed by the United Kingdom, accounting for 9.5 percent.

Table IV-19
Uncoated paper and paperboard: Exports from Brazil, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2015	2016	2017
United States	Quantity	155,518	110,777	53,599
United Kingdom	Quantity	115,673	102,592	88,725
Peru	Quantity	42,918	46,301	45,886
Chile	Quantity	70,060	62,491	62,588
Cayman Islands	Quantity	11,270	69,016	109,874
Argentina	Quantity	24,649	24,445	26,632
China	Quantity	7,857	6,468	14,134
Egypt	Quantity	7,346	6,800	2,608
France	Quantity	10,779	8,547	7,756
All other destination markets	Quantity	287,846	245,251	255,103
All destination markets	Quantity	733,917	682,688	666,904
United States	Value	126,221	78,442	36,462
United Kingdom	Value	84,666	62,695	48,840
Peru	Value	36,638	33,553	33,199
Chile	Value	61,071	51,382	52,832
Cayman Islands	Value	9,146	46,582	73,067
Argentina	Value	39,813	28,633	26,808
China	Value	5,629	4,537	8,913
Egypt	Value	5,087	4,407	1,764
France	Value	6,771	4,949	4,404
All other destination markets	Value	214,612	167,698	173,816
All destination markets	Value	589,655	482,877	460,104

Table continued.

Table IV-19 Continued
Uncoated paper and paperboard: Exports from Brazil, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	59,034	103,263	71,620
United Kingdom	Quantity	80,373	75,563	52,253
Peru	Quantity	81,438	73,499	47,014
Chile	Quantity	78,319	66,926	41,322
Cayman Islands	Quantity	53,005	13,394	31,738
Argentina	Quantity	17,381	20,688	21,262
China	Quantity	19,145	16,075	17,182
Egypt	Quantity	1,820	9,008	15,203
France	Quantity	12,286	15,719	14,965
All other destination markets	Quantity	250,747	274,154	237,905
All destination markets	Quantity	653,547	668,290	550,464
United States	Value	46,406	82,996	47,641
United Kingdom	Value	52,953	50,916	32,268
Peru	Value	62,562	54,487	29,969
Chile	Value	66,601	55,143	32,491
Cayman Islands	Value	36,526	8,930	20,172
Argentina	Value	17,955	17,492	20,736
China	Value	12,267	10,680	9,655
Egypt	Value	1,327	5,563	8,321
France	Value	7,426	9,380	7,893
All other destination markets	Value	194,594	191,449	138,344
All destination markets	Value	498,616	487,037	347,491

Table continued.

Table IV-19 Continued
Uncoated paper and paperboard: Exports from Brazil, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2015	2016	2017
United States	Unit value	812	708	680
United Kingdom	Unit value	732	611	550
Peru	Unit value	854	725	724
Chile	Unit value	872	822	844
Cayman Islands	Unit value	812	675	665
Argentina	Unit value	1,615	1,171	1,007
China	Unit value	716	701	631
Egypt	Unit value	693	648	676
France	Unit value	628	579	568
All other destination markets	Unit value	746	684	681
All destination markets	Unit value	803	707	690
United States	Share of quantity	21.2	16.2	8.0
United Kingdom	Share of quantity	15.8	15.0	13.3
Peru	Share of quantity	5.8	6.8	6.9
Chile	Share of quantity	9.5	9.2	9.4
Cayman Islands	Share of quantity	1.5	10.1	16.5
Argentina	Share of quantity	3.4	3.6	4.0
China	Share of quantity	1.1	0.9	2.1
Egypt	Share of quantity	1.0	1.0	0.4
France	Share of quantity	1.5	1.3	1.2
All other destination markets	Share of quantity	39.2	35.9	38.3
All destination markets	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-19 Continued
Uncoated paper and paperboard: Exports from Brazil, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	786	804	665
United Kingdom	Unit value	659	674	618
Peru	Unit value	768	741	637
Chile	Unit value	850	824	786
Cayman Islands	Unit value	689	667	636
Argentina	Unit value	1,033	845	975
China	Unit value	641	664	562
Egypt	Unit value	729	618	547
France	Unit value	604	597	527
All other destination markets	Unit value	776	698	582
All destination markets	Unit value	763	729	631
United States	Share of quantity	9.0	15.5	13.0
United Kingdom	Share of quantity	12.3	11.3	9.5
Peru	Share of quantity	12.5	11.0	8.5
Chile	Share of quantity	12.0	10.0	7.5
Cayman Islands	Share of quantity	8.1	2.0	5.8
Argentina	Share of quantity	2.7	3.1	3.9
China	Share of quantity	2.9	2.4	3.1
Egypt	Share of quantity	0.3	1.3	2.8
France	Share of quantity	1.9	2.4	2.7
All other destination markets	Share of quantity	38.4	41.0	43.2
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 4802.56 and 4802.57 reported by SECEX – Foreign Trade Secretariat in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

The industry in China

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms, which accounted for approximately *** percent of production of uncoated paper in China during 2014, and approximately *** percent of uncoated paper exports from China to the United States during 2014.[34] In these first full five-year reviews, the Commission issued foreign producer/exporter questionnaires to ten firms identified as possible producers or exporters of uncoated paper in China. The Commission did not receive a response from any Chinese producers or exporters.

China is the largest manufacturer of paper and paperboard in the world, having surpassed the United States in 2008.[35] The major companies in the paper and paperboard manufacturing industry in China include Sinar Mas Group Co., Ltd. (which holds the largest market share in the Chinese industry at 6.2 percent), Shandong Chenming Paper Holdings Co., Ltd., Anhui Shanying Paper Industry Co. Ltd., Shandong Sun Paper Industry Joint Stock Co., and Shandong Huatai Paper Group Co., Ltd.[36] Revenue for the Chinese paper and paperboard manufacturing industry reportedly declined by 2.3 percent in 2020, due to the COVID-19 pandemic (which caused weaker domestic and international demand).[37] An industry analyst forecasts that the Chinese paper and paperboard industry revenue will increase annually by 4.0 percent to $213.4 billion in 2025, due to anticipated steady growth in domestic demand from manufacturers, offices, and households.[38]

Newsprint, writing paper, and other paper, which includes uncoated paper as well as paper outside the scope of this investigation, make up the second-largest product segment, accounting for 23.2 percent of the Chinese paper industry's production in 2020.[39] ***.[40]

[34] Original confidential report, p. VII-24.
[35] IBIS World, “Paper and Paperboard Manufacturing in China,” p. 11, December 2020.
[36] IBIS World, “Paper and Paperboard Manufacturing in China,” pp. 5, 8, December 2020.
[37] IBIS World, “Paper and Paperboard Manufacturing in China,” p. 3, 9 December 2020.
[38] IBIS World, “Paper and Paperboard Manufacturing in China,” p. 9, December 2020.
[39] IBIS World, “Paper and Paperboard Manufacturing in China,” p. 16, December 2020.
[40] Domestic posthearing brief, exhibit 27. ***.

Exports

Table IV-20 presents data for exports of uncoated paper and paperboard from China in descending order of quantity for 2020. During 2020, the United States was among the smallest export markets for uncoated paper from China, accounting for 0.3 percent of China's exports. Japan was the top export market for uncoated paper from China in 2020, by quantity, accounting for 34.6 percent, followed by Hong Kong, which accounted for 10.3 percent.

Table IV-20
Uncoated paper and paperboard: Exports from China, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2015	2016	2017
United States	Quantity	35,949	379	1,127
Japan	Quantity	194,075	189,805	233,488
Hong Kong	Quantity	84,738	83,891	72,202
Korea, South	Quantity	84,542	108,063	115,521
Philippines	Quantity	14,148	24,826	24,715
Australia	Quantity	76,934	41,196	10,535
Malaysia	Quantity	20,109	47,163	40,002
Thailand	Quantity	16,977	15,045	15,789
Singapore	Quantity	29,446	28,657	31,064
All other destination markets	Quantity	254,390	342,652	237,962
All destination markets	Quantity	811,307	881,677	782,405
United States	Value	28,238	492	917
Japan	Value	138,389	151,931	173,144
Hong Kong	Value	63,837	60,680	51,559
Korea, South	Value	62,081	77,385	79,651
Philippines	Value	11,151	17,820	17,253
Australia	Value	60,010	30,798	7,483
Malaysia	Value	14,968	31,280	27,174
Thailand	Value	12,714	10,307	11,001
Singapore	Value	23,041	21,378	21,909
All other destination markets	Value	204,349	243,689	175,358
All destination markets	Value	618,778	645,758	565,447

Table continued.

Table IV-20 Continued
Uncoated paper and paperboard: Exports from China, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	950	1,150	1,386
Japan	Quantity	211,434	187,704	168,006
Hong Kong	Quantity	66,075	67,039	50,093
Korea, South	Quantity	71,243	45,675	38,170
Philippines	Quantity	17,893	22,897	33,074
Australia	Quantity	9,383	16,129	30,986
Malaysia	Quantity	29,647	26,746	20,706
Thailand	Quantity	11,301	13,916	13,404
Singapore	Quantity	33,129	23,564	13,352
All other destination markets	Quantity	164,999	264,220	116,407
All destination markets	Quantity	616,054	669,040	485,584
United States	Value	1,168	1,218	1,072
Japan	Value	161,787	148,702	132,265
Hong Kong	Value	51,410	53,727	35,602
Korea, South	Value	53,176	35,242	27,332
Philippines	Value	14,117	18,123	24,043
Australia	Value	7,372	12,770	23,674
Malaysia	Value	23,392	21,196	15,857
Thailand	Value	8,872	10,111	9,408
Singapore	Value	25,836	20,485	12,903
All other destination markets	Value	137,155	203,479	91,448
All destination markets	Value	484,286	525,054	373,602

Table continued.

Table IV-20 Continued
Uncoated paper and paperboard: Exports from China, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2015	2016	2017
United States	Unit value	786	1,298	814
Japan	Unit value	713	800	742
Hong Kong	Unit value	753	723	714
Korea, South	Unit value	734	716	689
Philippines	Unit value	788	718	698
Australia	Unit value	780	748	710
Malaysia	Unit value	744	663	679
Thailand	Unit value	749	685	697
Singapore	Unit value	782	746	705
All other destination markets	Unit value	803	711	737
All destination markets	Unit value	763	732	723
United States	Share of quantity	4.4	0.0	0.1
Japan	Share of quantity	23.9	21.5	29.8
Hong Kong	Share of quantity	10.4	9.5	9.2
Korea, South	Share of quantity	10.4	12.3	14.8
Philippines	Share of quantity	1.7	2.8	3.2
Australia	Share of quantity	9.5	4.7	1.3
Malaysia	Share of quantity	2.5	5.3	5.1
Thailand	Share of quantity	2.1	1.7	2.0
Singapore	Share of quantity	3.6	3.3	4.0
All other destination markets	Share of quantity	31.4	38.9	30.4
All destination markets	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-20 Continued
Uncoated paper and paperboard: Exports from China, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	1,229	1,060	773
Japan	Unit value	765	792	787
Hong Kong	Unit value	778	801	711
Korea, South	Unit value	746	772	716
Philippines	Unit value	789	791	727
Australia	Unit value	786	792	764
Malaysia	Unit value	789	792	766
Thailand	Unit value	785	727	702
Singapore	Unit value	780	869	966
All other destination markets	Unit value	831	770	786
All destination markets	Unit value	786	785	769
United States	Share of quantity	0.2	0.2	0.3
Japan	Share of quantity	34.3	28.1	34.6
Hong Kong	Share of quantity	10.7	10.0	10.3
Korea, South	Share of quantity	11.6	6.8	7.9
Philippines	Share of quantity	2.9	3.4	6.8
Australia	Share of quantity	1.5	2.4	6.4
Malaysia	Share of quantity	4.8	4.0	4.3
Thailand	Share of quantity	1.8	2.1	2.8
Singapore	Share of quantity	5.4	3.5	2.7
All other destination markets	Share of quantity	26.8	39.5	24.0
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheadings 4802.56 and 4802.57 reported by SECEX – Foreign Trade Secretariat in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

The industry in Indonesia

Overview

During the final phase of the original investigations, the Commission received a foreign producer/exporter questionnaire from one firm which accounted for *** percent of production of uncoated paper in Indonesia during 2014, and approximately *** percent of uncoated paper exports from Indonesia to the United States during 2014. In these first full five-year reviews, the Commission issued foreign producer/exporter questionnaires to four firms identified as possible producers or exporters of uncoated paper in Indonesia. The Commission received a usable questionnaire response from three producers: PT. Pabrik Kertas Tjiwi Kimia Tbk, PT. Pindo Deli Pulp and Paper Mills, and PT. Indah Kiat Pulp and Paper Tbk. ("APP Group"). By its estimate, APP Group accounted for approximately *** percent of uncoated paper production in Indonesia during 2020.[41]

Table IV-21 presents information on the uncoated paper operations of the responding producer in Indonesia.

Table IV-21
Uncoated paper: Summary data for producers in Indonesia, 2020

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
APP Group	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Changes in operations

As presented in table IV-22, the producer in Indonesia reported several operational and organizational changes since January 1, 2015.

[41] APP Group ***.

Table IV-22
Uncoated paper: Indonesian producers' reported changes in operations, since January 1, 2015

Item	Firm name and accompanying narrative response
Plant closings	***

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

Operations on uncoated paper

Table IV-23 presents data on the uncoated paper operations of the responding producers in Indonesia for 2015-20, interim 2020, and interim 2021. Table IV-24 presents data on the responding Indonesian producers' export shipments by market. Sheeting capacity in Indonesia increased by *** percent during 2015-17, but then decreased by *** percent from 2017 to 2020, ending *** percent lower in 2020 than in 2015.[42] Sheeting capacity was *** percent lower in interim 2021 than interim 2020. Production remained relatively steady, fluctuating over the period, ending *** percent lower in 2020 than 2015.[43]

Production in Indonesia was *** percent lower in interim 2021 than in interim 2020. Despite a *** percentage point decrease from 2019 to 2020, sheeting capacity utilization in Indonesia increased overall by *** percentage points during 2015-20.[44] Sheeting capacity utilization was *** percentage points higher in interim 2021 than interim 2020.

End-of-period inventories fluctuated over the period, increasing by *** percent from 2015 to 2018, decreasing by *** percent from 2018 to 2019, and increasing by *** percent

[42] The decrease in APP Group's sheeting capacity reflects the group's shift towards packaging material production in response to growing demand driven by delivery services such as Amazon. Hearing transcript, p. 143 (Gupta); ***. Email from ***, September 28, 2021. *** foreign producer questionnaire response, section II-2a.

[43] ***. Email from ***, September 28, 2021.

[44] Sheeting capacity *** during the period. ***. Email from ***, September 28, 2021.

between 2019 and 2020, ending *** percent higher in 2020 than in 2015.[45] End-of-period inventories were *** percent lower in interim 2021 than interim 2020.

Home market shipments, by quantity, fluctuated during 2015-20, with the largest decrease *** between 2019 and 2020, ending the period *** percent lower in 2020 than 2015. It was *** percent higher in interim 2021 than in interim 2020. The value of home market shipments increased *** percent from 2015-19, and then decreased *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015. It was *** percent higher in interim 2021 than in interim 2020. The unit value of home market shipments saw the largest increase (*** percent) between 2017 and 2018, before decreasing *** percent from 2019 to 2020.[46]

Export shipments accounted for between *** percent of total shipments in Indonesia from 2015-20. Export shipments, by quantity, fluctuated over the period, ending *** percent higher in 2020 than in 2015. They were *** percent higher in interim 2021 than in interim 2020. The value of export shipments decreased *** percent between 2015 and 2016 before increasing *** percent from 2016 to 2019, and then decreased *** percent from 2019 to 2020, ending *** percent lower in 2020 than in 2015. Export shipments, by value, were *** percent higher in interim 2021 than in interim 2020. The unit value of export shipments fluctuated during 2015-20, with the largest increase of *** percent from 2017 to 2018, before declining *** percent from 2019 to 2020. APP Group reported it ***. *** represents the largest export market from 2015 to interim 2021.[47]

[45] *** reported that *** Email from ***, September 28, 2021.

[46] *** denotes that the ***. Email from ***, September 28, 2021.

[47] APP Group's main export markets are Indonesia, China, Japan, and Malaysia. Hearing transcript p. 145 (Gupta).

Table IV-23
Uncoated paper: Indonesian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2015	2016	2017
Sheeting capacity	Quantity	***	***	***
Production	Quantity	***	***	***
End-of-period inventories	Quantity	***	***	***
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***

Table continued.

Table IV-23 Continued
Uncoated paper: Indonesian sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Sheeting capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***

Table continued.

Table IV-23 Continued
Uncoated paper: Indonesian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; share and ratio in percent

Item	Measure	2015	2016	2017
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***
Inventory ratio to production	Ratio	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	***	***	***

Table continued.

Table IV-23 Continued
Uncoated paper: Indonesian sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; share and ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Export shipments	Share	***	***	***	***	***
Total shipments	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Table IV-24
Uncoated paper: Producers' and exporters' in Indonesia exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2015	2016	2017
United States	Quantity	***	***	***
European Union	Quantity	***	***	***
Asia	Quantity	***	***	***
Middle East	Quantity	***	***	***
South/Central America	Quantity	***	***	***
All other markets	Quantity	***	***	***
All markets	Quantity	***	***	***
United States	Value	***	***	***
European Union	Value	***	***	***
Asia	Value	***	***	***
Middle East	Value	***	***	***
South/Central America	Value	***	***	***
All other markets	Value	***	***	***
All markets	Value	***	***	***
United States	Unit value	***	***	***
European Union	Unit value	***	***	***
Asia	Unit value	***	***	***
Middle East	Unit value	***	***	***
South/Central America	Unit value	***	***	***
All other markets	Unit value	***	***	***
All markets	Unit value	***	***	***
United States	Ratio	***	***	***
European Union	Ratio	***	***	***
Asia	Ratio	***	***	***
Middle East	Ratio	***	***	***
South/Central America	Ratio	***	***	***
All other markets	Ratio	***	***	***
All markets	Ratio	***	***	***

Table continued.

Table IV-24 Continued
Uncoated paper: Producers' and exporters' in Indonesia exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
Middle East	Quantity	***	***	***	***	***
South/Central America	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
Middle East	Value	***	***	***	***	***
South/Central America	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
Middle East	Unit value	***	***	***	***	***
South/Central America	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All markets	Unit value	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
Middle East	Ratio	***	***	***	***	***
South/Central America	Ratio	***	***	***	***	***
All other markets	Ratio	***	***	***	***	***
All markets	Ratio	***	***	***	***	***

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

Note: Ratio represents the ratio of export shipments to production.

Alternative products

As shown in table IV-25, responding Indonesian firms produced other products on the same equipment and machinery used to produce uncoated paper.

Table IV-25
Uncoated paper: Indonesian producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2015	2016	2017
Overall sheeting capacity	Quantity	***	***	***
Production: Uncoated paper	Quantity	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***
Production: Coated paper	Quantity	***	***	***
Production: Other products	Quantity	***	***	***
Production: Out-of-scope products	Quantity	***	***	***
Production: All products on same machinery	Quantity	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***
Production: Uncoated paper	Share	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***
Production: Coated paper	Share	***	***	***
Production: Other products	Share	***	***	***
Production: Out-of-scope products	Share	***	***	***
Production: All products on same machinery	Share	***	***	***

Table continued.

Table IV-25 Continued
Uncoated paper: Indonesian producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall sheeting capacity	Quantity	***	***	***	***	***
Production: Uncoated paper	Quantity	***	***	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***	***	***
Production: Coated paper	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Production: Out-of-scope products	Quantity	***	***	***	***	***
Production: All products on same machinery	Quantity	***	***	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***	***	***
Production: Uncoated paper	Share	***	***	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***	***	***
Production: Coated paper	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Production: Out-of-scope products	Share	***	***	***	***	***
Production: All products on same machinery	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Exports

Table IV-26 presents data for exports of uncoated paper and paperboard from Indonesia in descending order of quantity for 2020. During 2020, the United States was among the smallest export markets for uncoated paper and paperboard from Indonesia, by quantity, accounting for less than 0.05 percent. The largest export market in 2020 for uncoated paper and paperboard from Indonesia, by quantity, was China, accounting for 18.1 percent.

Table IV-26
Uncoated paper and paperboard: Exports from Indonesia, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2015	2016	2017
United States	Quantity	140,074	38,957	19,698
China	Quantity	16,582	41,143	129,497
Japan	Quantity	404,511	358,155	321,480
Philippines	Quantity	90,664	106,360	137,050
Malaysia	Quantity	163,027	176,101	182,218
Taiwan	Quantity	63,698	71,566	75,240
Korea	Quantity	65,835	53,775	40,588
Vietnam	Quantity	75,160	82,422	89,548
United Arab Emirates	Quantity	76,472	49,124	58,599
All other destination markets	Quantity	994,787	1,214,079	1,435,480
All destination markets	Quantity	2,090,811	2,191,681	2,489,400
United States	Value	99,502	26,809	12,879
China	Value	11,417	25,162	77,538
Japan	Value	325,122	293,240	264,421
Philippines	Value	52,708	61,976	80,433
Malaysia	Value	111,255	113,429	121,001
Taiwan	Value	41,715	44,617	50,335
Korea	Value	43,559	34,605	27,559
Vietnam	Value	47,639	52,432	58,270
United Arab Emirates	Value	54,449	34,866	37,740
All other destination markets	Value	671,286	787,175	915,095
All destination markets	Value	1,458,652	1,474,312	1,645,271

Table continued.

Table IV-26 Continued
Uncoated paper and paperboard: Exports from Indonesia, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	6,023	155	36
China	Quantity	133,182	68,020	399,811
Japan	Quantity	302,194	331,999	304,109
Philippines	Quantity	118,218	118,643	172,051
Malaysia	Quantity	145,024	163,262	136,023
Taiwan	Quantity	88,441	79,730	95,457
Korea	Quantity	90,465	97,589	92,926
Vietnam	Quantity	86,866	72,872	75,599
United Arab Emirates	Quantity	55,067	84,962	58,386
All other destination markets	Quantity	1,194,416	1,354,720	871,358
All destination markets	Quantity	2,219,897	2,371,952	2,205,755
United States	Value	4,125	120	28
China	Value	102,934	45,279	189,180
Japan	Value	255,403	271,157	242,855
Philippines	Value	83,142	74,587	95,023
Malaysia	Value	113,520	114,346	87,445
Taiwan	Value	68,271	55,170	59,742
Korea	Value	63,802	62,461	52,554
Vietnam	Value	66,442	51,610	48,880
United Arab Emirates	Value	40,689	55,184	32,192
All other destination markets	Value	888,558	922,417	523,660
All destination markets	Value	1,686,886	1,652,332	1,331,561

Table continued.

Table IV-26-Continued
Uncoated paper: Exports from Indonesia, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2015	2016	2017
United States	Unit value	710	688	654
China	Unit value	688	612	599
Japan	Unit value	804	819	823
Philippines	Unit value	581	583	587
Malaysia	Unit value	682	644	664
Taiwan	Unit value	655	623	669
Korea	Unit value	662	644	679
Vietnam	Unit value	634	636	651
United Arab Emirates	Unit value	712	710	644
All other destination markets	Unit value	675	648	637
All destination markets	Unit value	698	673	661
United States	Share of quantity	6.7	1.8	0.8
China	Share of quantity	0.8	1.9	5.2
Japan	Share of quantity	19.3	16.3	12.9
Philippines	Share of quantity	4.3	4.9	5.5
Malaysia	Share of quantity	7.8	8.0	7.3
Taiwan	Share of quantity	3.0	3.3	3.0
Korea	Share of quantity	3.1	2.5	1.6
Vietnam	Share of quantity	3.6	3.8	3.6
United Arab Emirates	Share of quantity	3.7	2.2	2.4
All other destination markets	Share of quantity	47.6	55.4	57.7
All destination markets	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-26 Continued
Uncoated paper and paperboard: Exports from Indonesia, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	685	775	777
China	Unit value	773	666	473
Japan	Unit value	845	817	799
Philippines	Unit value	703	629	552
Malaysia	Unit value	783	700	643
Taiwan	Unit value	772	692	626
Korea	Unit value	705	640	566
Vietnam	Unit value	765	708	647
United Arab Emirates	Unit value	739	650	551
All other destination markets	Unit value	744	681	601
All destination markets	Unit value	760	697	604
United States	Share of quantity	0.3	0.0	0.0
China	Share of quantity	6.0	2.9	18.1
Japan	Share of quantity	13.6	14.0	13.8
Philippines	Share of quantity	5.3	5.0	7.8
Malaysia	Share of quantity	6.5	6.9	6.2
Taiwan	Share of quantity	4.0	3.4	4.3
Korea	Share of quantity	4.1	4.1	4.2
Vietnam	Share of quantity	3.9	3.1	3.4
United Arab Emirates	Share of quantity	2.5	3.6	2.6
All other destination markets	Share of quantity	53.8	57.1	39.5
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 4802.56 and 4802.57 reported by Statistics Indonesia in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

The industry in Portugal

Overview

During the final phase of the original investigations, the Commission received a foreign producer/exporter questionnaire from one firm, The Portucel Soporcel Group, which accounted for all known production and exports of uncoated paper from Portugal to the United States during 2014. In these first full five-year reviews, the Commission issued a foreign producer/exporter questionnaire to and received a response from The Navigator Company ("Navigator"), which was the lone firm identified as a possible producer or exporter of uncoated paper in Portugal. By its estimate, Navigator accounted for approximately *** percent of uncoated paper production and *** percent of exports of uncoated paper from Portugal to the United States in Portugal during 2020.

Table IV-27 presents information on the uncoated paper operations of the responding producer in Portugal.

Table IV-27
Uncoated paper: Summary data for producers in Portugal, 2020

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Navigator	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Changes in operations

As presented in table IV-28 producers in Portugal reported several operational and organizational changes since January 1, 2015.

Table IV-28
Uncoated paper: Portuguese producers' reported changes in operations, since January 1, 2015

Item	Firm name and accompanying narrative response
Contractions or re-purposing	***
Prolonged shutdowns or curtailments	***
Other	***

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

Operations on uncoated paper

Table IV-29 presents data on the uncoated paper operations of the responding producer in Portugal for 2015-20, interim 2020, and interim 2021. Table IV-30 presents data on the responding Portuguese producer's export shipments by market. Sheeting capacity in Portugal *** during 2015-19 and then decreased by *** percent from 2019 to 2020.[48] Sheeting capacity was *** short tons (***) higher in interim 2021 than in interim 2020. Navigator's production of uncoated paper decreased in each year during 2015-20, except from 2016 to 2017, ending *** percent lower in 2020 than in 2015.[49] Production in Portugal was *** percent higher in interim 2021 than in interim 2020.[50] Sheeting capacity utilization in

[48] The decrease in sheeting capacity between the interim periods was *** Email from ***, September 28, 2021.

[49] ***. Email from ***, September 28, 2021.

[50] ***.

Portugal decreased by *** percentage points from 2015 to 2020.[51] Sheeting capacity utilization was *** percentage points higher in interim 2021 than interim 2020.[52]

End-of-period inventories fluctuated from year to year, but ultimately increased *** percent from 2015 to 2020. End-of-period inventories increased by *** percent from 2015 to 2018, then decreased by *** percent during 2018-19, before increasing by *** percent from 2019 to 2020. End-of-period inventories were *** percent lower in interim 2021 than interim 2020.

Home market shipments accounted for between *** percent of total shipments from 2015 to 2020. Home market shipments, by quantity, decreased *** percent from 2015 to 2016 before increasing *** percent from 2016 to 2018, and decreasing *** percent from 2018 to 2020, ending *** percent lower in 2020 than in 2015. It was *** percent higher in interim 2021 than in interim 2020. The value of home market shipments decreased *** percent from 2015-16, and then increased *** percent from 2016 to 2018, before decreasing *** percent from 2018 to 2020, ending *** percent lower in 2020 than in 2015. It was *** percent higher in interim 2021 than in interim 2020. The unit value of home market shipments increased from 2015 to 2018 and decreased 2018 to 2020.

Export shipments accounted for *** percent of Navigator's total shipments during 2015-20, with the majority of exports going to the ***. Export shipments, by quantity, decreased in each year from 2015 to 2020, ending *** percent lower in 2020 than 2015.[53] However, were *** percent higher in interim 2021 than in interim 2020.[54] The value of export shipments decreased by *** percent from 2015 to 2016, and then increased *** percent from 2016 to 2018, before decreasing *** percent from 2018 to 2020, ending *** percent lower in 2020 than in 2015. Export shipments, by value, were *** percent higher in interim

***. Email from ***, September 28, 2021.

[51] ***. Email from ***, September 28, 2021.

[52] ***. Email from ***, September 28, 2021.

[53] ***. Email from ***, September 28, 2021.

[54] ***. Email from ***, September 28, 2021.

2021 than in interim 2020. The *** represents the largest export market in each year from 2015 to 2020 and in interim 2021.[55]

Table IV-29
Uncoated paper: Portuguese sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2015	2016	2017
Sheeting capacity	Quantity	***	***	***
Production	Quantity	***	***	***
End-of-period inventories	Quantity	***	***	***
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***

Table continued.

[55] Navigator reports that the EU is by far their largest and most important market. A representative from Navigator testified, "As an EU member, we have obvious advantages selling in the region in terms of common currency, customs conveniences, and geographic proximity. The recent capacity closures in Finland and France also make Europe even more attractive to us." Hearing transcript, p. 152 (Dutt).

Table IV-29 Continued
Uncoated paper: Portuguese sheeting capacity, production, shipments, and inventories, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Sheeting capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***

Table continued.

Table IV-29 Continued
Uncoated paper: Portuguese sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2015	2016	2017
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***
Inventory ratio to production	Ratio	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	***	***	***

Table continued.

Table IV-29 Continued
Uncoated paper: Portuguese sheeting capacity, production, shipments, and inventories, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Export shipments	Share	***	***	***	***	***
Total shipments	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Table IV-30
Uncoated paper: Producers' and exporters' in Portugal exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio to production

Destination market	Measure	2015	2016	2017
United States	Quantity	***	***	***
European Union	Quantity	***	***	***
Asia	Quantity	***	***	***
Middle East	Quantity	***	***	***
South/Central America	Quantity	***	***	***
All other markets	Quantity	***	***	***
All markets	Quantity	***	***	***
United States	Value	***	***	***
European Union	Value	***	***	***
Asia	Value	***	***	***
Middle East	Value	***	***	***
South/Central America	Value	***	***	***
All other markets	Value	***	***	***
All markets	Value	***	***	***
United States	Unit value	***	***	***
European Union	Unit value	***	***	***
Asia	Unit value	***	***	***
Middle East	Unit value	***	***	***
South/Central America	Unit value	***	***	***
All other markets	Unit value	***	***	***
All markets	Unit value	***	***	***
United States	Ratio	***	***	***
European Union	Ratio	***	***	***
Asia	Ratio	***	***	***
Middle East	Ratio	***	***	***
South/Central America	Ratio	***	***	***
All other markets	Ratio	***	***	***
All markets	Ratio	***	***	***

Table continued.

Table IV-30- Continued
Uncoated paper: Producers' and exporters' in Portugal exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
Middle East	Quantity	***	***	***	***	***
South/Central America	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
Middle East	Value	***	***	***	***	***
South/Central America	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
Middle East	Unit value	***	***	***	***	***
South/Central America	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All markets	Unit value	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
Middle East	Ratio	***	***	***	***	***
South/Central America	Ratio	***	***	***	***	***
All other markets	Ratio	***	***	***	***	***
All markets	Ratio	***	***	***	***	***

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

Note: Ratio represents the ratio of export shipments to production.

Alternative products

As shown in table IV-31, responding Portuguese firms produced other products on the same equipment and machinery used to produce uncoated paper.

Table IV-31
Uncoated paper: Portuguese producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2015	2016	2017
Overall sheeting capacity	Quantity	***	***	***
Production: Uncoated paper	Quantity	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***
Production: Coated paper	Quantity	***	***	***
Production: Other products	Quantity	***	***	***
Production: Out-of-scope products	Quantity	***	***	***
Production: All products on same machinery	Quantity	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***
Production: Uncoated paper	Share	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***
Production: Coated paper	Share	***	***	***
Production: Other products	Share	***	***	***
Production: Out-of-scope products	Share	***	***	***
Production: All products on same machinery	Share	***	***	***

Table continued.

Table IV-31 Continued
Uncoated paper: Portuguese producers' overall sheeting capacity and production on the same equipment as subject production, by period

Quantity in short tons; share and ratio in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall sheeting capacity	Quantity	***	***	***	***	***
Production: Uncoated paper	Quantity	***	***	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***	***	***
Production: Coated paper	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Production: Out-of-scope products	Quantity	***	***	***	***	***
Production: All products on same machinery	Quantity	***	***	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***	***	***
Production: Uncoated paper	Share	***	***	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***	***	***
Production: Coated paper	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Production: Out-of-scope products	Share	***	***	***	***	***
Production: All products on same machinery	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Exports

Table IV-32 presents data for exports of uncoated paper and paperboard from Portugal in descending order of quantity for 2020. During 2020, the United States was the fourth largest export market for uncoated paper and paperboard from Portugal, by quantity, accounting for 9.6 percent. The largest export market for uncoated paper and paperboard from Portugal in 2020, by quantity, was France, accounting for 13.3 percent.

Table IV-32
Uncoated paper and paperboard: Exports from Portugal, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2015	2016	2017
United States	Quantity	180,790	150,690	125,366
France	Quantity	146,938	157,951	169,313
Germany	Quantity	167,122	167,563	159,779
Spain	Quantity	144,621	136,896	129,989
United Kingdom	Quantity	101,627	101,244	96,475
Italy	Quantity	106,831	114,682	107,340
Egypt	Quantity	38,035	38,876	43,270
Netherlands	Quantity	36,894	35,381	35,775
Belgium	Quantity	31,018	31,659	26,793
All other destination markets	Quantity	310,901	307,179	342,541
All destination markets	Quantity	1,264,778	1,242,121	1,236,640
United States	Value	156,174	131,010	114,325
France	Value	122,201	130,025	140,239
Germany	Value	138,415	137,935	134,257
Spain	Value	119,091	114,213	109,077
United Kingdom	Value	95,749	85,082	79,378
Italy	Value	84,307	91,103	87,224
Egypt	Value	29,885	29,299	32,908
Netherlands	Value	29,583	28,648	29,121
Belgium	Value	27,005	27,736	23,468
All other destination markets	Value	242,687	233,615	266,947
All destination markets	Value	1,045,097	1,008,665	1,016,943

Table continued.

Table IV-32 Continued
Uncoated paper: Exports from Portugal, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	139,719	109,412	88,162
France	Quantity	150,340	150,439	122,256
Germany	Quantity	150,736	142,900	121,644
Spain	Quantity	116,146	108,996	89,191
United Kingdom	Quantity	91,972	88,292	74,813
Italy	Quantity	80,739	74,140	69,879
Egypt	Quantity	39,383	46,272	47,360
Netherlands	Quantity	37,546	34,039	31,968
Belgium	Quantity	27,841	26,189	21,334
All other destination markets	Quantity	347,378	287,378	252,081
All destination markets	Quantity	1,181,800	1,068,057	918,687
United States	Value	121,530	98,269	74,673
France	Value	141,407	139,270	106,250
Germany	Value	142,835	131,530	106,512
Spain	Value	110,462	103,256	78,954
United Kingdom	Value	88,070	82,250	63,459
Italy	Value	76,237	68,020	59,398
Egypt	Value	33,878	37,022	33,775
Netherlands	Value	33,484	30,168	26,194
Belgium	Value	27,217	25,262	19,992
All other destination markets	Value	303,262	246,330	198,890
All destination markets	Value	1,078,381	961,377	768,096

Table continued.

Table IV-32 Continued
Uncoated paper: Exports from Portugal, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2015	2016	2017
United States	Unit value	864	869	912
France	Unit value	832	823	828
Germany	Unit value	828	823	840
Spain	Unit value	823	834	839
United Kingdom	Unit value	942	840	823
Italy	Unit value	789	794	813
Egypt	Unit value	786	754	761
Netherlands	Unit value	802	810	814
Belgium	Unit value	871	876	876
All other destination markets	Unit value	781	761	779
All destination markets	Unit value	826	812	822
United States	Share of quantity	14.3	12.1	10.1
France	Share of quantity	11.6	12.7	13.7
Germany	Share of quantity	13.2	13.5	12.9
Spain	Share of quantity	11.4	11.0	10.5
United Kingdom	Share of quantity	8.0	8.2	7.8
Italy	Share of quantity	8.4	9.2	8.7
Egypt	Share of quantity	3.0	3.1	3.5
Netherlands	Share of quantity	2.9	2.8	2.9
Belgium	Share of quantity	2.5	2.5	2.2
All other destination markets	Share of quantity	24.6	24.7	27.7
All destination markets	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-32 Continued
Uncoated paper: Exports from Portugal, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	870	898	847
France	Unit value	941	926	869
Germany	Unit value	948	920	876
Spain	Unit value	951	947	885
United Kingdom	Unit value	958	932	848
Italy	Unit value	944	917	850
Egypt	Unit value	860	800	713
Netherlands	Unit value	892	886	819
Belgium	Unit value	978	965	937
All other destination markets	Unit value	873	857	789
All destination markets	Unit value	912	900	836
United States	Share of quantity	11.8	10.2	9.6
France	Share of quantity	12.7	14.1	13.3
Germany	Share of quantity	12.8	13.4	13.2
Spain	Share of quantity	9.8	10.2	9.7
United Kingdom	Share of quantity	7.8	8.3	8.1
Italy	Share of quantity	6.8	6.9	7.6
Egypt	Share of quantity	3.3	4.3	5.2
Netherlands	Share of quantity	3.2	3.2	3.5
Belgium	Share of quantity	2.4	2.5	2.3
All other destination markets	Share of quantity	29.4	26.9	27.4
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheadings 4802.56 and 4802.57 reported by Statistics Indonesia in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“. United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

Subject countries combined

Table IV-33 presents summary data on uncoated paper operations of the reporting producers in the subject countries for 2015-20, interim 2020, and interim 2021 and table IV-34 presents data on the responding producers' export shipments by market. Sheeting capacity fluctuated during 2015-20, ending *** percent lower in 2015 than in 2020. Sheeting capacity was *** percent lower in interim 2021 than interim 2020. Production increased by *** percent during 2015-17, and then decreased by *** percent during 2017-20, ending *** percent lower in 2015 than in 2020. The majority of the decrease occurred from 2019 to 2020 when production decreased by *** percent. Production was *** percent higher in interim 2021 than interim 2020. Export and home market shipments irregularly decreased during 2015-20, with the largest year-to-year decrease occurring between 2019 and 2020. Export and home market shipments were higher in interim 2021 than in interim 2020.

Table IV-33
Uncoated paper: Data on the industry in subject countries, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2015	2016	2017
Sheeting capacity	Quantity	***	***	***
Production	Quantity	***	***	***
End-of-period inventories	Quantity	***	***	***
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***

Table continued.

Table IV-33 Continued
Uncoated paper: Data on the industry in subject countries, by period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Sheeting capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
End-of-period inventories	Quantity	***	***	***	***	***
Internal consumption and transfers	Quantity	***	***	***	***	***
Commercial home market shipments	Quantity	***	***	***	***	***
Home market shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
Internal consumption and transfers	Value	***	***	***	***	***
Commercial home market shipments	Value	***	***	***	***	***
Home market shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***

Table continued.

Table IV-33 Continued
Uncoated paper: Data on the industry in subject countries, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2015	2016	2017
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***
Inventory ratio to production	Ratio	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	***	***	***

Table continued.

Table IV-33 Continued
Uncoated paper: Data on the industry in subject countries, by period

Unit value in dollars per short ton; ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Internal consumption and transfers	Unit value	***	***	***	***	***
Commercial home market shipments	Unit value	***	***	***	***	***
Home market shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
Sheeting capacity utilization ratio	Ratio	***	***	***	***	***
Inventory ratio to production	Ratio	***	***	***	***	***
Inventory ratio to total shipments	Ratio	***	***	***	***	***
Internal consumption and transfers	Share	***	***	***	***	***
Commercial home market shipments	Share	***	***	***	***	***
Home market shipments	Share	***	***	***	***	***
Export shipments	Share	***	***	***	***	***
Total shipments	Share	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Table IV-34
Uncoated paper: Producers' and exporters' in subject countries exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2015	2016	2017
United States	Quantity	***	***	***
European Union	Quantity	***	***	***
Asia	Quantity	***	***	***
Middle East	Quantity	***	***	***
South/Central America	Quantity	***	***	***
All other markets	Quantity	***	***	***
All markets	Quantity	***	***	***
United States	Value	***	***	***
European Union	Value	***	***	***
Asia	Value	***	***	***
Middle East	Value	***	***	***
South/Central America	Value	***	***	***
All other markets	Value	***	***	***
All markets	Value	***	***	***
United States	Unit value	***	***	***
European Union	Unit value	***	***	***
Asia	Unit value	***	***	***
Middle East	Unit value	***	***	***
South/Central America	Unit value	***	***	***
All other markets	Unit value	***	***	***
All markets	Unit value	***	***	***
United States	Ratio	***	***	***
European Union	Ratio	***	***	***
Asia	Ratio	***	***	***
Middle East	Ratio	***	***	***
South/Central America	Ratio	***	***	***
All other markets	Ratio	***	***	***
All markets	Ratio	***	***	***

Table continued.

Table IV-34 Continued
Uncoated paper: Producers' and exporters' in subject countries exports, by destination market and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; ratio in percent

Destination market	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Quantity	***	***	***	***	***
European Union	Quantity	***	***	***	***	***
Asia	Quantity	***	***	***	***	***
Middle East	Quantity	***	***	***	***	***
South/Central America	Quantity	***	***	***	***	***
All other markets	Quantity	***	***	***	***	***
All markets	Quantity	***	***	***	***	***
United States	Value	***	***	***	***	***
European Union	Value	***	***	***	***	***
Asia	Value	***	***	***	***	***
Middle East	Value	***	***	***	***	***
South/Central America	Value	***	***	***	***	***
All other markets	Value	***	***	***	***	***
All markets	Value	***	***	***	***	***
United States	Unit value	***	***	***	***	***
European Union	Unit value	***	***	***	***	***
Asia	Unit value	***	***	***	***	***
Middle East	Unit value	***	***	***	***	***
South/Central America	Unit value	***	***	***	***	***
All other markets	Unit value	***	***	***	***	***
All markets	Unit value	***	***	***	***	***
United States	Ratio	***	***	***	***	***
European Union	Ratio	***	***	***	***	***
Asia	Ratio	***	***	***	***	***
Middle East	Ratio	***	***	***	***	***
South/Central America	Ratio	***	***	***	***	***
All other markets	Ratio	***	***	***	***	***
All markets	Ratio	***	***	***	***	***

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

Note: Ratio represents the ratio of exports shipments to production.

Alternative products

As shown in table IV-35, responding subject foreign producers produced other products on the same equipment and machinery used to produce uncoated paper.

Table IV-35
Uncoated paper: Overall sheeting capacity and production on the same equipment as in-scope production by producers from subject sources by period

Quantity in short tons; share and ratio in percent

Item	Measure	2015	2016	2017
Overall sheeting capacity	Quantity	***	***	***
Production: Uncoated paper	Quantity	***	***	***
Production: Sheets over 150 gsm	Quantity	***	***	***
Production: Coated paper	Quantity	***	***	***
Production: Other products	Quantity	***	***	***
Production: Out-of-scope products	Quantity	***	***	***
Production: All products on same machinery	Quantity	***	***	***
Overall sheeting capacity utilization	Ratio	***	***	***
Production: Uncoated paper	Share	***	***	***
Production: Sheets over 150 gsm	Share	***	***	***
Production: Coated paper	Share	***	***	***
Production: Other products	Share	***	***	***
Production: Out-of-scope products	Share	***	***	***
Production: All products on same machinery	Share	***	***	***

Table continued.

Table IV-35 Continued
Uncoated paper: Overall sheeting capacity and production on the same equipment as in-scope production by producers from subject sources by period

Quantity in short tons; share and ratio in percent

Item	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Overall sheeting capacity	***	***	***	***	***
Production: Uncoated paper	***	***	***	***	***
Production: Sheets over 150 gsm	***	***	***	***	***
Production: Coated paper	***	***	***	***	***
Production: Other products	***	***	***	***	***
Production: Out-of-scope products	***	***	***	***	***
Production: All products on same machinery	***	***	***	***	***
Overall sheeting capacity utilization	***	***	***	***	***
Production: Uncoated paper	***	***	***	***	***
Production: Sheets over 150 gsm	***	***	***	***	***
Production: Coated paper	***	***	***	***	***
Production: Other products	***	***	***	***	***
Production: Out-of-scope products	***	***	***	***	***
Production: All products on same machinery	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

Antidumping or countervailing duty orders in third-country markets

There are several known trade remedy actions on uncoated paper from subject countries in third-country markets. These include Australia (antidumping measures covering A4 copy paper from Brazil, China, and Indonesia, and a countervailing measure covering A4 copy paper from China); India (an antidumping measure covering uncoated copy paper from Indonesia); Mexico (an antidumping measure in effect on cut bond paper from Brazil); and Pakistan (antidumping measures covering uncoated printing and writing papers from Brazil, China, and Indonesia).[56]

Global market

Table IV-36 presents data for global exports of uncoated paper and paperboard by exporter in descending order of quantity for 2020. In 2020, Indonesia was the largest exporter of uncoated paper and paperboard in 2020, accounting for 24.3 percent of global exports, followed by Portugal, accounting for 10.1 percent of global exports. The United States accounted for 2.0 percent of global exports of uncoated paper and paperboard in 2020.

[56] Domestic interested parties' response to notice of institution, March 3, 2021, pp. 15-16.

Table IV-36
Uncoated paper: Global exports by exporter by year

Quantity in short tons; value in 1,000 dollars

Exporting country	Measure	2015	2016	2017
United States	Quantity	375,367	384,896	380,864
Indonesia	Quantity	2,090,811	2,191,681	2,489,400
Portugal	Quantity	1,264,778	1,242,121	1,236,640
China	Quantity	811,307	881,677	782,405
Brazil	Quantity	733,917	682,688	666,904
Singapore	Quantity	550,131	608,896	956,501
Slovakia	Quantity	548,347	579,915	548,951
Thailand	Quantity	471,010	560,145	574,924
Germany	Quantity	594,931	503,727	507,623
Finland	Quantity	407,607	393,107	426,806
Poland	Quantity	446,883	386,759	392,288
France	Quantity	315,630	324,645	312,647
All other exporters	Quantity	2,346,633	2,243,544	2,244,076
All reporting exporters	Quantity	10,957,353	10,983,802	11,520,028
United States	Value	396,814	388,367	371,325
Indonesia	Value	1,458,652	1,474,312	1,645,271
Portugal	Value	1,045,097	1,008,665	1,016,943
China	Value	618,778	645,758	565,447
Brazil	Value	589,655	482,877	460,104
Singapore	Value	407,430	426,066	661,551
Slovakia	Value	368,936	391,388	389,636
Thailand	Value	408,286	452,818	466,256
Germany	Value	613,043	562,875	570,570
Finland	Value	273,653	275,729	307,457
Poland	Value	380,029	345,307	360,315
France	Value	359,855	340,723	325,479
All other exporters	Value	2,196,295	2,060,818	2,154,657
All reporting exporters	Value	9,116,523	8,855,704	9,295,011

Table continued.

Table IV-36- Continued
Uncoated paper: Global exports by exporter by year

Quantity in short tons; value in 1,000 dollars

Exporting country	Measure	2018	2019	2020
United States	Quantity	348,165	292,113	185,067
Indonesia	Quantity	2,219,897	2,371,952	2,205,755
Portugal	Quantity	1,181,800	1,068,057	918,687
China	Quantity	616,054	669,040	485,584
Brazil	Quantity	653,547	668,290	550,464
Singapore	Quantity	642,648	705,959	654,017
Slovakia	Quantity	552,919	539,902	487,686
Thailand	Quantity	509,046	528,135	426,796
Germany	Quantity	496,065	480,005	407,989
Finland	Quantity	428,481	370,903	296,636
Poland	Quantity	406,044	413,712	392,555
France	Quantity	262,966	247,667	186,775
All other exporters	Quantity	2,170,856	2,147,773	1,897,406
All reporting exporters	Quantity	10,488,486	10,503,509	9,095,418
United States	Value	367,650	304,518	189,490
Indonesia	Value	1,686,886	1,652,332	1,331,561
Portugal	Value	1,078,381	961,377	768,096
China	Value	484,286	525,054	373,602
Brazil	Value	498,616	487,037	347,491
Singapore	Value	533,814	542,067	433,342
Slovakia	Value	450,638	411,559	335,164
Thailand	Value	459,158	474,634	371,860
Germany	Value	595,637	608,922	509,950
Finland	Value	350,638	298,424	221,430
Poland	Value	419,316	409,404	370,869
France	Value	324,475	266,746	194,828
All other exporters	Value	2,239,691	2,283,717	1,933,712
All reporting exporters	Value	9,489,186	9,225,791	7,381,396

Table continued.

Table IV-36- Continued
Uncoated paper: Global exports by exporter by year

Unit value in dollars per short ton; share in percent

Exporting country	Measure	2015	2016	2017
United States	Unit value	1,057	1,009	975
Indonesia	Unit value	698	673	661
Portugal	Unit value	826	812	822
China	Unit value	763	732	723
Brazil	Unit value	803	707	690
Singapore	Unit value	741	700	692
Slovakia	Unit value	673	675	710
Thailand	Unit value	867	808	811
Germany	Unit value	1,030	1,117	1,124
Finland	Unit value	671	701	720
Poland	Unit value	850	893	918
France	Unit value	1,140	1,050	1,041
All other exporters	Unit value	936	919	960
All reporting exporters	Unit value	832	806	807
United States	Share of quantity	3.4	3.5	3.3
Indonesia	Share of quantity	19.1	20.0	21.6
Portugal	Share of quantity	11.5	11.3	10.7
China	Share of quantity	7.4	8.0	6.8
Brazil	Share of quantity	6.7	6.2	5.8
Singapore	Share of quantity	5.0	5.5	8.3
Slovakia	Share of quantity	5.0	5.3	4.8
Thailand	Share of quantity	4.3	5.1	5.0
Germany	Share of quantity	5.4	4.6	4.4
Finland	Share of quantity	3.7	3.6	3.7
Poland	Share of quantity	4.1	3.5	3.4
France	Share of quantity	2.9	3.0	2.7
All other exporters	Share of quantity	21.4	20.4	19.5
All reporting exporters	Share of quantity	100.0	100.0	100.0

Table continued.

Table IV-36- Continued
Uncoated paper: Global exports by exporter by year

Unit value in dollars per short ton; share in percent

Exporting country	Measure	2018	2019	2020
United States	Unit value	1,056	1,042	1,024
Indonesia	Unit value	760	697	604
Portugal	Unit value	912	900	836
China	Unit value	786	785	769
Brazil	Unit value	763	729	631
Singapore	Unit value	831	768	663
Slovakia	Unit value	815	762	687
Thailand	Unit value	902	899	871
Germany	Unit value	1,201	1,269	1,250
Finland	Unit value	818	805	746
Poland	Unit value	1,033	990	945
France	Unit value	1,234	1,077	1,043
All other exporters	Unit value	1,032	1,063	1,019
All reporting exporters	Unit value	905	878	812
United States	Share of quantity	3.3	2.8	2.0
Indonesia	Share of quantity	21.2	22.6	24.3
Portugal	Share of quantity	11.3	10.2	10.1
China	Share of quantity	5.9	6.4	5.3
Brazil	Share of quantity	6.2	6.4	6.1
Singapore	Share of quantity	6.1	6.7	7.2
Slovakia	Share of quantity	5.3	5.1	5.4
Thailand	Share of quantity	4.9	5.0	4.7
Germany	Share of quantity	4.7	4.6	4.5
Finland	Share of quantity	4.1	3.5	3.3
Poland	Share of quantity	3.9	3.9	4.3
France	Share of quantity	2.5	2.4	2.1
All other exporters	Share of quantity	20.7	20.4	20.9
All reporting exporters	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheadings 4802.56 and 4802.57 reported by various national statistical authorities in the Global Trade Atlas database, accessed September 15, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2020 data. HS subheadings 4802.56 and 4802.57 are basket categories that contain products outside the scope of these reviews.

Part V: Pricing data

Factors affecting prices

Raw material costs

The major U.S. producers of uncoated paper are vertically integrated. In 2020 the major producers were Domtar, International Paper, and Boise. Accordingly, the raw materials used in the production of uncoated paper include paper pulp (which most U.S. producers produce), recycled fibers (used in recycled paper), which most U.S. producers purchase, and a range of chemicals. As discussed in greater detail in Part III, raw material costs accounted for *** percent of U.S. producers' cost of goods sold in 2020.

U.S. inland transportation costs

All 7 responding U.S. producers[1] and all 12 responding importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 5 to 15 percent, while most responding importers reported costs of 3 to 10 percent.

International transportation costs

The Australian, Indonesian, and Portuguese respondents stated that the cost of transportation has increased recently and that they expect it to remain high for some time in the future. Navigator claimed that costs were 5 to 10 times "what they used to be."[2] This is the result of countries restarting their economies at different times and 2020 cancellation of orders in 2020 for equipment used for transportation.[3] This has resulted in a short-term increase in the cost of transportation. In addition, Navigator did not expect that transportation costs would return to previously low levels because of new rules from the International Maritime Organization and the EU that require costly changes in order to limit emissions, and use of renewable fuels, which will reduce competition from long distance importers.[4] APP stated that freight rates are "prohibitively high" and that it expects the rates to remain thus for "the next

[1] ***.
[2] Hearing transcript, pp. 177 (Redondo).
[3] Hearing transcript, pp. 178 (Redondo).
[4] Hearing transcript, pp. 178-179 (Redondo).

several years."[5] Paper Australia stated that high freight costs were an issue and freight costs from Australia to Southeast Asia are "significantly lower than to the United States."[6]

Table V-1 and figure V-1 show publicly available spot freight rates from Shanghai to Los Angeles (Asia) and Rotterdam to New York (Europe) to the United States between March 2016 and November 2021.[7] Many firms pay freight rates that are different from spot rates.[8] Spot freight rates are more variable than contract freight rates, however, contract rates tend reflect spot freight rates at the time the contracts were negotiated.[9] Spot freight rates have increased between the beginning of 2020 and November 2021; the rates for freight from Asia have increased more than rates from Europe. Freight rates from Asia began increasing noticeably between May and June 2020, freight rates for both Asia and Europe to the United States began increasing rapidly between April and May of 2021. These spot freight rates peaked in August (Europe) and September (Asia) 2021.[10]

[5] Hearing transcript, p. 183 (Morgan).

[6] Hearing transcript, p. 185 (Leith).

[7] Publicly available data were not available for 2015.

[8] The average carrier rate has increased by less than the spot rate. https://www.joc.com/maritime-news/market-needs-separate-container-rate-extremes-reality_20210129.html; retrieved November 29, 2021.

[9] "The spot rate is a leading indicator of the direction of contract rates" and spot prices can vary from "hour-to-hour". Smaller shippers tend to pay spot rates, while larger shippers or those with more predictable flows will use contract rates except when they have extra freight. The spot market is used by "medium to large shippers to cover freight when their routing guide of contract carriers fails to meet the demands for the day, the freight spot market fits specific needs for smaller shippers that do not have enough volume to obtain yearly pricing contracts." One industry analysis stated that "Companies are far better off to have their freight on contracted rates than spot rates" because of the greater risk in using spot rates. Freight Contract Rates vs Spot Rates – Comprehensive Guide https://blog.intekfreight-logistics.com/freight-contract-rates-vs-spot-rates-comprehensive-guide; retrieved November 26, 2021.

[10] "Supply-Chain Problems Show Signs of Easing" with a number of large U.S. chain stores "well stocked for the holidays," however, backlogs at ports and supply chain problems remain. Domestic posthearing brief, ex. 15.

Table V-1
Freight rates: Spot freight rates by month and route January 2016 to November 2021

Value in dollars per 40 foot container

Year	Month	Shanghai to Los Angeles	Rotterdam to New York City
2016	January	NA	NA
2016	February	NA	NA
2016	March	875	1,397
2016	April	778	1,347
2016	May	NA	NA
2016	June	875	1,364
2016	July	1,293	1,380
2016	August	1,453	1,331
2016	September	NA	NA
2016	October	1,743	1,264
2016	November	1,807	1,264
2016	December	NA	NA
2017	January	1,968	1,281
2017	February	2,000	1,264
2017	March	1,357	1,298
2017	April	NA	NA
2017	May	1,582	1,298
2017	June	1,260	1,248
2017	July	1,228	1,231
2017	August	NA	NA
2017	September	1,486	1,248
2017	October	1,325	1,380
2017	November	NA	NA
2017	December	1,196	1,314
2018	January	1,389	1,529
2018	February	NA	NA
2018	March	1,486	1,612
2018	April	1,196	1,529
2018	May	1,389	1,446
2018	June	NA	NA
2018	July	1,325	1,380
2018	August	2,193	1,496
2018	September	2,386	1,512
2018	October	NA	NA
2018	November	2,707	1,579
2018	December	2,064	1,579

Table continued.

Table V-1
Freight rates: Spot freight rates by month and route January 2016 to November 2021

Value in dollars per 40 foot container, if no value was reported in a month NA is recorded

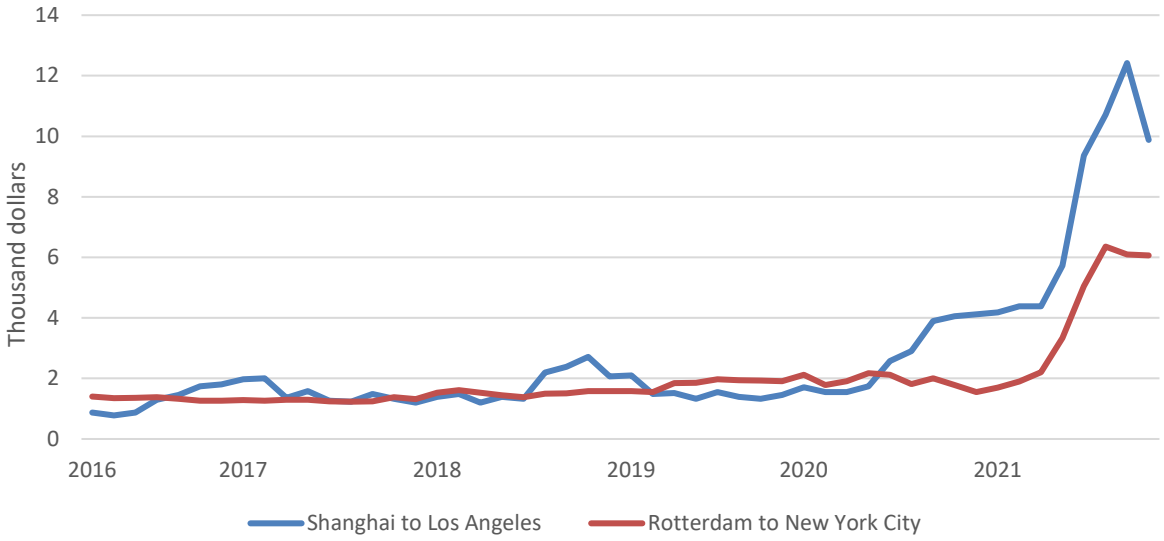
Year	Month	Shanghai to Los Angeles	Rotterdam to New York City
2019	January	NA	NA
2019	February	2,096	1,579
2019	March	1,486	1,545
2019	April	1,518	1,843
2019	May	NA	NA
2019	June	1,325	1,860
2019	July	1,550	1,975
2019	August	NA	NA
2019	September	1,389	1,942
2019	October	1,325	1,926
2019	November	1,453	1,909
2019	December	NA	NA
2020	January	1,711	2,124
2020	February	1,550	1,777
2020	March	1,550	1,909
2020	April	NA	NA
2020	May	1,743	2,174
2020	June	2,579	2,124
2020	July	2,900	1,810
2020	August	NA	NA
2020	September	3,897	2,008
2020	October	4,058	1,777
2020	November	NA	NA
2020	December	4,122	1,545
2021	January	4,186	1,694
2021	February	4,379	1,893
2021	March	NA	NA
2021	April	4,379	2,207
2021	May	5,730	3,331
2021	June	NA	NA
2021	July	9,363	5,050
2021	August	10,714	6,355
2021	September	12,418	6,091
2021	October	NA	NA
2021	November	9,878	6,058

Source: Drewry, World Container Index, https://infogram.com/world-container-index-1h17493095xl4zj accessed November 23, 2021.

Note: Data were not available for all months. Data were collected on single days at intervals that were longer than one month apart. Data were typically collected on different days for the different routes, although the data for different routes were collected in the same month.

Figure V-1
International freight rates: Spot freight rates from Shanghai to Los Angeles and from Rotterdam to New York City, March 2016 to November 2021

U.S. dollars per 40 foot container



Source: Drewry, World Container Index, https://infogram.com/world-container-index-1h17493095xl4zj accessed November 23, 2021.

Note: Data were not available for all months, nonetheless, data is shown as continuous.

Pricing practices

Pricing methods

Most U.S. producers used multiple ways to set prices (table V-2). Six responding producers reported using contracts, five reported using price lists, and five reported transaction-by-transaction prices. Ten of 14 responding importers reported transaction-by-transaction prices, 4 reported using contracts, 3 reported using price lists, and 2 reported using "other" methods. Other pricing methods included ***.

Table V-2
Uncoated paper: U.S. producers' and importers' reported price setting methods, count

Method	U.S. producers	Importers
Transaction-by-transaction	5	10
Contract	6	4
Set price list	5	3
Other	0	2
Responding firms	7	14

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

Note: The response count down may not match the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

The majority of U.S. producers' sales were on an annual contract basis, while the majority of importers' sales were on a spot basis (table V-3). Among contracts, one-year contracts were the most common for both U.S. producers and importers.

Table V-3
Uncoated paper: U.S. producers' and importers' shares of U.S. commercial shipments, by type of sale, 2020

Share in percent

Method	U.S. producers	Importers
Long-term contracts	16.5	8.1
Annual contracts	53.3	20.1
Short-term contracts	9.4	3.3
Spot sales	20.8	68.5

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

Six purchasers reported that they purchase product daily, eight purchase weekly, and three purchase monthly. Most (16 of 18) purchasers contact one to five suppliers before making a purchase.

Sales terms and discounts

U.S. producers and importers typically quote prices on a delivered basis. Most responding producers (6 of 7) offer either quantity or total volume discounts or both, one reported no discount policy, and two reported other discounts (in addition to quantity and volume discounts). One of these producers (***) reported discounts to meet competition. The other (***) reported that it "evaluates business based on Net Selling Price. Net Selling Price equals Invoice Price less all rebates and payment terms. ***.

***. Most responding importers (9 of 14) reported no discount policy, three offered both quantity and total volume discounts, one offered only quantity discounts, and two reported other discounts (payment terms).[11]

Price leadership

Thirteen purchasers reported one or more price leaders. Domtar and International Paper were each reported to be price leaders by nine purchasers, while Boise and Navigator were each reported to be price leaders by two firms. No other firm was listed as a price leader by more than one purchaser.

Price data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and delivered[12] value of the following uncoated paper product[13] shipped to unrelated U.S. customers from January 2015 to June 2021.

Product 1.-- Uncoated paper, weighing 20 lb. (75 gsm), with dimensions of 8 1/2 x 11 inches, and with GE brightness greater than 90 white and plain (i.e., not altered through processes such as surface-decorating, printing, embossing, perforating, punching, or watermarking)

Eight U.S. producers and 9 importers provided usable pricing data for sales of the requested product, although not all firms reported pricing for the product for all quarters.[14] Pricing data reported by these firms accounted for approximately 79.8 percent of U.S. producers' shipments of uncoated paper in 2020. Importers' reported price data accounted for

[11] Only one of the importers reported what other discounts were.

[12] The Commission proposed that the price data be collected on a delivered basis, as it had been collected in the original investigations.

[13] In the original investigations, In the original investigation, price data were collected for letter size, legal size, and 23 x 35 inch size in the original investigations. Letter sized paper represented approximately *** percent of the price data collected in the final investigation. Imports from all subject countries reported the majority of their sales were of product 1. Commission confidential final views, p. 33. As a result, in these investigations, the Commission focused on the price data for letter size paper.

[14] 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.

*** percent of the U.S. shipments of subject imports from Brazil and *** percent of the U.S. shipments of subject imports from Portugal in 2020.[15] Thus, imports from Brazil and Portugal continued to be sold in the U.S. market in spite of the orders. There were no commercial shipments of imports from Australia, China, or Indonesia in 2020.[16]

Price data for product 1 are presented in table V-4 and figure V-2.

The data reported for product 1 represent the majority of apparent U.S. consumption of uncoated paper throughout the period of review.[17] The quantity of product 1 (U.S. and imports) reported declined relatively steadily from the first quarter of 2015 to the first quarter of 2020, reflecting the overall decline in demand reported for uncoated paper during that period. In contrast, the quantity of product 1 reported declined sharply (*** percent) between the first and second quarter of 2020 (when the COVID-19 pandemic fully hit the United States).[18] The quantity of product 1 reported recovered somewhat from the second quarter of 2020 to the third quarter of 2020 (increasing *** percent). Changes in the quantities of product 1 sold in the third quarter of 2020 and the second quarter of 2021 were within similar to the quarter to quarter product 1 quantity changes before 2020.

[15] Pricing coverage is based on U.S. shipments reported in questionnaires.

[16] Price data share of commercial U.S. shipments of subject product by country during January 2015 to June 2021 for Australia represented *** percent, for China *** percent, and for Indonesia *** percent. ***.

[17] The price data for product 1 falls from *** percent of apparent U.S. consumption in 2015 to *** percent in 2020.

[18] The WHO declared COVID 19 a pandemic on March 11, 2020. "WHO Director-General's opening remarks at the media briefing on COVID-19 11 March 2020". https://www.who.int/director-general/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020, retrieved October 13, 2021.

Table V-4
Uncoated paper: Weighted-average delivered prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

Period	US price	US quantity	Australia Price	Australia quantity	Australia margin	Brazil price	Brazil quantity	Brazil margin
2015 Q1	***	***	***	***	***	***	***	***
2015 Q2	***	***	***	***	***	***	***	***
2015 Q3	***	***	***	***	***	***	***	***
2015 Q4	***	***	***	***	***	***	***	***
2016 Q1	***	***	***	***	***	***	***	***
2016 Q2	***	***	***	***	***	***	***	***
2016 Q3	***	***	***	***	***	***	***	***
2016 Q4	***	***	***	***	***	***	***	***
2017 Q1	***	***	***	***	***	***	***	***
2017 Q2	***	***	***	***	***	***	***	***
2017 Q3	***	***	***	***	***	***	***	***
2017 Q4	***	***	***	***	***	***	***	***
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***

Table Continued

Table V-4 Continued
Uncoated paper: Weighted-average delivered prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

Period	China Price	China quantity	China margin	Indonesia price	Indonesia quantity	Indonesia margin	Portugal price	Portugal quantity	Portugal margin
2015 Q1	***	***	***	***	***	***	***	***	***
2015 Q2	***	***	***	***	***	***	***	***	***
2015 Q3	***	***	***	***	***	***	***	***	***
2015 Q4	***	***	***	***	***	***	***	***	***
2016 Q1	***	***	***	***	***	***	***	***	***
2016 Q2	***	***	***	***	***	***	***	***	***
2016 Q3	***	***	***	***	***	***	***	***	***
2016 Q4	***	***	***	***	***	***	***	***	***
2017 Q1	***	***	***	***	***	***	***	***	***
2017 Q2	***	***	***	***	***	***	***	***	***
2017 Q3	***	***	***	***	***	***	***	***	***
2017 Q4	***	***	***	***	***	***	***	***	***
2018 Q1	***	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***	***

Table Continued

Table V-4 Continued
Uncoated paper: Weighted-average delivered prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

Period	US price	US quantity	Subject price	Subject quantity	Subject margin
2015 Q1	***	***	***	***	***
2015 Q2	***	***	***	***	***
2015 Q3	***	***	***	***	***
2015 Q4	***	***	***	***	***
2016 Q1	***	***	***	***	***
2016 Q2	***	***	***	***	***
2016 Q3	***	***	***	***	***
2016 Q4	***	***	***	***	***
2017 Q1	***	***	***	***	***
2017 Q2	***	***	***	***	***
2017 Q3	***	***	***	***	***
2017 Q4	***	***	***	***	***
2018 Q1	***	***	***	***	***
2018 Q2	***	***	***	***	***
2018 Q3	***	***	***	***	***
2018 Q4	***	***	***	***	***
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***

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

Note: Product 1: Uncoated paper, weighing 20 lb. (75 gsm), with dimensions of 8 1/2 x 11 inches, and with GE brightness greater than 90 white and plain (i.e., not altered through processes such as surface-decorating, printing, embossing, perforating, punching, or watermarking).

Figure V-2
Uncoated paper: Weighted-average prices and quantities of domestic and imported product 1, by quarter

Price of product 1

* * * * * * *

Volume of product 1

* * * * * * *

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

Note: Product 1: Uncoated paper, weighing 20 lb. (75 gsm), with dimensions of 8 1/2 x 11 inches, and with GE brightness greater than 90 white and plain (i.e., not altered through processes such as surface-decorating, printing, embossing, perforating, punching, or watermarking).

Price trends

The price of U.S.-produced product 1 increased overall from January 2015 to June 2021; in contrast, the price of the subject imports tended to decrease overall. Table V-4 summarizes the price trends, by country. As shown in the table, domestic prices increased by *** percent during January 2015 to June 2021, while import price decreases ranged from *** percent. Indexed prices tended to decrease from the first quarter of 2015, with the average import price reaching a low in the first quarter of 2017 and the average U.S. price reaching its minimum in the third quarter of 2017 through the first quarter of 2018 (tables V-5 and V-6 and figure V-3). The price of imports rose above its original value in the first quarter of 2018, while the price of U.S. product rose above its original value in the third quarter of 2018.[19] Import prices peaked in the first quarter of 2019 and then began to decline, while U.S. prices peaked in the first quarter of 2019 and began declining in the fourth quarter of 2019. Both import and U.S. prices began to increase in the first quarter of 2021.

[19] During the POR, raw material costs increased the most ($*** per short ton) between 2017 and 2018. See table III-13. This increase in costs and the lag in price changes caused by annual contracts may explain the increase in U.S. prices in 2018 to 2019.

Table V-5
Uncoated paper: Number of quarters containing observations, low price, high price, price at first quarter, price at last quarter, and change in price, by source

Volume in short tons, price in dollars per ton

Source	Number of quarters	Volume of shipments	Low price	High price	First quarter price	Last quarter price	Percent change in price over period
United States	26	***	***	***	***	***	***
Australia	7	***	***	***	***	***	***
Brazil	26	***	***	***	***	***	***
China	3	***	***	***	***	***	***
Indonesia	8	***	***	***	***	***	***
Portugal	26	***	***	***	***	***	***
Subject	26	***	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter 2015 to the second quarter 2021. When these are available. Indonesian prices increased *** percent from the first quarter of 2015 to the third quarter of 2018. Import prices from Australia and China were only available at the beginning of the period.

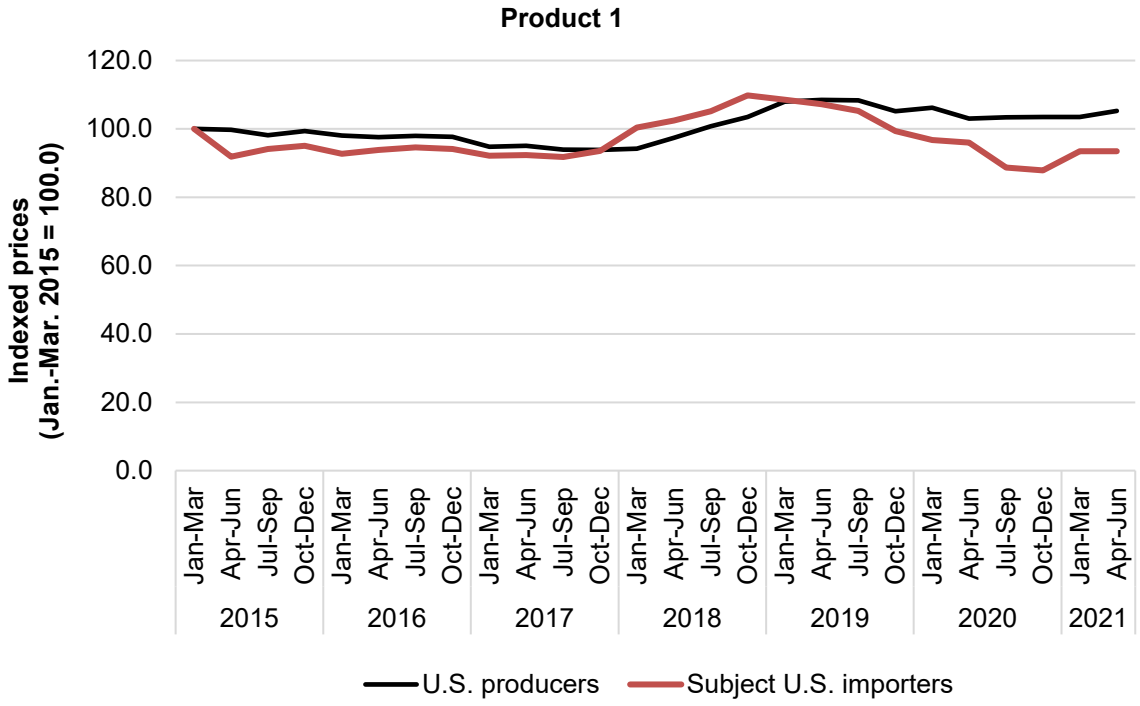
Table V-6
Uncoated paper: Indexed U.S. producer and subject U.S. importers prices January 2015 through June 2021

First quarter 2015 = 100

Period	U.S. producers	Subject U.S. importers
2015 Q1	100.0	100.0
2015 Q2	99.7	91.9
2015 Q3	98.2	94.1
2015 Q4	99.4	95.1
2016 Q1	98.1	92.7
2016 Q2	97.6	93.9
2016 Q3	98.0	94.6
2016 Q4	97.7	94.1
2017 Q1	94.7	92.1
2017 Q2	95.0	92.3
2017 Q3	94.0	91.8
2017 Q4	93.8	93.6
2018 Q1	94.2	100.4
2018 Q2	97.4	102.5
2018 Q3	100.8	105.2
2018 Q4	103.5	109.8
2019 Q1	108.0	108.6
2019 Q2	108.5	107.3
2019 Q3	108.3	105.3
2019 Q4	105.1	99.4
2020 Q1	106.2	96.7
2020 Q2	103.1	96.0
2020 Q3	103.4	88.7
2020 Q4	103.5	87.9
2021 Q1	103.5	93.4
2021 Q2	105.3	93.4

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

Figure V-3
Uncoated paper: Indexed U.S. producer and subject U.S. importers prices of product 1 January 2015 through June 2021



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

Price comparisons[20]

As shown in table V-7, prices for uncoated paper imported from subject countries were below those for U.S.-produced product for Australia in all 7 instances (margins of underselling ranged from *** percent); Brazil in 18 of 26 instances (margins of underselling ranged from *** percent); China in 1 of 3 instances (the margin of underselling was *** percent); Indonesia in 2 of 20 instances (margins of underselling ranged from *** percent); and Portugal in 5 of 26 instances (margins of underselling ranged from *** percent). In the remaining 49 instances, prices for uncoated paper from subject countries were higher than prices for domestic product; for Australia, there were no instances of overselling; for Brazil there were 8 instances (margins of overselling were between *** percent); for China there were 2 instances (margins of overselling were between *** percent); for Indonesia there were 18 instances (margins of overselling were between *** percent); and for Portugal there were 21 instances (margins of overselling were between *** percent).

[20] In the original investigations, subject imports from Australia were priced lower than domestic product in 14 of 15 comparisons, with underselling margins ranging from *** to *** percent; subject imports from Brazil were priced lower than domestic product in 7 of 30 comparisons, with underselling margins ranging from *** to *** percent; subject imports from China were priced lower than domestic product in 20 of 21 comparisons, with underselling margins ranging from *** to *** percent subject imports from Indonesia were priced lower than domestic product in 41 of 41 comparisons, with underselling margins ranging from *** to *** percent; and subject imports from Portugal were priced lower than domestic product in 2 of 30 comparisons, with underselling margins ranging from *** to *** percent. Imported product 1 prices were lower than U.S. product 1 prices for imports from Australia in 14 of 15 instances, for imports from Brazil in 6 of 15 instances, for imports from China in 14 of 15 instances, for imports from Indonesia in 15 of 15 instances, and for imports from Portugal in 1 of 15 instances. Investigation Nos. 701-TA-528-529 and 731-TA-1264-1268 (Final): Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal, Confidential Report, INV-OO-004, January 28, 2016, table V-9 and p. V-25.

Table V-7
Uncoated paper: Instances of underselling/overselling, quantity, the range and average of margins, by country

Quantity in short tons; margin in percent

Source	Under/over selling	Number of quarters	Quantity	Average margin	Min margin	Max margin
Australia	Underselling	7	***	***	***	***
Brazil	Underselling	18	***	***	***	***
China	Underselling	1	***	***	***	***
Indonesia	Underselling	6	***	***	***	***
Portugal	Underselling	5	***	***	***	***
Total	Underselling	37	438,151	5.3	0.5	20.4
Australia	Overselling	0	***	***	***	***
Brazil	Overselling	8	***	***	***	***
China	Overselling	2	***	***	***	***
Indonesia	Overselling	2	***	***	***	***
Portugal	Overselling	21	***	***	***	***
Total	Overselling	33	487,454	(6.8)	(0.5)	(17.2)

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

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

Table V-8 shows the underselling and overselling by year. The share of instances in which imports undersold U.S. product 1 was highest in the first half of 2021 (underselling in all four instances), followed by 2020 (underselling in 7 of 8 instances). The average margins of underselling were highest in 2020. Import's share of instances in which imports oversold U.S. product 1 was highest in 2018 (overselling in all 9 instances) followed by 2019 (overselling in 6 of 8 instances), and margins of overselling tended to be large in 2017 and 2018.

Table V-8
Uncoated paper: Instances of underselling/overselling, quantity, the range and average of margins, by year

Quantity in short tons; margin in percent

Source	Under/over selling	Number of quarters	Quantity	Average margin	Min margin	Max margin
2015	Underselling	***	***	***	***	***
2016	Underselling	***	***	***	***	***
2017	Underselling	***	***	***	***	***
2018	Underselling	***	***	***	***	***
2019	Underselling	***	***	***	***	***
2020	Underselling	***	***	***	***	***
2021	Underselling	***	***	***	***	***
Total	Underselling	37	438,151	5.3	0.5	20.4
2015	Overselling	***	***	***	***	***
2016	Overselling	***	***	***	***	***
2017	Overselling	***	***	***	***	***
2018	Overselling	***	***	***	***	***
2019	Overselling	***	***	***	***	***
2020	Overselling	***	***	***	***	***
2021	Overselling	***	***	***	***	***
Total	Overselling	33	487,454	(6.8)	(0.5)	(17.2)

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

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

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, *Federal Register* notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
81 FR 11174, March 3, 2016	*Certain Uncoated Paper From Australia, Brazil, Indonesia, the People's Republic of China, and Portugal: Amended Final Affirmative Antidumping Determinations for Brazil and Indonesia and Antidumping Duty Orders*	https://www.govinfo.gov/content/pkg/FR-2016-03-03/pdf/2016-04699.pdf
81 FR 11187, March 3, 2016	*Certain Uncoated Paper From Indonesia and the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order (Indonesia) and Countervailing Duty Order (People's Republic of China)*	https://www.govinfo.gov/content/pkg/FR-2016-03-03/pdf/2016-04717.pdf
86 FR 7709, February 1, 2021	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-02-01/pdf/2021-02078.pdf
86 FR 7734, February 1, 2021	*Certain Uncoated Paper From Australia, Brazil, China, Indonesia, and Portugal; Institution of Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-02-01/pdf/2021-02087.pdf
86 FR 27650, May 21, 2021	*Certain Uncoated Paper From Australia, Brazil, China, Indonesia, and Portugal; Notice of Commission Determination To Conduct Full Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-05-21/pdf/2021-10766.pdf
86 FR 29243, June 1, 2021	*Certain Uncoated Paper From Indonesia: Final Results of the Expedited First Five-Year Sunset Review of the Countervailing Duty Order*	https://www.govinfo.gov/content/pkg/FR-2021-06-01/pdf/2021-11461.pdf

Citation	Title	Link
86 FR 29248, June 1, 2021	*Uncoated Paper From Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Final Results of the Expedited First Sunset Reviews of the Antidumping Duty Orders*	https://www.govinfo.gov/content/pkg/FR-2021-06-01/pdf/2021-11460.pdf
86 FR 30260, June 7, 2021	*Certain Uncoated Paper From the People's Republic of China: Final Results of the Expedited Five-Year Sunset Review of the Countervailing Duty Order*	https://www.govinfo.gov/content/pkg/FR-2021-06-07/pdf/2021-11854.pdf
86 FR 39057, July 23, 2021	*Uncoated Paper From Australia, Brazil, China, Indonesia, and Portugal; Scheduling of Full Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-07-23/pdf/2021-15670.pdf

Note: A summary of the Commission's votes concerning adequacy and the conduct of a full or expedited review can be found at
Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal | USITC

The Commission's explanation of its determinations can be found at:
USTIC Five-Year (Sunset) Reviews: Case Profile List

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: Uncoated Paper from Australia, Brazil, China, Indonesia, and Portugal

Inv. Nos.: 701-TA-528-529 and 731-TA-1264-1268 (Review)

Date and Time: November 18, 2021 - 9:30 a.m.

OPENING REMARKS:

In Support of Continuation (**Stephen J. Orava**, King & Spalding LLP)
In Opposition to Continuation (**Jonathan M. Zielinski**, Cassidy Levy Kent (USA) LLP)

In Support of the Continuation of Antidumping and Countervailing Duty Orders:

King & Spalding LLP
Schagrin Associates
Washington, DC
on behalf of

Domtar Corporation
Finch Paper LLC
North Pacific Paper Company
Packaging Corporation of America
United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW")

Robert Melton, Senior Vice President, Commercial, Domtar Corporation

Gregory Strand, Vice President, Office Supply, Domtar Corporation

Alex Rotolo, Vice President, Chief Financial Officer, Finch Paper LLC

Craig Anneberg, Chief Executive Officer, North Pacific Paper Company

Tom Crowley, Vice President, Sales and Marketing, North Pacific Paper Company

In Support of the Continuation of
Antidumping and Countervailing Duty Orders (continued):

Paul LeBlanc, Vice President, BOISE Paper, a division of Packaging Corporation of America

Leeann Foster, International Vice President, USW

Bonnie B. Byers, Consultant, King & Spalding LLP

Travis Pope, Project Manager, Capital Trade, Inc.

Stephen J. Orava)
Stephen P. Vaughn)
Clinton R. Long)
) – OF COUNSEL
Barbara Medrado)
Elizabeth Drake)
Nicholas J. Birch)

In Opposition to the Continuation of
Antidumping and Countervailing Duty Orders:

Cassidy Levy Kent (USA) LLP
Washington, DC
on behalf of

The Navigator Company, S.A.
Navigator North America, Inc.
(collectively "Navigator")

António Redondo, Chief Executive Officer, Navigator

Mike Dutt, Manager, Navigator

Jonathan M. Zielinski)
Mary Jane Alves) – OF COUNSEL
Myles S. Getlan)

In Opposition to the Continuation of
Antidumping and Countervailing Duty Orders (continued):

Sidley Austin LLP
Washington, DC
on behalf of

Paper Australia Pty Ltd ("Australian Paper")
Paper Products Marketing (USA) Inc. ("PPM-USA")

Steven Leith, President, PPM-USA

Shawn M. Higgins) – OF COUNSEL

Trade Law Defense PLLC
Alexandria, VA
on behalf of

PT. Pindo Deli Pulp and Paper Mills
PT. Pabrik Kertas Tjiwi Kimia
Tbk
PT Indah Kiat Tbk
(collectively "APP")

Arvind Gupta, Head Task Force Remedies for the APP Group

Frank Morgan) – OF COUNSEL

REBUTTAL/CLOSING REMARKS:

In Support of Continuation (**Stephen P. Vaughn**, King & Spalding LLP and
Elizabeth Drake, Schagrin Associates)
In Opposition to Continuation (**Frank Morgan**, Trade Law Defense PLLC and
Mary Jane Alves, Cassidy Levy Kent (USA) LLP)

-END-

APPENDIX C

SUMMARY DATA

Table C-1
Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021
Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Reported data							
	Calendar year						Jan-Jun	
	2015	2016	2017	2018	2019	2020	2020	2021
U.S. consumption quantity:								
Amount	4,028,225	3,762,210	3,680,182	3,586,595	3,376,899	2,496,623	1,258,762	1,270,576
Producers' share (fn1)	84.1	88.5	88.5	89.0	87.4	85.9	86.4	83.0
Importers' share (fn1):								
Australia	***	***	***	***	***	***	***	***
Brazil	***	***	***	***	***	***	***	***
China	0.9	0.0	0.0	0.0	0.1	0.1	0.1	0.0
Indonesia	3.7	1.2	0.4	0.3	0.6	0.0	0.0	---
Portugal	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
All import sources	15.9	11.5	11.5	11.0	12.6	14.1	13.6	17.0
U.S. consumption value:								
Amount	3,794,666	3,555,640	3,419,512	3,474,752	3,505,157	2,531,199	1,282,844	1,268,411
Producers' share (fn1)	84.7	88.8	88.9	89.6	88.1	87.0	87.5	84.8
Importers' share (fn1):								
Australia	***	***	***	***	***	***	***	***
Brazil	***	***	***	***	***	***	***	***
China	0.8	0.0	0.0	0.0	0.1	0.1	0.1	0.0
Indonesia	3.4	1.2	0.4	0.3	0.6	0.0	0.0	---
Portugal	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***	***	***
All import sources	15.3	11.2	11.1	10.4	11.9	13.0	12.5	15.2
U.S. imports from:								
Australia:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Brazil:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
China:								
Quantity	36,241	732	604	461	2,462	1,390	1,138	58
Value	29,394	901	825	627	2,868	2,008	1,543	211
Unit value	$811	$1,232	$1,365	$1,359	$1,165	$1,445	$1,356	$3,603
Ending inventory quantity	***	***	***	***	***	***	***	***
Indonesia:								
Quantity	148,520	43,339	15,317	12,280	21,749	189	189	---
Value	129,380	40,944	13,453	11,657	19,449	144	144	---
Unit value	$871	$945	$878	$949	$894	$765	$765	---
Ending inventory quantity	***	***	***	***	***	***	***	***
Portugal:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***

Table continued.

Table C-1 continued
Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021
Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Period changes						
		Comparison years					Jan-Jun
	2015-20	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
U.S. consumption quantity:							
Amount	▼(38.0)	▼(6.6)	▼(2.2)	▼(2.5)	▼(5.8)	▼(26.1)	▲0.9
Producers' share (fn1)	▲1.7	▲4.4	▲0.1	▲0.5	▼(1.6)	▼(1.5)	▼(3.4)
Importers' share (fn1):							
Australia	▼***	▼***	***	***	***	***	***
Brazil	▼***	▼***	▼***	▼***	▲***	▲***	▲***
China	▼(0.8)	▼(0.9)	▼(0.0)	▼(0.0)	▲0.1	▼(0.0)	▼(0.1)
Indonesia	▼(3.7)	▼(2.5)	▼(0.7)	▼(0.1)	▲0.3	▼(0.6)	▼(0.0)
Portugal	▼***	▼***	▼***	▲***	▼***	▲***	▲***
Subject sources	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Nonsubject sources	▲***	▲***	▲***	▲***	▲***	▲***	▲***
All import sources	▼(1.7)	▼(4.4)	▼(0.1)	▼(0.5)	▲1.6	▲1.5	▲3.4
U.S. consumption value:							
Amount	▼(33.3)	▼(6.3)	▼(3.8)	▲1.6	▲0.9	▼(27.8)	▼(1.1)
Producers' share (fn1)	▲2.3	▲4.1	▲0.1	▲0.6	▼(1.5)	▼(1.1)	▼(2.7)
Importers' share (fn1):							
Australia	▼***	▼***	***	***	***	***	***
Brazil	▼***	▼***	▼***	▼***	▲***	▼***	▲***
China	▼(0.7)	▼(0.7)	▼(0.0)	▼(0.0)	▲0.1	▼(0.0)	▼(0.1)
Indonesia	▼(3.4)	▼(2.3)	▼(0.8)	▼(0.1)	▲0.2	▼(0.5)	▼(0.0)
Portugal	▼***	▼***	▼***	▲***	▼***	▲***	▲***
Subject sources	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Nonsubject sources	▲***	▲***	▲***	▲***	▲***	▲***	▲***
All import sources	▼(2.3)	▼(4.1)	▼(0.1)	▼(0.6)	▲1.5	▲1.1	▲2.7
U.S. imports from:							
Australia:							
Quantity	▼***	▼***	***	***	***	***	***
Value	▼***	▼***	***	***	***	***	***
Unit value	▼***	▼***	***	***	***	***	***
Ending inventory quantity	▼***	▼***	***	***	***	***	***
Brazil:							
Quantity	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Value	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Unit value	▼***	▼***	▲***	▲***	▲***	▼***	▼***
Ending inventory quantity	▼***	▲***	▼***	▲***	▲***	▲***	▼***
China:							
Quantity	▼(96.2)	▼(98.0)	▼(17.4)	▼(23.7)	▲433.6	▼(43.6)	▼(94.9)
Value	▼(93.2)	▼(96.9)	▼(8.4)	▼(24.0)	▲357.4	▼(30.0)	▼(86.3)
Unit value	▲78.2	▲51.9	▲10.9	▼(0.5)	▼(14.3)	▲24.1	▲165.8
Ending inventory quantity	▼***	▼***	▼***	▼***	***	▼***	***
Indonesia:							
Quantity	▼(99.9)	▼(70.8)	▼(64.7)	▼(19.8)	▲77.1	▼(99.1)	▼(100.0)
Value	▼(99.9)	▼(68.4)	▼(67.1)	▼(13.4)	▲66.9	▼(99.3)	▼(100.0)
Unit value	▼(12.2)	▲8.5	▼(7.0)	▲8.1	▼(5.8)	▼(14.5)	▼(100.0)
Ending inventory quantity	▼***	▼***	***	***	***	***	***
Portugal:							
Quantity	▼***	▼***	▼***	▲***	▼***	▼***	▲***
Value	▼***	▼***	▼***	▲***	▼***	▼***	▲***
Unit value	▼***	▲***	▲***	▼***	▲***	▼***	▼***
Ending inventory quantity	▼***	▲***	▼***	▼***	▼***	▲***	▼***

Table continued.

Table C-1 continued

Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Reported data							
	Calendar year						Jan-Jun	
	2015	2016	2017	2018	2019	2020	2020	2021
U.S. imports from:								
Subject sources:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Nonsubject sources:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
All import sources:								
Quantity	639,430	433,469	421,441	393,654	425,298	352,848	171,522	215,852
Value	581,031	397,245	378,447	362,071	417,544	329,808	160,354	192,385
Unit value	$909	$916	$898	$920	$982	$935	$935	$891
Ending inventory quantity	***	***	***	***	***	***	***	***
U.S. producers':								
Average sheeting capacity quantity	4,347,405	4,314,835	4,293,756	4,259,054	3,972,716	3,476,598	1,850,914	1,343,360
Production quantity	3,642,012	3,531,714	3,497,671	3,426,136	3,198,896	2,208,112	1,119,265	1,039,049
Capacity utilization (fn1)	83.8	81.9	81.5	80.4	80.5	63.5	60.5	77.3
U.S. shipments:								
Quantity	3,388,795	3,328,741	3,258,741	3,192,941	2,951,601	2,143,775	1,087,240	1,054,724
Value	3,213,635	3,158,395	3,041,065	3,112,681	3,087,613	2,201,391	1,122,490	1,076,026
Unit value	$948	$949	$933	$975	$1,046	$1,027	$1,032	$1,020
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	347,848	335,251	346,627	334,573	391,314	298,457	349,974	234,633
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***
Production workers	5,844	5,836	5,489	5,816	5,683	4,201	4,488	3,242
Hours worked (1,000s)	12,461	12,406	12,111	12,647	12,063	9,413	5,166	3,950
Wages paid ($1,000)	485,504	490,969	461,565	495,918	497,912	388,680	214,149	164,109
Hourly wages (dollars per hour)	$38.96	$39.58	$38.11	$39.21	$41.28	$41.29	$41.45	$41.55
Productivity (short tons per 1,000 hours)	292	285	289	271	265	235	217	263
Unit labor costs	$133	$139	$132	$145	$156	$176	$191	$158

Table continued.

Table C-1 continued

Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Period changes						
		Comparison years					Jan-Jun
	2015-20	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
U.S. imports from:							
Subject sources:							
Quantity	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Value	▼***	▼***	▼***	▼***	▲***	▼***	▲***
Unit value	▼***	▲***	▼***	▼***	▲***	▼***	▼***
Ending inventory quantity	▼***	▼***	▼***	▼***	▼***	▲***	▼***
Nonsubject sources:							
Quantity	▲***	▲***	▲***	▲***	▲***	▼***	▲***
Value	▲***	▲***	▲***	▲***	▲***	▼***	▲***
Unit value	▼***	▼***	▼***	▲***	▲***	▼***	▼***
Ending inventory quantity	▲***	▼***	▲***	▼***	▲***	▲***	▼***
All import sources:							
Quantity	▼(44.8)	▼(32.2)	▼(2.8)	▼(6.6)	▲8.0	▼(17.0)	▲25.8
Value	▼(43.2)	▼(31.6)	▼(4.7)	▼(4.3)	▲15.3	▼(21.0)	▲20.0
Unit value	▲2.9	▲0.9	▼(2.0)	▲2.4	▲6.7	▼(4.8)	▼(4.7)
Ending inventory quantity	▼***	▼***	▼***	▼***	▲***	▲***	▼***
U.S. producers':							
Average sheeting capacity quantity	▼(20.0)	▼(0.7)	▼(0.5)	▼(0.8)	▼(6.7)	▼(12.5)	▼(27.4)
Production quantity	▼(39.4)	▼(3.0)	▼(1.0)	▼(2.0)	▼(6.6)	▼(31.0)	▼(7.2)
Sheeting capacity utilization (fn1)	▼(20.3)	▼(1.9)	▼(0.4)	▼(1.0)	▲0.1	▼(17.0)	▲16.9
U.S. shipments:							
Quantity	▼(36.7)	▼(1.8)	▼(2.1)	▼(2.0)	▼(7.6)	▼(27.4)	▼(3.0)
Value	▼(31.5)	▼(1.7)	▼(3.7)	▲2.4	▼(0.8)	▼(28.7)	▼(4.1)
Unit value	▲8.3	▲0.1	▼(1.6)	▲4.5	▲7.3	▼(1.8)	▼(1.2)
Export shipments:							
Quantity	▼***	▼***	▲***	▲***	▼***	▼***	▼***
Value	▼***	▼***	▲***	▲***	▼***	▼***	▼***
Unit value	▲***	▲***	▼***	▲***	▲***	▼***	▲***
Ending inventory quantity	▼(14.2)	▼(3.6)	▲3.4	▼(3.5)	▲17.0	▼(23.7)	▼(33.0)
Inventories/total shipments (fn1)	▲***	▼***	▲***	▼***	▲***	▲***	▼***
Production workers	▼(28.1)	▼(0.1)	▼(5.9)	▲6.0	▼(2.3)	▼(26.1)	▼(27.8)
Hours worked (1,000s)	▼(24.5)	▼(0.4)	▼(2.4)	▲4.4	▼(4.6)	▼(22.0)	▼(23.5)
Wages paid ($1,000)	▼(19.9)	▲1.1	▼(6.0)	▲7.4	▲0.4	▼(21.9)	▼(23.4)
Hourly wages (dollars per hour)	▲6.0	▲1.6	▼(3.7)	▲2.9	▲5.3	▲0.0	▲0.2
Productivity (short tons per 1,000 hours)	▼(19.7)	▼(2.6)	▲1.4	▼(6.2)	▼(2.1)	▼(11.5)	▲21.4
Unit labor costs	▲32.0	▲4.3	▼(5.1)	▲9.7	▲7.5	▲13.1	▼(17.5)

Table continued.

Table C-1 continued

Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Reported data							
	Calendar year						Jan-Jun	
	2015	2016	2017	2018	2019	2020	2020	2021
Net sales:								
Quantity	3,623,700	3,549,814	3,486,383	3,437,750	3,155,666	2,261,139	1,151,445	1,104,262
Value	3,396,525	3,332,430	3,220,163	3,322,432	3,270,723	2,305,494	1,177,281	1,123,554
Unit value	$937	$939	$924	$966	$1,036	$1,020	$1,022	$1,017
Cost of goods sold (COGS)	2,881,664	2,854,734	2,769,914	2,964,627	2,711,518	2,044,220	1,096,081	895,966
Gross profit or (loss) (fn2)	514,861	477,696	450,249	357,805	559,205	261,274	81,200	227,588
SG&A expenses	222,498	214,322	214,694	210,967	208,740	101,791	61,845	48,025
Operating income or (loss) (fn2)	292,363	263,374	235,555	146,838	350,465	159,483	19,355	179,563
Net income or (loss) (fn2)	224,664	233,237	134,508	(157,442)	301,853	(11,610)	10,333	166,700
Unit COGS	$795	$804	$794	$862	$859	$904	$952	$811
Unit SG&A expenses	$61	$60	$62	$61	$66	$45	$54	$43
Unit operating income or (loss) (fn2)	$81	$74	$68	$43	$111	$71	$17	$163
Unit net income or (loss) (fn2)	$62	$66	$39	$(46)	$96	$(5)	$9	$151
COGS/sales (fn1)	84.8	85.7	86.0	89.2	82.9	88.7	93.1	79.7
Operating income or (loss)/sales (fn1)	8.6	7.9	7.3	4.4	10.7	6.9	1.6	16.0
Net income or (loss)/sales (fn1)	6.6	7.0	4.2	(4.7)	9.2	(0.5)	0.9	14.8
Capital expenditures	***	***	***	***	***	***	***	***
Research and development expenses	***	***	***	***	***	***	***	***
Net assets	***	***	***	***	***	***	***	***

Table continued.

Table C-1 continued
Uncoated paper: Summary data concerning the U.S. market, 2015-20, January to June 2020, and January to June 2021
Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Period changes						
		Comparison years					Jan-Jun
	2015-20	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Net sales:							
Quantity	▼(37.6)	▼(2.0)	▼(1.8)	▼(1.4)	▼(8.2)	▼(28.3)	▼(4.1)
Value	▼(32.1)	▼(1.9)	▼(3.4)	▲3.2	▼(1.6)	▼(29.5)	▼(4.6)
Unit value	▲8.8	▲0.2	▼(1.6)	▲4.6	▲7.2	▼(1.6)	▼(0.5)
Cost of goods sold (COGS)	▼(29.1)	▼(0.9)	▼(3.0)	▲7.0	▼(8.5)	▼(24.6)	▼(18.3)
Gross profit or (loss) (fn2)	▼(49.3)	▼(7.2)	▼(5.7)	▼(20.5)	▲56.3	▼(53.3)	▲180.3
SG&A expenses	▼(54.3)	▼(3.7)	▲0.2	▼(1.7)	▼(1.1)	▼(51.2)	▼(22.3)
Operating income or (loss) (fn2)	▼(45.5)	▼(9.9)	▼(10.6)	▼(37.7)	▲138.7	▼(54.5)	▲827.7
Net income or (loss) (fn2)	▼***	▲3.8	▼(42.3)	▼***	▲***	▼***	▲1,513.3
Unit COGS	▲13.7	▲1.1	▼(1.2)	▲8.5	▼(0.4)	▲5.2	▼(14.8)
Unit SG&A expenses	▼(26.7)	▼(1.7)	▲2.0	▼(0.3)	▲7.8	▼(31.9)	▼(19.0)
Unit operating income or (loss) (fn2)	▼(12.6)	▼(8.0)	▼(8.9)	▼(36.8)	▲160.0	▼(36.5)	▲867.4
Unit net income or (loss) (fn2)	▼***	▲6.0	▼(41.3)	▼***	▲***	▼***	▲1,582.2
COGS/sales (fn1)	▲3.8	▲0.8	▲0.4	▲3.2	▼(6.3)	▲5.8	▼(13.4)
Operating income or (loss)/sales (fn1)	▼(1.7)	▼(0.7)	▼(0.6)	▼(2.9)	▲6.3	▼(3.8)	▲14.3
Net income or (loss)/sales (fn1)	▼(7.1)	▲0.4	▼(2.8)	▼(8.9)	▲14.0	▼(9.7)	▲14.0
Capital expenditures	▲***	▼***	▲***	▲***	▲***	▼***	▲***
Research and development expenses	▼***	▲***	▼***	▲***	▼***	▼***	▲***
Net assets	▲***	▲***	▲***	▲***	▲***	▲***	NA

Note.--Data for imports from China and Indonesia are based on official Commerce statistics. Data for all other sources are based on questionnaire responses. Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "---". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and Official U.S. import statistics using HTS statistical reporting number 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

APPENDIX D

FIRMS' NARRATIVES ON THE IMPACT OF COVID-19

Table D-1
Uncoated paper: Firms' narratives on the impact of COVID-19

Firm type	Firm name and its narrative response on impact or likely impact
U.S. producers	***.
U.S. producers	***.
U.S. producers	***.
U.S. producers	***.
U.S. producers	***.
U.S. producers	***.
Importers	***.
Importers	***.
Importers	***.
Importers	***.
Importers	***.
Importers	***.
Importers	***.
Importers	***.

Firm type	Firm name and its narrative response on impact or likely impact
Importers	***.
Importers	***.
Foreign producers	***.
Foreign producers	***.
Foreign producers	***.
Foreign producers	***.

Firm type	Firm name and its narrative response on impact or likely impact
Foreign producers	***.

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

APPENDIX E

LIKELY EFFECTS OF REVOCATION

Table E-1
Uncoated paper: Firms' narrative response on the effect of the orders and the likely impact of revocation

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Effect of order	U.S. producers	***
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***
Likely impact of revocation	U.S. producers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Effect of order	Importers	***
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***
Likely impact of revocation	Importers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Likely impact of revocation	Importers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of revocation	Purchasers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***

Response type	Firm type	Firm name and its narrative response on impact or likely impact
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***

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

APPENDIX F

OFFICIAL IMPORT STATISTICS

Table F-1
Uncoated paper: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton

Source	Measure	2015	2016	2017
Australia	Quantity	47,735	23	---
Brazil	Quantity	139,570	89,290	61,996
China	Quantity	36,241	732	604
Indonesia	Quantity	148,520	43,339	15,317
Portugal	Quantity	188,656	149,933	122,433
Subject sources	Quantity	560,722	283,317	200,350
Nonsubject sources	Quantity	259,793	320,349	321,440
All import sources	Quantity	820,515	603,666	521,790
Australia	Value	39,875	14	---
Brazil	Value	120,282	79,242	53,709
China	Value	29,394	901	825
Indonesia	Value	129,380	40,944	13,453
Portugal	Value	179,251	153,132	130,958
Subject sources	Value	498,182	274,233	198,945
Nonsubject sources	Value	266,195	303,864	302,521
All import sources	Value	764,377	578,097	501,467
Australia	Unit value	835	585	---
Brazil	Unit value	862	887	866
China	Unit value	811	1,232	1,365
Indonesia	Unit value	871	945	878
Portugal	Unit value	950	1,021	1,070
Subject sources	Unit value	888	968	993
Nonsubject sources	Unit value	1,025	949	941
All import sources	Unit value	932	958	961

Table continued on next page.

Table F-1- continued
Uncoated paper: U.S. imports, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Australia	Quantity	---	174	1	1	---
Brazil	Quantity	24,866	60,251	45,268	18,323	28,091
China	Quantity	461	2,462	1,390	1,138	58
Indonesia	Quantity	12,280	21,749	189	189	---
Portugal	Quantity	136,205	111,701	82,077	44,063	50,407
Subject sources	Quantity	173,812	196,337	128,925	63,714	78,556
Nonsubject sources	Quantity	361,527	418,021	338,755	166,000	195,281
All import sources	Quantity	535,339	614,359	467,680	229,714	273,838
Australia	Value	---	149	4	4	---
Brazil	Value	25,154	65,361	43,168	18,932	20,485
China	Value	627	2,868	2,008	1,543	211
Indonesia	Value	11,657	19,449	144	144	---
Portugal	Value	128,971	107,686	76,374	40,841	45,328
Subject sources	Value	166,408	195,513	121,699	61,464	66,023
Nonsubject sources	Value	351,052	438,625	337,901	166,031	207,502
All import sources	Value	517,460	634,139	459,599	227,495	273,525
Australia	Unit value	---	856	3,146	3,146	---
Brazil	Unit value	1,012	1,085	954	1,033	729
China	Unit value	1,359	1,165	1,445	1,356	3,603
Indonesia	Unit value	949	894	765	765	---
Portugal	Unit value	947	964	931	927	899
Subject sources	Unit value	957	996	944	965	840
Nonsubject sources	Unit value	971	1,049	997	1,000	1,063
All import sources	Unit value	967	1,032	983	990	999

Table continued on next page.

Table F-1- continued
Uncoated paper: U.S. imports, by source and period

Share and ratio in percent; ratios represent the ratio to U.S. production

Source	Measure	2015	2016	2017
Australia	Share of quantity	5.8	0.0	---
Brazil	Share of quantity	17.0	14.8	11.9
China	Share of quantity	4.4	0.1	0.1
Indonesia	Share of quantity	18.1	7.2	2.9
Portugal	Share of quantity	23.0	24.8	23.5
Subject sources	Share of quantity	68.3	46.9	38.4
Nonsubject sources	Share of quantity	31.7	53.1	61.6
All import sources	Share of quantity	100.0	100.0	100.0
Australia	Share of value	5.2	0.0	---
Brazil	Share of value	15.7	13.7	10.7
China	Share of value	3.8	0.2	0.2
Indonesia	Share of value	16.9	7.1	2.7
Portugal	Share of value	23.5	26.5	26.1
Subject sources	Share of value	65.2	47.4	39.7
Nonsubject sources	Share of value	34.8	52.6	60.3
All import sources	Share of value	100.0	100.0	100.0
Australia	Ratio	1.3	0.0	---
Brazil	Ratio	3.9	2.6	1.8
China	Ratio	1.0	0.0	0.0
Indonesia	Ratio	4.1	1.2	0.4
Portugal	Ratio	5.2	4.3	3.5
Subject sources	Ratio	15.6	8.1	5.8
Nonsubject sources	Ratio	7.2	9.2	9.3
All import sources	Ratio	22.8	17.3	15.1

Table continued on next page.

Table F-1 continued
Uncoated paper: U.S. imports, by source and period

Share and ratio in percent; ratios represent the ratio to U.S. production

Source	Measure	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Australia	Share of quantity	---	0.0	0.0	0.0	---
Brazil	Share of quantity	4.6	9.8	9.7	8.0	10.3
China	Share of quantity	0.1	0.4	0.3	0.5	0.0
Indonesia	Share of quantity	2.3	3.5	0.0	0.1	---
Portugal	Share of quantity	25.4	18.2	17.5	19.2	18.4
Subject sources	Share of quantity	32.5	32.0	27.6	27.7	28.7
Nonsubject sources	Share of quantity	67.5	68.0	72.4	72.3	71.3
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
Australia	Share of value	---	0.0	0.0	0.0	---
Brazil	Share of value	4.9	10.3	9.4	8.3	7.5
China	Share of value	0.1	0.5	0.4	0.7	0.1
Indonesia	Share of value	2.3	3.1	0.0	0.1	---
Portugal	Share of value	24.9	17.0	16.6	18.0	16.6
Subject sources	Share of value	32.2	30.8	26.5	27.0	24.1
Nonsubject sources	Share of value	67.8	69.2	73.5	73.0	75.9
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
Australia	Ratio	---	0.0	0.0	0.0	---
Brazil	Ratio	0.7	1.9	2.1	1.7	2.8
China	Ratio	0.0	0.1	0.1	0.1	0.0
Indonesia	Ratio	0.4	0.7	0.0	0.0	---
Portugal	Ratio	4.0	3.5	3.8	4.0	5.0
Subject sources	Ratio	5.1	6.2	5.9	5.8	7.7
Nonsubject sources	Ratio	10.7	13.2	15.6	15.1	19.2
All import sources	Ratio	15.8	19.4	21.5	20.8	26.9

Source: Official U.S. import statistics using HTS statistical reporting number 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.56.7050, 4802.56.7090, 4802.57.1000, 4802.57.1020, 4802.57.1040, 4802.57.1090, 4802.57.2000, 4802.57.3000, 4802.57.4000, 4802.57.4020, 4802.57.4040, and 4802.57.4090 accessed October 21, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“.

APPENDIX G

FINANCIAL EXPERIENCE OF U.S. PRODUCERS

Table G-1
Uncoated paper: Firm-by-firm total net sales quantity, by period

Net sales quantity

Quantity in short tons

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	3,623,700	3,549,814	3,486,383

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm total net sales quantity, by period

Net sales quantity

Quantity in short tons

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	3,437,750	3,155,666	2,261,139	1,151,445	1,104,262

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm total net sales value, by period

Net sales value

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	3,396,525	3,332,430	3,220,163

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm total net sales value, by period

Net sales value

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	3,322,432	3,270,723	2,305,494	1,177,281	1,123,554

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm cost of goods sold ("COGS"), by period

COGS

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	2,881,664	2,854,734	2,769,914

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm cost of goods sold ("COGS"), by period

COGS

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	2,964,627	2,711,518	2,044,220	1,096,081	895,966

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm gross profit or (loss), by period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	514,861	477,696	450,249

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm gross profit or (loss), by period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	357,805	559,205	261,274	81,200	227,588

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm selling, general, and administrative ("SG&A") expenses, by period

SG&A expenses

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	222,498	214,322	214,694

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm selling, general, and administrative ("SG&A") expenses, by period

SG&A expenses

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	210,967	208,740	101,791	61,845	48,025

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm operating income or (loss), by period

Operating income or (loss)

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	292,363	263,374	235,555

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm operating income or (loss), by period

Operating income or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	146,838	350,465	159,483	19,355	179,563

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm net income or (loss), by period

Net income or (loss)

Value in 1,000 dollars

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	224,664	233,237	134,508

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm net income or (loss), by period

Net income or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	(157,442)	301,853	(11,610)	10,333	166,700

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of COGS to net sales value, by period

COGS to net sales ratio

Ratios in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	84.8	85.7	86.0

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of COGS to net sales value, by period

COGS to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	89.2	82.9	88.7	93.1	79.7

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period

Gross profit or (loss) to net sales ratio

Ratios in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	15.2	14.3	14.0

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period

Gross profit or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	10.8	17.1	11.3	6.9	20.3

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of SG&A expenses to net sales value, by period

SG&A expenses to net sales ratio

Ratios in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	6.6	6.4	6.7

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of SG&A expenses to net sales value, by period

SG&A expenses to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	6.3	6.4	4.4	5.3	4.3

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of operating income or (loss) to net sales value, by period

Operating income or (loss) to net sales ratio

Ratios in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	8.6	7.9	7.3

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of operating income or (loss) to net sales value, by period

Operating income or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	4.4	10.7	6.9	1.6	16.0

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of net income or (loss) to net sales value, by period

Net income or (loss) to net sales ratio

Ratios in percent

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	6.6	7.0	4.2

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm ratio of net income or (loss) to net sales value, by period

Net income or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	(4.7)	9.2	(0.5)	0.9	14.8

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit net sales value, by period

Unit net sales value

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	937	939	924

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit net sales value, by period

Unit net sales value

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	966	1,036	1,020	1,022	1,017

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit raw material costs, by period

Unit raw material

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	376	377	380

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit raw material costs, by period

Unit raw material

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	397	401	388	399	361

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit direct labor cost, by period

Unit direct labor

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	102	107	100

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit direct labor cost, by period

Unit direct labor

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	111	123	147	158	122

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit other factory costs, by period

Unit other factory costs

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	259	265	256

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit other factory costs, by period

Unit other factory costs

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	294	274	308	331	274

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit COGS, by period

Unit COGS

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	795	804	794

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit COGS, by period

Unit COGS

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	862	859	904	952	811

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit gross profit or (loss), by period

Unit gross profit or (loss)

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	142	135	129

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit gross profit or (loss), by period

Unit gross profit or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	104	177	116	71	206

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit SG&A expenses, by period

Unit SG&A expenses

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	61	60	62

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit SG&A expenses, by period

Unit SG&A expenses

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	61	66	45	54	43

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit operating income or (loss), by period

Unit operating income or (loss)

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	81	74	68

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit operating income or (loss), by period

Unit operating income or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	43	111	71	17	163

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit net income or (loss), by period

Unit net income or (loss)

Unit values in dollars per short ton

Firm	2015	2016	2017
Boise	***	***	***
Domtar	***	***	***
Finch Paper	***	***	***
Georgia-Pacific	***	***	***
International Paper	***	***	***
NORPAC	***	***	***
Performance Office Paper	***	***	***
Pixelle	***	***	***
All firms	62	66	39

Table continued.

Table G-1—Continued
Uncoated paper: Firm-by-firm unit net income or (loss), by period

Unit net income or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
Boise	***	***	***	***	***
Domtar	***	***	***	***	***
Finch Paper	***	***	***	***	***
Georgia-Pacific	***	***	***	***	***
International Paper	***	***	***	***	***
NORPAC	***	***	***	***	***
Performance Office Paper	***	***	***	***	***
Pixelle	***	***	***	***	***
All firms	(46)	96	(5)	9	151

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