

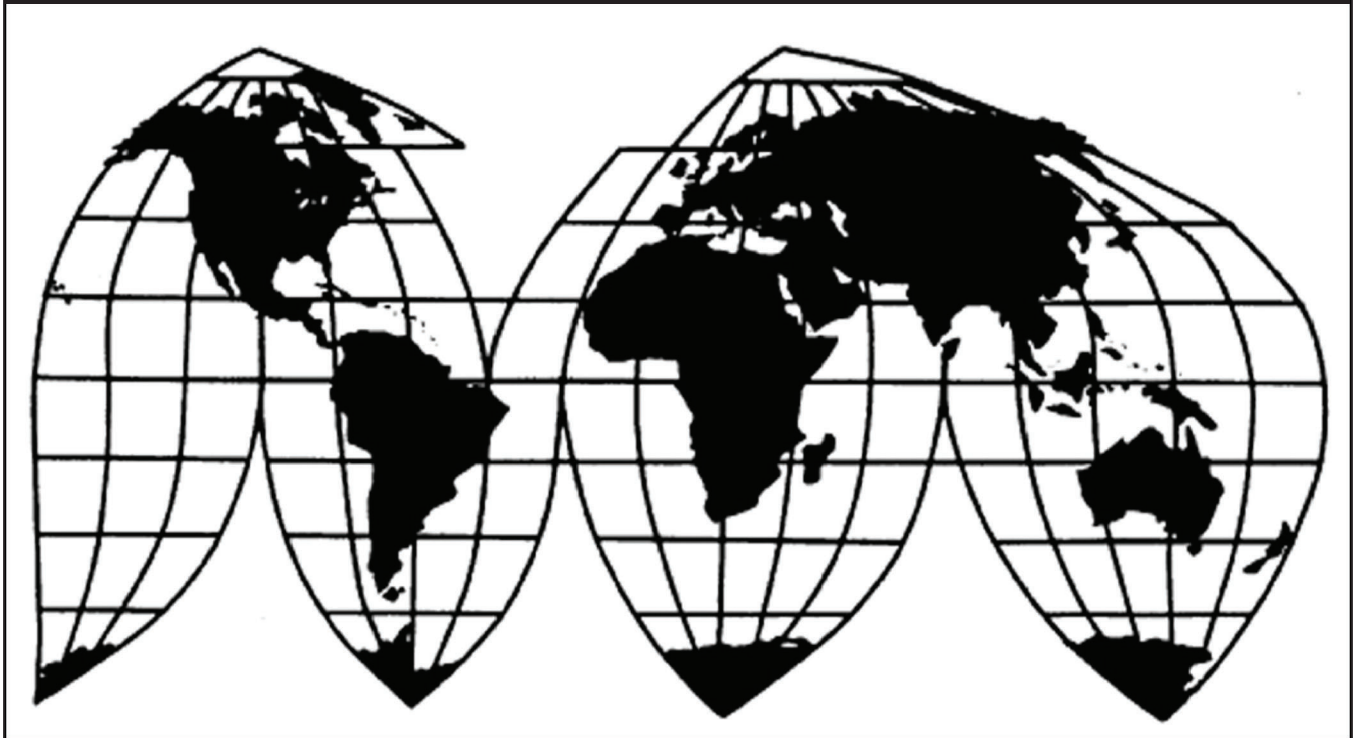
# **Stainless Steel Wire Rod from Japan, South Korea, and Taiwan**

Investigation Nos. 731-TA-771-772 and 775 (Fourth Review)

**Publication 5279**

**February 2022**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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## UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-771-772 and 775 (Fourth Review)

Stainless Steel Wire Rod from Japan, South Korea, and Taiwan

### DETERMINATIONS

On the basis of the record<sup>1</sup> 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 antidumping duty orders on stainless steel wire rod from Japan, South Korea, and Taiwan 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 July 1, 2021 (86 FR 35124) and determined on October 4, 2021, that it would conduct expedited reviews (86 FR 72994, December 23, 2021).

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<sup>1</sup> 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 antidumping duty orders on stainless steel wire rod (“SSWR”) from Japan, South Korea (“Korea”), and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

### I. Background

*Original Investigations.* In response to countervailing and antidumping duty petitions filed on July 30, 1997, by Al Tech Specialty Steel Corp. (“Al Tech”), Carpenter Technology Corporation (“Carpenter”), Republic Engineered Steels, Inc., Talley Metals Technology, Inc. (“Talley”), and the United Steelworkers of America, AFL-CIO/CLC, the Commission determined in September 1998 that an industry in the United States was materially injured by reason of subject imports of SSWR from Italy, Japan, Korea, Spain, Sweden, and Taiwan.<sup>1</sup> The U.S. Department of Commerce (“Commerce”) published a countervailing duty order on subject imports from Italy and antidumping duty orders on subject imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan on September 15, 1998.<sup>2</sup> Because it found *de minimis* antidumping duty margins for Hitachi Metals, Ltd. (“Hitachi”) (Japan), Yieh Hsing Enterprise Corp. Ltd. (“Yieh Hsing”) (Taiwan), and Acciaierie Valbruna S.r.l. (“Valbruna”) (Italy), these producers were excluded from the antidumping duty orders.<sup>3</sup> Valbruna, however, remained subject to a countervailing duty order on subject imports from Italy until Commerce revoked the order on subject imports from Italy effective September 15, 2003.<sup>4</sup>

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<sup>1</sup> Commissioners Crawford and Askey dissented. The Commission made a negative final determination with respect to subject imports from Germany. *Stainless Steel Wire Rod from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Inv. Nos. 701-TA-373 and 731-TA-769-775 (Final), USITC Pub. 3126 (Sept. 1998) (“*Original Determinations*”).

<sup>2</sup> *Notice of Countervailing Duty Order: Stainless Steel Wire Rod From Italy*, 63 Fed. Reg. 49334 (Sept. 15, 1998) (“*Italy CVD Order*”); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod From Italy*; 63 Fed. Reg. 49327 (Sept. 15, 1998); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod from Japan*, 63 Fed. Reg. 49329 (Sept. 15, 1998 (“*Japan AD Order*”)); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod from South Korea*, 63 Fed. Reg. 49331 (Sept. 15, 1998); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod from Spain*, 63 Fed. Reg. 49330 (Sept. 15, 1998); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod from Sweden*, 63 Fed. Reg. 49329 (Sept. 15, 1998); *Notice of Antidumping Duty Order: Stainless Steel Wire Rod from Taiwan*, 63 Fed. Reg. 49332 (Sept. 15, 1998) (“*Taiwan AD Order*”).

<sup>3</sup> *Italy CVD Order*, 63 Fed. Reg. 49334; *Japan AD Order*, 63 Fed. Reg. 49329; *Taiwan AD Order*, 63 Fed. Reg. 49332.

<sup>4</sup> *Stainless Steel Wire Rod from Italy: Final Results of Full Sunset Review of Countervailing Duty Order*, 69 Fed. Reg. 40354 (July 2, 2004).

*First Reviews.* In its full first five-year reviews, the Commission determined on July 22, 2004, that revocation of the antidumping duty orders on SSWR imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>5</sup> Consequently, Commerce issued a notice of continuation of the orders on SSWR imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan effective September 13, 2004.<sup>6</sup> However, Commerce later revoked the antidumping duty order on subject imports from Sweden effective April 23, 2007.<sup>7</sup>

*Second Reviews.* In its full second five-year reviews, the Commission determined in May 2010 that revocation of the antidumping duty orders on SSWR imports from Italy, Japan, Korea, Spain, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>8</sup> Consequently, on June 17, 2010, Commerce issued a notice of continuation of the antidumping duty orders on SSWR from Italy, Japan, Korea, Spain, and Taiwan.<sup>9</sup>

*Third Reviews.* On May 1, 2015, the Commission instituted its third five-year reviews of the antidumping duty orders on SSWR from Italy, Japan, Korea, Spain, and Taiwan.<sup>10</sup> After conducting full reviews, the Commission determined that revocation of the antidumping duty orders covering SSWR from Italy and Spain would not be likely to lead to continuation or recurrence of material injury to an industry in the United States and that revocation of the antidumping duty orders covering SSWR from Japan, Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>11</sup> Consequently, on August 15, 2016, Commerce revoked the

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<sup>5</sup> *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Inv. Nos. 731-TA-770-775 (Review), USITC Pub. 3707 (July 2004) (“*First Review Determinations*”) at 5; *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, Sweden, and Taiwan*, 69 Fed. Reg. 45077 (July 28, 2004).

<sup>6</sup> *Continuation of Antidumping Duty Orders: Stainless Steel Wire Rod From Italy, Japan, Korea, Spain, Sweden, and Taiwan*, 69 Fed. Reg. 50167 (Aug. 13, 2004).

<sup>7</sup> *Implementation of the Findings of the WTO Panel in US-Zeroing (EC): Notice of Determinations Under Section 129 of the Uruguay Round Agreements Act and Revocations and Partial Revocations of Certain Antidumping Duty Orders*, 72 Fed. Reg. 25261, 25263 (May 4, 2007).

<sup>8</sup> *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan*, Inv. Nos. 731-TA-770-775 (Second Review), USITC Pub. 4154 (May 2010) (“*Second Review Determinations*”). Commissioners Aranoff, Pearson, and Okun dissented with respect to Italy. Commissioners Pearson and Okun also dissented with respect to Korea and Spain.

<sup>9</sup> *Stainless Steel Wire Rod from Italy, Japan, the Republic of Korea, Spain, and Taiwan: Continuation of Antidumping Duty Orders*, 75 Fed. Reg. 34424 (June 17, 2010).

<sup>10</sup> *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan; Institution of Five-Year Reviews*, 80 Fed. Reg. 24970 (May 1, 2015).

<sup>11</sup> *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan*, Inv. Nos. 731-TA-770-773 and 775 (Third Review), USITC Pub. 4623 (July 2016) (“*Third Review Determinations*”).

orders on SSWR from Italy and Spain and issued a notice of continuation of the orders on SSWR from Japan, Korea, and Taiwan.<sup>12</sup>

*Current Reviews.* The Commission instituted the current reviews on July 1, 2021.<sup>13</sup> It received a joint response to the notice of institution from Carpenter, North American Stainless (“NAS”), and Universal Stainless & Alloy Products, Inc. (“Universal”) (collectively, “Domestic Producers”), domestic producers of SSWR.<sup>14</sup> No respondent interested party responded to the Commission’s notice of institution or participated in these reviews. On October 4, 2021, the Commission determined that the domestic interested party group response to its notice of institution was adequate, and that the respondent interested party group responses were inadequate.<sup>15</sup> In the absence of any circumstances warranting full reviews, the Commission determined that it would conduct expedited reviews of the orders.<sup>16</sup>

U.S. industry data are based on information Domestic Producers submitted in their response to the notice of institution, in which they estimate that they accounted for \*\*\* percent of domestic production of SSWR in 2020.<sup>17</sup> U.S. import data and related information are based on Commerce’s official import statistics and information that Domestic Producers provided in their response to the notice of institution.<sup>18</sup> Foreign industry data and related information are based on information that Domestic Producers provided in their response to the notice of institution and on public information compiled by Commission staff.<sup>19</sup> Two U.S. purchasers of SSWR responded to the Commission’s adequacy phase questionnaire.<sup>20</sup>

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<sup>12</sup> *Stainless Steel Wire Rod from Italy, Japan, the Republic of Korea, Spain, and Taiwan: Continuation and Revocation of Antidumping Duty Orders*, 81 Fed. Reg. 54043 (Aug. 15, 2016).

<sup>13</sup> *Stainless Steel Wire Rod from Japan, Korea, and Taiwan; Institution of a Five-Year Review*, 86 Fed. Reg. 35124 (July 1, 2021) (“*Institution Notice*”).

<sup>14</sup> Domestic Industry’s Substantive Response to the Notice of Institution, EDIS Doc. 748469 (Aug. 2, 2021) (“*Response*”). Domestic Producers also filed comments on whether the Commission should expedite these reviews and final comments. Domestic Industry’s Comments on Adequacy of Responses, EDIS Doc. 751360 (Sept. 10, 2021); Domestic Industry’s Final Comments, EDIS Doc. 760258 (Jan. 11, 2022) (“*Final Comments*”).

<sup>15</sup> At the time the Commission published its scheduling notice, it determined that these reviews were extraordinarily complicated and therefore exercised its authority to extend the reviews by up to 90 days pursuant to 19 U.S.C. § 1675(c)(5)(B). *Stainless Steel Wire Rod from Japan, South Korea, and Taiwan: Scheduling of Expedited Reviews*, 86 Fed. Reg. 72994 (Dec. 23, 2021) (“*Scheduling Notice*”).

<sup>16</sup> *Scheduling Notice*, 86 Fed. Reg. 72994.

<sup>17</sup> Confidential Report, Memorandum INV-TT-107 (“*CR*”); *Stainless Steel Wire Rod from Japan, South Korea, and Taiwan*, Inv. Nos. 731-TA-771-772 and 775 (Fourth Review), USITC Pub. 5279 (Feb. 2022) (“*PR*”) at Table I-1; Response at 23.

<sup>18</sup> See *CR/PR* at Table I-5.

<sup>19</sup> See *CR/PR* at I-25-33.

<sup>20</sup> *CR/PR* at Appendix D-3 (responses by \*\*\*).

## 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.”<sup>21</sup> 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.”<sup>22</sup> 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.<sup>23</sup>

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

The merchandise covered by the AD Orders is SSWR, which comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hotrolling, annealing, and/or pickling and/or descaling, are normally sold in coiled form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later cold finished into stainless steel wire or small-diameter bar. The most common size for such products is 5.5 millimeters or 0.217 inches in diameter, which represents the smallest size that normally is produced on a rolling mill and is the size that most wire-drawing machines are set up to draw. The range of SSWR sizes normally sold in the United States is between 0.20 inches and 1.312 inches in diameter.

Two stainless steel grades are excluded from the scope of the AD Orders. SF20T and K–M35F are excluded. The chemical makeup for the excluded grades is as follows:

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<sup>21</sup> 19 U.S.C. § 1677(4)(A).

<sup>22</sup> 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. Dep’t of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *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, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>23</sup> *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).

*SF20T*

Carbon 0.05 max  
Manganese 2.00 max  
Phosphorous 0.05 max  
Sulfur 0.15 max  
Silicon 1.00 max  
Chromium 19.00/21.00  
Molybdenum 1.50/2.50  
Lead-added (0.10/0.30)  
Tellurium-added (0.03 min)

*K-M35FL*

Carbon 0.015 max  
Silicon 0.70/1.00  
Manganese 0.40 max  
Nickel 0.30 max  
Chromium 12.50/14.00  
Lead 0.10/0.30  
Phosphorous 0.04  
max Sulfur 0.03  
max Aluminum 0.20/0.35

The products subject to the AD Orders are currently classifiable under subheadings 7221.00.0005, 7221.00.0015, 7221.00.0030, 7221.00.0045, and 7221.00.0075 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *AD Orders* is dispositive.<sup>24</sup>

The scope definition has not changed from Commerce's scope definition in the original investigations and prior reviews.

Like other stainless steel products, SSWR is distinguished from carbon and lower-grade alloy steels by its superior resistance to corrosion or oxidation at ambient or elevated

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<sup>24</sup> *Stainless Steel Wire Rod From Japan, the Republic of Korea, and Taiwan Expedited Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg 56249, 56250 (Oct. 8, 2021); *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Wire Rod from Japan, the Republic of Korea, and Taiwan*, (Oct. 4, 2021) at 2-3.

temperatures.<sup>25</sup> SSWR is an intermediate stainless steel product that is used primarily to produce stainless steel wire and stainless steel bar, although it is also used to produce fasteners or cutlery.<sup>26</sup> Although produced in a wide variety of grades, shapes, diameters, and sizes according to specific customer requirements, SSWR's defining characteristic is that it is produced in coils.<sup>27</sup> SSWR is produced at least as large as 39 mm (1.54 inches) in diameter.<sup>28</sup> The most common size, however, is 5.5 mm (0.217 inches) in diameter, circular cross-section, which is the smallest size normally produced on a hot-rolling mill and the size most commonly used for wire drawing.<sup>29</sup> Manufacturers generally employ three basic steps to produce SSWR regardless of the grade or cross-section of the final product: (1) producing rolled or continuous-cast billets from molten stainless steel; (2) hot-rolling the billets and coiling the wire rod in a hot-rolling mill; and (3) finishing (annealing, descaling and/or pickling and/or coating).<sup>30</sup>

In the original investigations, the Commission rejected arguments that it should find multiple like products consisting of different forms of SSWR. Instead, the Commission found a single domestic like product that was coextensive with the scope, consisting of a grouping of SSWR products that are produced in a wide variety of grades, specifications, shapes, and sizes.<sup>31</sup>

In the first, second, and third five-year reviews, the domestic industry agreed with the definition of the domestic like product from the original investigations, and respondent interested parties made no arguments regarding the domestic like product. In the second and third five-year reviews, the Commission observed that the record indicated no material changes in pertinent product characteristics from the original investigations and prior reviews.<sup>32</sup> Consequently, in all three prior five-year reviews, the Commission defined a single domestic like product that was coextensive with Commerce's scope.<sup>33</sup>

In these reviews, there is no new information indicating that the characteristics of SSWR have changed since the prior proceedings so as to warrant revisiting the Commission's domestic like product definition.<sup>34</sup> As noted above, Domestic Producers agree with that definition.<sup>35</sup> Therefore, we define a single domestic like product that is SSWR, coextensive with the scope of the orders under review.

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<sup>25</sup> CR/PR at I-12.

<sup>26</sup> CR/PR at I-13-14.

<sup>27</sup> CR/PR at I-12.

<sup>28</sup> CR/PR at I-12.

<sup>29</sup> CR/PR at I-12-13.

<sup>30</sup> CR/PR at I-14.

<sup>31</sup> *Original Determinations*, USITC Pub. 3126 at 5-6.

<sup>32</sup> *Second Review Determinations*, USITC Pub. 4154 at 9; *Third Review Determinations*, USITC Pub. 4623 at 8.

<sup>33</sup> *First Review Determinations*, USITC Pub. 3707 at 5; *Second Review Determinations*, USITC Pub. 4154 at 9; *Third Review Determinations*, USITC Pub. 4623 at 8.

<sup>34</sup> See generally CR/PR at I-12-14; Response at 25.

<sup>35</sup> Response at 25.

## 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.”<sup>36</sup> In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the prior proceedings, the Commission defined the domestic industry as all domestic producers of SSWR, and found that appropriate circumstances did not exist to exclude any domestic producer from the domestic industry pursuant to the related parties provision.<sup>37</sup> In these reviews, Domestic Producers agree with the Commission’s domestic industry definition from the prior reviews and there are no related party issues.<sup>38 39</sup> Therefore, consistent with our definition of the domestic like product, we define the domestic industry as all U.S. producers of SSWR.

## 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 section 1675(b) or (c) of this title were initiated on the same day, if such imports

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<sup>36</sup> 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.

<sup>37</sup> *First Review Determinations*, USITC Pub. 3707 at 6-7; *Second Review Determinations*, USITC Pub. 4154 at 11; *Third Review Determinations*, USITC Pub. 4623 at 10-11. In the original investigations, the Commission found that both AI Tech and Carpenter were related parties but found appropriate circumstances did not exist to exclude either from the domestic industry. *Original Determinations*, USITC Pub. 3126 at 8-9. In the first, second, and third five-year reviews, the Commission found that NAS was a related party, but found that appropriate circumstances did not exist to exclude it from the domestic industry. *First Review Determinations*, USITC Pub. 3707 at 6-7; *Second Review Determinations*, USITC Pub. 4154 at 11; *Third Review Determinations*, USITC Pub. 4623 at 10-11.

<sup>38</sup> Response at 20-21. Domestic Producers state that they are not related to any foreign producers or foreign exporters of the subject merchandise, nor are they importers of subject SSWR or related to such importers under 19 U.S.C. § 1677(4)(B). *Id.*

<sup>39</sup> We note that Domestic Producers list Outokumpu Stainless Bar Inc., as a non-participating U.S. producer of SSWR as well as a possible importer of SSWR. *See* Response at 22-23, Exhibit 8. However, Domestic Producers explicitly state that to the best of their knowledge, Outokumpu is not an “importer of the subject merchandise or is related to such an importer under . . . 19 U.S.C. § 1677(4)(B){.}” Response at 21.

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.<sup>40</sup>

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.<sup>41</sup> 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.

## **B. The Prior Proceedings and Arguments of the Parties**

### **1. The Prior Proceedings**

In the original investigations, the Commission cumulated subject imports from all subject countries, including Japan, Korea, and Taiwan.<sup>42</sup> It found a reasonable overlap of competition among subject imports from the various sources and between subject imports and the domestic like product.<sup>43</sup>

In all prior reviews, the Commission exercised its discretion to cumulate subject imports from all three countries, Japan, Korea, and Taiwan, subject to the current reviews.<sup>44</sup>

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<sup>40</sup> 19 U.S.C. § 1675a(a)(7).

<sup>41</sup> 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).

<sup>42</sup> The Commission also cumulated subject imports from Sweden, Italy, and Spain, but those imports are no longer subject to orders in the current reviews.

<sup>43</sup> *Original Determinations*, USITC Pub. 3126 at 10-13.

<sup>44</sup> *First Review Determinations*, USITC Pub. 3707 at 8; *Second Review Determinations*, USITC Pub. 4154 at 13-25; *Third Review Determinations*, USITC Pub. 4623 at 30. In the first five-year reviews, the Commission also cumulated imports from Sweden, Italy, and Spain, which were then subject to orders, with subject imports from Japan, Korea, and Taiwan. *First Review Determinations*, USITC Pub. 3707 at 29-35. The Commission also cumulated subject imports from Spain and Italy with subject imports from Japan, Korea, and Taiwan in the second five-year reviews. *Second Review Determinations*, USITC Pub. 4154 at 13-25, 47-53. In the third five-year reviews, however, the Commission found that subject  
(Continued...)



Specifically, it did not find that subject imports from any one of these countries would be likely to have no discernible adverse impact on the domestic industry in the event of revocation. It also found a likely reasonable overlap of competition among subject imports from Japan, Korea, and Taiwan and between subject imports and the domestic like product, and no significant differences in the conditions of competition likely to prevail after revocation with respect to subject imports from each source.<sup>45</sup>

## 2. The Current Reviews

Domestic Producers argue that the Commission should again cumulate subject imports from Japan, Korea, and Taiwan, as it has done in its prior reviews, because the same conditions that led the Commission to cumulate imports from these countries in the prior reviews continue to prevail. Specifically, they argue that the record of these reviews continues to support findings that subject imports from Japan, Korea, and Taiwan, considered individually, are not likely to have no discernible adverse impact on the domestic industry if the orders were revoked.<sup>46</sup> Domestic Producers also contend that there continues to be a reasonable overlap of competition between and among the subject imports and the domestic like product, and that subject imports from each source are likely to compete with each other and with the domestic like product under similar conditions in the event of revocation.<sup>47</sup>

### C. Analysis

In these reviews, the statutory threshold for cumulation is satisfied because all reviews were initiated on the same day, July 1, 2021.<sup>48</sup> 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.

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(...Continued)

imports from Spain would likely have no discernible adverse impact in the event of revocation, and that subject imports from Italy would likely compete under different conditions of competition than subject imports from Japan, Korea, and Taiwan. As such, the Commission cumulated subject imports from Japan, Korea, and Taiwan, but not subject imports from Spain or from Italy, and the orders on those two countries were subsequently terminated by Commerce. *Third Review Determinations*, USITC Pub. 4623 at 30.

<sup>45</sup> *First Review Determinations*, USITC Pub. 3707 at 8, 15-16; *Second Review Determinations*, USITC Pub. 4154 at 13-25; *Third Review Determinations*, USITC Pub. 4623 at 30.

<sup>46</sup> Response at 4.

<sup>47</sup> Response at 4-5.

<sup>48</sup> *Institution Notice*, 86 Fed. Reg. 35124.

## 1. 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.<sup>49</sup> 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.<sup>50</sup> 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.

*Japan.* During the original investigations, eight producers of SSWR in Japan submitted questionnaire responses.<sup>51</sup> Hitachi received a *de minimis* antidumping duty margin from Commerce and was excluded from the antidumping duty orders.<sup>52</sup> As of 1997, two producers (Nippon and Daido) each individually accounted for at least \*\*\* percent of SSWR production in Japan \*\*\*, with the others individually accounting for smaller shares.<sup>53</sup> Subject imports from Japan increased during the period of investigation (“POI”), and their share of the U.S. market was \*\*\* percent in 1995, \*\*\* percent in 1996, and \*\*\* percent in 1997.<sup>54</sup>

In the first five-year reviews, no Japanese producer submitted a questionnaire response.<sup>55</sup> Subject imports from Japan had a smaller U.S. market presence after imposition of the antidumping duty orders. The Commission found that the available information from Steel and Metals Market Research (“SMR”) indicated that production and consumption of SSWR in Japan both increased since the original investigations, with production increasing to a greater extent.<sup>56</sup>

In the second five-year reviews, Sumitomo reported that it had not produced or exported SSWR since January 1, 2004, but no Japanese producer of SSWR submitted a

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<sup>49</sup> 19 U.S.C. § 1675a(a)(7).

<sup>50</sup> SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

<sup>51</sup> *Second Review Determinations*, USITC Pub. 4154 at 15 citing *Original Determinations*, USITC Pub. 3126 at VII-3-5. Those Japanese producers were Aichi Steel Works, Ltd. (“Aichi”); Daido Steel Co. (“Daido”); Hitachi; Pacific Metals Co., Ltd.; Nippon Koshua Steel Co., Ltd.; Nippon Steel Corp. (“Nippon”); Sanyo Special Steel Co., Ltd.; and Sumitomo Electric Industries, Ltd. (“Sumitomo”). *Id.* at 15 n.80.

<sup>52</sup> *Second Review Determinations*, USITC Pub. 4154 at 15. See also *Japan AD Order*, 63 Fed. Reg. 49329.

<sup>53</sup> *Confidential Views of Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan*, Inv. Nos. 731-TA-770-773 and 775, EDIS Doc. 750695 (Sept. 15, 1998) (“*Confidential Second Review Determinations*”) at 22.

<sup>54</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 22.

<sup>55</sup> *First Review Determinations*, USITC Pub. 3707 at 11.

<sup>56</sup> *First Review Determinations*, USITC Pub. 3707 at 11, 11 n.59.

questionnaire response.<sup>57</sup> Subject imports from Japan had at most a nominal presence in the U.S. market during the review period.<sup>58</sup> According to data on the record from \*\*\*, production capacity in Japan \*\*\*.<sup>59</sup>

In the third five-year reviews, no Japanese producer submitted a questionnaire response. Subject imports from Japan were either \*\*\* from 2013 to 2015.<sup>60</sup> Global exports of SSWR from Japan, which included nonsubject producer Hitachi, increased every year from 2013 to 2015.<sup>61</sup> The Commission found that Japanese producers Nippon and Daido together had \*\*\* short tons of excess capacity in 2013, compared to the \*\*\* short tons of apparent U.S. consumption that year.<sup>62</sup>

In these reviews, there is limited new information concerning the Japanese SSWR industry. The record shows that subject imports from Japan maintained a small presence in the U.S. market, ranging from 187 short tons in 2017 and 2020 to 230 short tons in 2018.<sup>63</sup> Domestic Producers provided information concerning three possible producers/exporters of SSWR in Japan.<sup>64</sup> They assert that Japanese producers have maintained significant SSWR capacity, and, in some cases, expanded their production capacity.<sup>65</sup> Domestic producers also claim that Japanese SSWR producers Daido and Nippon have active U.S. sales agents and offices that help them supply out-of-scope steel products to U.S. customers, which in their view could “easily facilitate” further sales of SSWR.<sup>66</sup> They also argue that the United States is an attractive market because prices for SSWR are relatively higher in the United States than in third-country markets, based upon average unit value (“AUV”) data.<sup>67</sup> The record also shows that the Japanese industry was a relatively large exporter of SSWR during the period of review,

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<sup>57</sup> *Second Review Determinations*, USITC Pub. 4154 at 16.

<sup>58</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 23.

<sup>59</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 23-24.

<sup>60</sup> *Confidential Views of Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan*, Inv. Nos. 731-TA-770-773 and 775, EDIS Doc. 750699 (July 2016) (“*Confidential Third Review Determinations*”) at 23.

<sup>61</sup> *Third Review Determinations*, USITC Pub. 4623 at 16.

<sup>62</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 23.

<sup>63</sup> CR/PR at Table I-5. Import data for 2020 may be overstated as they may include nonsubject SSWR produced/exported by Hitachi.

<sup>64</sup> CR/PR at I-25; Response at 21-22.

<sup>65</sup> Response at 12. Domestic Producers indicate that Nippon’s stainless steel SSWR capacity was 130,000 metric tons in 2016. *Id.* at 12, Exhibit 3.

<sup>66</sup> Response at 12.

<sup>67</sup> Response at 12, Exhibits 1, 4. Specifically, the 2020 AUV of all U.S. imports of SSWR (\$1.51 per pound) was higher than the 2020 AUV of Japan’s global exports (\$1.48 per pound). *Id.* (comparing Global Trade Atlas (“GTA”) data for HTS subheading 7221.00, a category that includes SSWR, with official Commerce import data for HTS subheadings 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075). These data may include nonsubject SSWR produced/exported by Hitachi.

although its exports decreased overall from 84,510 short tons in 2016 to 69,832 short tons in 2020.<sup>68</sup>

During the original investigations, subject imports from Japan undersold the domestic like product in 26 of 32 (or 81.2 percent of) quarterly comparisons, and underselling continued in the first five-year reviews, occurring in 16 of 23 (or 69.5 percent of) quarterly comparisons, even with the orders in place.<sup>69</sup> No pricing data for subject imports from Japan were obtained in the second, third, or current reviews.<sup>70</sup>

Based on the above, including the underselling by subject imports from Japan in the original investigations and first five-year reviews, the presence of both subject and nonsubject SSWR from Japan in the U.S. market after imposition of the order, and the large size and volume of exports of the SSWR industry in Japan, we find that revocation of the antidumping duty order on subject imports from Japan would not likely have no discernible adverse impact on the domestic industry.

*Korea.* By 1997, the final full year of the original POI, three firms produced SSWR in Korea: Changwon Specialty Steel Co., Ltd. (“Changwon”); Dongbang Special Steel Co. (“Dongbang”); and Pohang Iron and Steel Co., Ltd. (“POSCO”).<sup>71</sup> Changwon accounted for \*\*\* percent of Korea’s white-coil production for full-year 1997, \*\*\* percent of black-coil production, and \*\*\* percent of Korean exports to the U.S. market.<sup>72</sup> Subject imports from Korea declined from 1995 to 1996 but increased in 1997,<sup>73</sup> and they accounted for \*\*\* percent of the U.S. market in 1995, \*\*\* percent in 1996, and \*\*\* percent in 1997.<sup>74</sup>

In the first five-year reviews, Changwon and Dongbang accounted for all SSWR production in Korea.<sup>75</sup> The Commission emphasized that subject imports from Korea maintained a presence in the U.S. market after imposition of the orders, although they gradually declined from their peak in 1997.<sup>76</sup> Further, the Commission acknowledged that SSWR capacity in Korea \*\*\* during the period of review and that Changwon and Dongbang had

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<sup>68</sup> Japan is the third largest global exporter of SSWR. CR/PR at Tables I-8, I-14 (GTA data for HTS subheading 7221.00, a category that includes SSWR). Import data from 2020 may be overstated as they may include nonsubject SSWR produced/exported by Hitachi.

<sup>69</sup> *First Review Determinations*, USITC Pub. 3707 at 11.

<sup>70</sup> *Second Review Determinations*, USITC Pub. 4154 at 16; *Third Review Determinations*, USITC Pub. 4623 at 16; CR/PR at Appendix B-3.

<sup>71</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 33. In 1997, Changwon and Dongbang produced “white coil” SSWR (finished SSWR that had been pickled and annealed), whereas POSCO produced only “black coil” SSWR (SSWR that had not been pickled or annealed). *First Review Determinations*, USITC Pub. 3126 at VII-5 to VII-6.

<sup>72</sup> *Second Review Determinations*, USITC Pub. 4154 at 21.

<sup>73</sup> *Second Review Determinations*, USITC Pub. 4154 at 21.

<sup>74</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 34.

<sup>75</sup> *First Review Determinations*, USITC Pub. 3707 at 11.

<sup>76</sup> *Confidential Views of Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Inv. Nos. 731-TA770-775 (Review), EDIS Doc. 750689 (July 2004) (“*Confidential First Review Determinations*”) at 9.

a combined capacity utilization of \*\*\* percent in 2003. Nevertheless, excess capacity in Korea in 2003 was equivalent to \*\*\* percent of apparent U.S. consumption.<sup>77</sup> The Commission observed that Korean exports to Asia increased over the period of review but that the majority of Korean producers' SSWR shipments remained in the home market.<sup>78</sup> Moreover, the Commission found mixed evidence with respect to pricing in various world markets, but noted that at least some sources suggested generally higher prices in the U.S. market than in Asia. The Commission found this to be consistent with what was only a gradual decline in Korean exports to the U.S. market during the first review period.<sup>79</sup>

In the second five-year reviews, the record reflected only one subject SSWR producer in Korea, POSCO Specialty Steel Co., Ltd. ("POSCOSS"), which was the successor entity to Changwon.<sup>80</sup> Subject SSWR from Korea had at most a small U.S. market presence between 2004 and 2009, with POSCOSS reporting that it last exported SSWR to the United States in \*\*\*, all of which was white coil SSWR.<sup>81</sup> POSCOSS's production capacity \*\*\* during the review period, although its capacity utilization \*\*\*.<sup>82</sup> POSCOSS's excess capacity in 2009 was equivalent to \*\*\* percent of apparent U.S. consumption in that year.<sup>83</sup> The Commission further observed that, although \*\*\*,<sup>84</sup> The Commission concluded that, given the need in the capital-intensive SSWR industry to maintain high capacity utilization to spread fixed costs over a larger production volume, the relative attractiveness of the U.S. market, its findings from the original investigations and first five-year reviews, and the existence of a \*\*\*, POSCOSS was likely to export SSWR to the United States in the event the antidumping duty order were revoked.<sup>85</sup>

In the third five-year reviews, subject imports from Korea were \*\*\* from 2013 to 2015.<sup>86</sup> Korean producer SeAH Changwon Integrated Stainless Steel Corporation's ("SeAH") \*\*\* SSWR production capacity remained stable at \*\*\* short tons from 2013 to 2015, while its production and capacity utilization rate declined irregularly.<sup>87</sup> Over the same period, its exports of SSWR declined irregularly in absolute terms and steadily as a share of total shipments.<sup>88</sup>

In these reviews, there is limited new information concerning the Korean SSWR industry. The record shows that subject imports from Korea were virtually absent from the U.S. market during the current period of review.<sup>89</sup> Domestic Producers provided information

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<sup>77</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 9.

<sup>78</sup> *First Review Determinations*, USITC Pub. 3707 at 12.

<sup>79</sup> *First Review Determinations*, USITC Pub. 3707 at 12.

<sup>80</sup> *Second Review Determinations*, USITC Pub. 4154 at 22.

<sup>81</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 35.

<sup>82</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 35.

<sup>83</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 36.

<sup>84</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 36.

<sup>85</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 36.

<sup>86</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 27.

<sup>87</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 27.

<sup>88</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 27.

<sup>89</sup> CR/PR at Table I-5. In 2019, the only year in which imports of subject merchandise from Korea were present, there were two short tons of imports of subject merchandise from Korea. *Id.*

concerning one possible producer/exporter of SSWR in Korea, SeAH.<sup>90</sup> They assert that SeAH has maintained significant production capacity, including one plant that has an annual capacity of 1.2 million tons of various steel products that include SSWR. Domestic Producers also claim that its U.S. affiliate, which already imports several out-of-scope steel products from SeAH, could “easily facilitate” further sales of SSWR.<sup>91</sup> They argue that the U.S. market is an attractive market because SSWR prices in the United States are relatively higher than in third-country markets, based upon AUV data.<sup>92</sup> The record shows that the Korean industry was a relatively large exporter of SSWR, with exports fluctuating but slightly declining overall from 59,986 short tons in 2016 to 58,683 short tons in 2020.<sup>93</sup>

Subject imports from Korea undersold the domestic like product in 34 of 37 (or 91.8 percent of) quarterly comparisons in the original investigations and in 44 of 54 (or 81.4 percent of) quarterly comparisons in the first five-year reviews.<sup>94</sup> In the second reviews, subject imports from Korea undersold the domestic like product in \*\*\* of eight (or \*\*\* percent of) quarterly comparisons and oversold the domestic like product in the remaining \*\*\* (or \*\*\* percent of) quarterly comparisons, although the volumes involved were relatively small and pricing comparisons \*\*\*.<sup>95</sup> No pricing product data concerning subject imports from Korea were obtained in the third and current five-year reviews.<sup>96</sup>

Based on the forgoing, including the underselling by subject imports from Korea in the original investigations and first five-year reviews, and the large size and volume of exports of the SSWR industry in Korea, we find that revocation of the antidumping duty order on subject imports from Korea would not likely have no discernible adverse impact on the domestic industry.

*Taiwan.* During the original investigations, two firms produced SSWR in Taiwan, Walsin-Cartech Specialty Steel Corp. (“Walsin-Cartech”) and Yieh Hsing.<sup>97</sup> Yieh Hsing received a *de minimis* final antidumping duty margin, so Commerce excluded it from the orders.<sup>98</sup> Walsin-Cartech’s production and capacity \*\*\* between 1995 and 1997, during which time its exports

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<sup>90</sup> CR/PR at I-28.

<sup>91</sup> Response at 13.

<sup>92</sup> Response at 13, Exhibits 1, 4. Specifically, the 2020 AUV of all U.S. imports (\$1.51 per pound) is higher than the 2020 AUV of Korea’s global exports (\$0.95 per pound). *Id.* (comparing GTA data for HTS subheading 7221.00, a category that includes SSWR with official Commerce import data for HTS subheadings 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075).

<sup>93</sup> Korea is the sixth largest global exporter of SSWR. CR/PR at Tables I-10, 14 (GTA data for HTS subheading 7221.00, a category that includes SSWR).

<sup>94</sup> *First Review Determinations*, USITC Pub. 3707 at 12.

<sup>95</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 35-37.

<sup>96</sup> *Third Review Determinations*, USITC Pub. 4623 at 18; CR/PR at Appendix B-3.

<sup>97</sup> *Second Review Determinations*, USITC Pub. 4154 at 24.

<sup>98</sup> *Second Review Determinations*, USITC Pub. 4154 at 24; *see also Taiwan AD Order*, 63 Fed. Reg. 49332.

to the United States increased \*\*\*, causing subject imports to increase \*\*\* during the POI.<sup>99</sup> Subject imports from Taiwan accounted for an increasing share of the U.S. market (\*\*% percent in 1995, \*\*% percent in 1996, and \*\*% percent in 1997).<sup>100</sup>

In the first five-year reviews, two producers accounted for all SSWR production in Taiwan, Walsin Lihwa Corp. (“Walsin”) (the successor to Walsin-Cartech) and nonsubject producer Yieh Hsing.<sup>101</sup> The Commission observed that subject imports from Taiwan maintained a presence in the U.S. market even after imposition of the antidumping duty order.<sup>102</sup> At the time of the first five-year reviews, Walsin exported more than \*\*\* of its shipments and had \*\*\* since the original investigations.<sup>103</sup> Moreover, its excess capacity in 2003 was equivalent to more than \*\*% percent of apparent U.S. consumption that year.<sup>104</sup> The Commission found mixed evidence concerning prices in various world markets, but noted at least some sources suggested higher prices in the U.S. market than in Taiwan, which was consistent with Taiwan’s continued presence in the U.S. market despite the antidumping duty order.<sup>105</sup>

In the second five-year reviews, no producer of SSWR in Taiwan responded to the Commission’s questionnaires.<sup>106</sup> Subject imports from Taiwan maintained a presence in the U.S. market during the review period.<sup>107</sup> \*\*\* data identified \*\*\*.<sup>108</sup> According to this source, SSWR production capacity in Taiwan \*\*\*.<sup>109</sup> The Commission observed that imports of stainless steel bar from Taiwan were subject to a U.S. antidumping duty order and that Walsin could shift some production from stainless steel bar to SSWR in the event the U.S. order on SSWR were revoked.<sup>110</sup>

In the third five-year reviews, no SSWR producer in Taiwan responded to the Commission’s questionnaire. The volume of subject imports from Taiwan declined irregularly from 2013 to 2015.<sup>111</sup> Global exports of SSWR from Taiwan, which included exports by nonsubject producer Yieh Hsing, increased every year from 2013 to 2015.<sup>112</sup> In addition, the Commission found that Walsin was \*\*%, with a production level that was \*\*\* apparent U.S. consumption in 2013.<sup>113</sup>

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<sup>99</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 40.

<sup>100</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 40.

<sup>101</sup> *First Review Determinations*, USITC Pub. 3707 at 14.

<sup>102</sup> *First Review Determinations*, USITC Pub. 3707 at 14.

<sup>103</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 12.

<sup>104</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 12.

<sup>105</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 12.

<sup>106</sup> *Second Review Determinations*, USITC Pub. 4154 at 24.

<sup>107</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 41.

<sup>108</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 41-42.

<sup>109</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 42.

<sup>110</sup> *Second Review Determinations*, USITC Pub. 4154 at 25.

<sup>111</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 35.

<sup>112</sup> *Third Review Determinations*, USITC Pub. 4623 at 22.

<sup>113</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 35.

In the current reviews, there is limited new information on the record concerning the SSWR industry in Taiwan. Imports of SSWR from Taiwan declined over the period of review, falling from 8,410 short tons in 2015 to 7,752 short tons in 2020.<sup>114</sup> Domestic Producers provided information about one possible producer of SSWR in Taiwan, Walsin.<sup>115</sup> They assert that Walsin has maintained significant production capacity, including one plant that has an annual SSWR capacity of 240,000 tons. Walsin advertises that this plant can “complete supply chain markets around the world, including America . . . .”<sup>116</sup> Domestic Producers also argue that the U.S. market is attractive to Taiwan producers because SSWR prices are higher in the United States than in third-country markets, based upon AUV data.<sup>117</sup> The record shows that the Taiwan industry was the world’s largest SSWR exporter in 2020, with exports declining irregularly from 156,972 short tons in 2016 to 128,653 short tons in 2020.<sup>118</sup>

Subject imports from Taiwan undersold the domestic like product in 15 of 20 (or 75.0 percent of) quarterly comparisons in the original investigations and in five of 14 (or 35.7 percent of) quarterly comparisons in the first five-year reviews.<sup>119</sup> Virtually no pricing data were reported for subject imports from Taiwan in the second five-year reviews, and no pricing data were obtained on subject imports from Taiwan in the third and current five-year reviews.<sup>120</sup>

Based on the forgoing, including the underselling by subject imports from Taiwan in the original investigations and first five-year reviews, the presence of both subject and nonsubject SSWR from Taiwan in the U.S. market after imposition of the order, and the large size and volume of exports of the SSWR industry in Taiwan, we find that revocation of the antidumping duty order on subject imports from Taiwan would not likely have no discernible adverse impact on the domestic industry.

## 2. 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

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<sup>114</sup> CR/PR at Table I-5. Subject import data in 2020 may be overstated as they may include SSWR produced/exported by nonsubject producer Yieh Hsing.

<sup>115</sup> CR/PR at I-31; Response at 22.

<sup>116</sup> Response at 14, Exhibit 6.

<sup>117</sup> Response at 14, Exhibits 1, 4. Specifically, the 2020 AUVs of U.S. imports (\$1.51 per pound) is higher than the 2020 AUVs of Taiwan’s global exports (\$1.02 per pound). *Id.* (comparing GTA data for HTS subheading 7221.00, a category that includes SSWR with official Commerce import data for HTS subheadings 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075). These data may include exports by nonsubject producer Yieh Hsing.

<sup>118</sup> CR/PR at Tables I-13, 14 (GTA data for HTS subheading 7221.00, a category that includes SSWR). These data may include SSWR produced/exported by nonsubject producer Yieh Hsing.

<sup>119</sup> *First Review Determinations*, USITC Pub. 3707 at 15.

<sup>120</sup> *Second Review Determinations*, USITC Pub. 4154 at 25; *Third Review Determinations*, USITC Pub. 4623 at 18; CR/PR at Appendix B-3.



product.<sup>121</sup> Only a “reasonable overlap” of competition is required.<sup>122</sup> In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.<sup>123</sup>

In the original investigations and prior reviews, the Commission found a reasonable overlap of competition between and among subject imports from all three countries subject to these reviews, Japan, Korea, and Taiwan, and the domestic like product, and cumulated imports from these three subject countries<sup>124</sup> When finding that there would likely be a reasonable overlap of competition in the second and third five-year reviews, the Commission emphasized that the focus of its inquiry in five-year reviews is whether there would likely be competition upon revocation of the relevant orders, even if there currently were no imports from a subject country.<sup>125</sup>

*Fungibility.* In the original investigations, the Commission found that SSWR from all subject countries was fungible with SSWR from other subject countries and with the domestic like product.<sup>126</sup> Only Japanese respondents asserted that their imports did not compete with the domestic like product.<sup>127</sup> The Commission found that the limited evidence regarding quality differences was outweighed by other evidence showing a reasonable overlap of

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<sup>121</sup> 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).

<sup>122</sup> *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom., Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

<sup>123</sup> *See generally, Cheflin Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

<sup>124</sup> *First Review Determinations*, USITC Pub. 3707 at 15; *Second Review Determinations*, USITC Pub. 4154 at 25, 28; *Third Review Determinations*, USITC Pub. 4623 at 26; *Original Determinations*, USITC Pub. 3126 at 12-13.

<sup>125</sup> *Second Review Determinations*, USITC Pub. 4154 at 28; *Third Review Determinations*, USITC Pub. 4623 at 26.

<sup>126</sup> *Original Determinations*, USITC Pub. 3126 at 11-13.

<sup>127</sup> *Original Determinations*, USITC Pub. 3126 at 12.

competition between subject imports from Japan and the domestic like product.<sup>128</sup> In the first five-year reviews, the Commission found that, once made to customers' specifications, SSWR made domestically and in the subject countries was generally substitutable and interchangeable in uses.<sup>129</sup> In the second five-year reviews, \*\*\* responding domestic producers and \*\*\* of responding importers reported that SSWR produced in the subject countries was always or frequently interchangeable with SSWR produced in the other subject countries and with the domestic like product.<sup>130</sup> The Commission found that purchasers typically reported SSWR to be sometimes or frequently comparable regardless of the subject or domestic source.<sup>131</sup> Questionnaire respondents also generally reported that producers in the United States and each of the subject countries met quality requirements, and no party argued otherwise.<sup>132</sup> In the third five-year reviews, the Commission found that there would likely be a high degree of substitutability among subject imports from Japan, Korea, and Taiwan and between these imports and the domestic like product, while recognizing that substitutability may be more limited with respect to subject imports from Japan and subject imports of some niche products.<sup>133</sup> All three responding domestic producers reported that the domestic like product and imports from each subject source were always interchangeable, while both responding importers and most purchasers reported that SSWR was always or frequently interchangeable, regardless of source.<sup>134</sup>

In the current reviews, Domestic Producers claim that subject imports and the domestic like product remain substitutable.<sup>135</sup> There is no new information in the record indicating that the fungibility between and among subject imports from Japan, Korea, and Taiwan and the domestic like product has changed since the prior proceedings.

*Channels of Distribution.* During the original investigations, most SSWR produced in the United States was captively consumed, but the Commission found that the great majority of both domestic and imported merchant-market shipments were sold directly to end users, such as wire redrawers and fastener manufacturers.<sup>136</sup> In the first five-year reviews, the Commission found that subject imports and domestically produced SSWR for the commercial market were sold to end users,<sup>137</sup> and the Commission found that the data in the second five-year reviews were generally consistent with the earlier proceedings.<sup>138</sup> In the third five-year reviews, U.S.

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<sup>128</sup> *Original Determinations*, USITC Pub. 3126 at 12-13.

<sup>129</sup> *First Review Determinations*, USITC Pub. 3707 at 15.

<sup>130</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 45.

<sup>131</sup> *Second Review Determinations*, USITC Pub. 4154 at 26.

<sup>132</sup> *Second Review Determinations*, USITC Pub. 4154 at 26.

<sup>133</sup> *Third Review Determinations*, USITC Pub. 4623 at 24. The Commission determined that there would be high degree of substitutability among subject imports from Italy, Japan, Korea, and Taiwan. Imports from Italy are no longer subject to orders. *Id.*

<sup>134</sup> *Third Review Determinations*, USITC Pub. 4623 at 24.

<sup>135</sup> Response at 16.

<sup>136</sup> *Original Determinations*, USITC Pub. 3126 at 12.

<sup>137</sup> *First Review Determinations*, USITC Pub. 3707 at 15-16.

<sup>138</sup> *Second Review Determinations*, USITC Pub. 4154 at 27.

producers directed the \*\*\* majority of their commercial shipments of SSWR to end users.<sup>139</sup> Although no responding importer reported importing subject SSWR during the period of review, both responding importers reported selling \*\*\*.<sup>140</sup>

In the current reviews, Domestic Producers claim that the common channels of distribution found by the Commission in prior reviews persist.<sup>141</sup> There is no new information in these reviews to indicate that the channels of distribution used by domestic and subject SSWR have changed from that observed in the prior proceedings.

*Geographic Overlap.* Both SSWR imported from the subject countries and SSWR produced in the United States were sold nationwide during the original investigations,<sup>142</sup> and nothing on the record of the first five-year reviews indicated that this pattern would likely change upon revocation.<sup>143</sup> Although there were only limited or no subject imports during the second five-year reviews, importers generally reported selling to multiple geographic regions,<sup>144</sup> supporting a likelihood of geographic overlap among subject imports and the domestic like product in the event of revocation. In the third five-year reviews, domestic producers and one responding importer of nonsubject SSWR reported selling SSWR to all regions in the contiguous United States except the Mountain region.<sup>145</sup> In addition, imports of SSWR from Taiwan, including imports not subject to the order, were shown to have entered the U.S. market through eight out of 11 customs districts in 2015.<sup>146</sup>

In the current reviews, Domestic Producers claim that the geographic overlap found by the Commission in prior reviews persists.<sup>147</sup> The record indicates that imports of SSWR from Japan entered through northern and eastern borders of entry from 2016 through 2020. Imports of SSWR from Korea entered in only one month during this review period and those entries, which occurred in 2019, all entered through northern borders of entry. Imports of SSWR from Taiwan entered through northern, eastern, and western borders of entry in all years from 2016 through 2020, while entering through the southern border of entry only in 2019 and 2020. The majority of imports of SSWR from Taiwan in 2020 entered through eastern, northern, and western borders of entry.<sup>148</sup>

*Simultaneous Presence in Market.* In the original investigations, meaningful volumes of imports from all of the subject countries and the domestic like product were present in the U.S.

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<sup>139</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 39.

<sup>140</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 39.

<sup>141</sup> Response at 5.

<sup>142</sup> *Original Determinations*, USITC Pub. 3126 at 11-12.

<sup>143</sup> *First Review Determinations*, USITC Pub. 3707 at 16.

<sup>144</sup> *Second Review Determinations*, USITC Pub. 4154 at 27.

<sup>145</sup> *Third Review Determinations*, USITC Pub. 4623 at 25.

<sup>146</sup> *Third Review Determinations*, USITC Pub. 4623 at 25.

<sup>147</sup> Response at 5.

<sup>148</sup> CR/PR at I-24. Data on the borders of entry of imports of SSWR from Japan, Korea, and Taiwan are based upon official U.S. import statistics that may include imports of SSWR from nonsubject producers in Japan and Taiwan. *Id.* at I-24 n.56.

market throughout the POI.<sup>149</sup> In the first five-year reviews, the Commission found that subject imports from each subject country likely would be present if the orders were revoked, because import statistics and quarterly pricing data showed that SSWR from each subject country had been sold in the U.S. market during the review period.<sup>150</sup> During the second five-year reviews, the Commission found that subject imports generally had a lower or no presence in the U.S. market and concluded that imports from all subject sources would likely be simultaneously present in the market alongside SSWR produced domestically, as they were during the original investigations.<sup>151</sup> In the third five-year reviews, the Commission found that subject imports continued to have a minimal presence in the U.S. market, while adding that imports of SSWR from Japan and Taiwan (which included nonsubject imports) were present in every month of 2015.<sup>152</sup>

In the current reviews, Domestic Producers claim that the same market conditions that led the Commission to find that subject imports and the domestic like product would likely be simultaneously present after revocation continue to prevail.<sup>153</sup> From 2016 through 2020, imports of SSWR from Japan were reported in 59 of 60 months, including every month in 2020; imports of SSWR from Korea were reported in one month; and imports of SSWR from Taiwan were reported in all months.<sup>154</sup>

*Conclusion.* The record of these expedited reviews contains limited information concerning subject imports in the U.S. market during the period of review. There is no new information, however, suggesting a change in the considerations that led the Commission to conclude in prior reviews that there would be a likely reasonable overlap of competition between and among imports from the subject countries and the domestic like product in the event of revocation of the orders.<sup>155</sup> In light of this, and in the absence of any contrary argument, we find that there would likely be a reasonable overlap of competition between and among subject imports from Japan, Korea, and Taiwan, and the domestic like product, if the orders were revoked.

### 3. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether subject imports from the subject countries would compete under similar or

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<sup>149</sup> *Original Determinations*, USITC Pub. 3126 at 12.

<sup>150</sup> *First Review Determinations*, USITC Pub. 3707 at 16.

<sup>151</sup> *Second Review Determinations*, USITC Pub. 4154 at 27.

<sup>152</sup> *Second Review Determinations*, USITC Pub. 4154 at 26.

<sup>153</sup> Response at 5.

<sup>154</sup> CR/PR at I-24. Subject imports from Korea were present in one month in 2019. *Id.* Data on the presence of imports of SSWR from Japan, Korea, and Taiwan in the U.S. market during the period of review are based upon official U.S. import statistics that may include imports of SSWR from nonsubject producers in Japan and Taiwan. *Id.* at I-24 n.56.

<sup>155</sup> *First Review Determinations*, USITC Pub. 3707 at 8, 15-16; *Second Review Determinations*, USITC Pub. 4154 at 13-25; *Third Review Determinations*, USITC Pub. 4623 at 30.

different conditions in the U.S. market if the orders were revoked. Domestic Producers assert that the Commission’s findings in the prior reviews that subject imports from Japan, Korea, and Taiwan will likely enter the U.S. market under similar conditions of competition after revocation remain applicable.<sup>156</sup> The record in these reviews contains little current information about the industries in any of the three subject countries. However, the available information in these expedited reviews shows that the subject industries in all three subject countries increased their shipments of subject merchandise to the United States prior to the imposition of the orders, decreased these shipments after the orders, and have some degree of export orientation.<sup>157</sup> The record in these current reviews does not indicate that there would likely be any significant difference in the conditions of competition between subject imports from Japan, Korea, and Taiwan if the orders were revoked.

#### **4. Conclusion**

Based on the foregoing, we find that subject imports from Japan, Korea, and Taiwan, considered individually, would not be likely to have no discernible adverse impact on the domestic industry if the corresponding 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 Japan, Korea, and Taiwan for the purposes of our analysis in these reviews.

### **IV. Revocation of the Antidumping 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 time.”<sup>158</sup> The Uruguay Round Agreements Act (“URAA”) Statement of Administrative Actions (“SAA”) states that “under the likelihood standard, the Commission will engage in a

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<sup>156</sup> Response at 5. Domestic Producers did not address these factors in relation to cumulation in their final comments.

<sup>157</sup> CR/PR at Tables I-6, I-14, Appendix A-5.

<sup>158</sup> 19 U.S.C. § 1675a(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.”<sup>159</sup> Thus, the likelihood standard is prospective in nature.<sup>160</sup> The U.S. Court of International Trade (“CIT”) 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.<sup>161</sup>

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.”<sup>162</sup> 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.”<sup>163</sup>

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”<sup>164</sup> 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

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<sup>159</sup> SAA, H.R. Rep. No. 103-316, vol. I at 883-84 (1994) 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.

<sup>160</sup> 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.

<sup>161</sup> 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’”).

<sup>162</sup> 19 U.S.C. § 1675a(a)(5).

<sup>163</sup> 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.*

<sup>164</sup> 19 U.S.C. § 1675a(a)(1).

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).<sup>165</sup> 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.<sup>166</sup>

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.<sup>167</sup> 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.<sup>168</sup>

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.<sup>169</sup>

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,

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<sup>165</sup> 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings concerning SSWR from Italy, Japan, Korea, Spain, and Taiwan. *Stainless Steel Wire Rod From Japan, the Republic of Korea, and Taiwan Expedited Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg 36249, 56250 (Oct. 8, 2021); *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Wire Rod from Japan, the Republic of Korea, and Taiwan*, (Oct. 4, 2021) at 6.

<sup>166</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

<sup>167</sup> 19 U.S.C. § 1675a(a)(2).

<sup>168</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>169</sup> 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.

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.<sup>170</sup> 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.<sup>171</sup>

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the SSWR industries in Japan, Korea, and Taiwan, and there also is limited information on the SSWR market in the United States during the current period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and prior reviews, and the limited new information on the record in these current five-year reviews.

## **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.”<sup>172</sup> The following conditions of competition inform our determinations.

In all prior five-year reviews, the Commission identified consistent conditions of competition that remained unchanged from the original investigations through the third five-year reviews. Demand for SSWR depended primarily on demand for the downstream products that incorporate SSWR. These include stainless steel wire, stainless steel bars, and products for applications that require the special corrosion-resistant characteristics of stainless steel, such as in end uses in the automotive, medical instruments, and general manufacturing industries.<sup>173</sup> As such, the Commission found that SSWR did not have its own business cycle but rather demand for SSWR reflects trends in general economic conditions and in the industries for which it is used.<sup>174</sup>

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<sup>170</sup> 19 U.S.C. § 1675a(a)(4).

<sup>171</sup> 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.

<sup>172</sup> 19 U.S.C. § 1675a(a)(4).

<sup>173</sup> *Second Review Determinations*, USITC Pub. 4154 at 33 (citing *First Review Determinations*, USITC Pub. 3126 at 13-14 and *Original Determinations*, USITC Pub. 3707 at 19-21); *Third Review Determinations*, USITC Pub. 4623 at 33-34, 41.

<sup>174</sup> *Second Review Determinations*, USITC Pub. 4154 at 33; *Third Review Determinations*, USITC Pub. 4623 at 33-34, 41.



In addition, SSWR represented a relatively large share of the cost of the downstream products in which it is used, and questionnaire respondents reported few substitutes for SSWR.<sup>175</sup> SSWR was typically made to customer specifications and sales primarily were made directly to end users, with spot sales and short-term contracts accounting for most sales in the U.S. market. Price and quality were the most important factors influencing purchasing decisions.<sup>176</sup> Finally, in the capital-intensive SSWR industry, SSWR producers strived to maintain high capacity utilization in order to spread fixed costs over a larger production volume.<sup>177</sup>

The Commission also identified several changes in the conditions of competition in the U.S. market that were relevant to its analysis in the prior proceedings, as described below.

## 1. Demand Conditions

*Prior Proceedings.* During the original investigations, the Commission found that overall demand for SSWR in the United States, as measured by apparent U.S. consumption, increased due to general growth in the economy and the development of new applications for SSWR products and peaked in 1997.<sup>178</sup> During the first five-year reviews, however, the Commission found that apparent U.S. consumption of SSWR dropped \*\*\* in 2001 and remained \*\*\* below its 1998 level. The Commission surmised that competition from imports in the downstream market for wire, as well as the 2001 recession, may have led to this decline.<sup>179</sup> In the second five-year reviews, most questionnaire respondents reported that U.S. demand for SSWR declined between 2004 and 2009.<sup>180</sup> Apparent U.S. consumption then declined substantially in 2009, which the Commission found was consistent with the recessionary economic environment at that time.<sup>181</sup> In the third five-year reviews, a majority of U.S. producers and a plurality of purchasers reported that demand for SSWR had decreased since January 1, 2013. Apparent U.S. consumption initially increased from \*\*\* short tons in 2013 to \*\*\* short tons in

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<sup>175</sup> *Second Review Determinations*, USITC Pub. 4154 at 33; *Third Review Determinations*, USITC Pub. 4623 at 33-34.

<sup>176</sup> *Second Review Determinations*, USITC Pub. 4154 at 33-34; *Third Review Determinations*, USITC Pub. 4623 at 33-34.

<sup>177</sup> *Second Review Determinations*, USITC Pub. 4154 at 34; *Third Review Determinations*, USITC Pub. 4623 at 33-34.

<sup>178</sup> *Second Review Determinations*, USITC Pub. 4154 at 33 (citing *Original Determinations*, USITC Pub. 3126 at 13-14).

<sup>179</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 16-17.

<sup>180</sup> *Second Review Determinations*, USITC Pub. 4154 at 34. To explain this trend, they pointed to the recession, declines in U.S. demand for stainless steel wire, the movement offshore of some stainless steel wire production, and increasing imports of stainless steel wire relative to sales of stainless steel wire by U.S. producers, including imports from India of stainless steel wire that was subject to an antidumping duty order. *Id.*

<sup>181</sup> *Second Review Determinations*, USITC Pub. 4154 at 34.

2014, before decreasing to \*\*\* short tons in 2015.<sup>182</sup> With respect to anticipated trends in demand, responses were mixed.<sup>183</sup>

*Current Reviews.* In the current reviews, there is no new information indicating that the factors driving demand have significantly changed since the third five-year reviews.<sup>184</sup> Apparent U.S. consumption was lower in 2020, at \*\*\* short tons, than it was in 2015, at \*\*\* short tons.<sup>185</sup> Domestic Producers claim that because demand continues to be tied to trends in the overall economy, demand fluctuated from 2015 through 2019 but decreased in 2020, partly because of the COVID-19 pandemic.<sup>186</sup>

## 2. Supply Conditions

*Prior Proceedings.* In the second five-year reviews, the Commission found that the makeup of the domestic industry had changed substantially since the original investigations and first five-year reviews, particularly with the emergence of NAS.<sup>187</sup> Although the domestic industry had increased SSWR production capacity between the original investigations and first five-year reviews, it had decreased its capacity by \*\*\* percent between 2004 and 2009.<sup>188</sup> In the third five-year reviews, the domestic industry's share of the U.S. SSWR market declined from \*\*\* percent in 2013 to \*\*\* percent in 2014 and \*\*\* percent in 2015.<sup>189</sup>

In the original investigations, the Commission found that the statutory captive production provision did not apply, but it considered the significant volume of captive consumption of SSWR as a condition of competition.<sup>190</sup> While the captive production provision does not apply in five-year reviews, the Commission recognized in the first reviews that captive

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<sup>182</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 65. Reasons cited for the decrease in apparent U.S. consumption included import competition, poor worldwide economic conditions, and an increase in low-cost imports of finished goods that use SSWR. At the hearing, a domestic industry witness indicated that the decline in commercial sales of SSWR in 2015 was related to reduced demand for stainless rod products in the energy market and the fact that some manufacturers of downstream products that use SSWR, such as drawn wire and fasteners, were relocating to lower-cost countries like Mexico and China. *Third Review Determinations*, USITC Pub. 4623 at 41.

<sup>183</sup> *Third Review Determinations*, USITC Pub. 4623 at 41.

<sup>184</sup> Response at 24; Final Comments at 4.

<sup>185</sup> CR/PR at Table I-6.

<sup>186</sup> Response at 24. Domestic Producers also assert that demand is related to SSWR's use as an intermediate stainless steel product that is used primarily to produce stainless steel wire and stainless steel bar which is utilized by industries such as automotive, medical, marine, and general manufacturing, and in the production of nails, couplings, and welding electrodes. *Id.*

<sup>187</sup> NAS increased its share of domestic SSWR production from \*\*\* percent in 2003 (when it began production operations) to \*\*\* percent in 2009. The other domestic producers accounted for \*\*\* percent (ATI Allvac), \*\*\* percent (Carpenter, which acquired Talley in 1998), and \*\*\* percent (Universal). *Confidential Second Review Determinations*, EDIS Doc. 750695 at 60.

<sup>188</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 60.

<sup>189</sup> *Confidential Third Review Determinations*, EDIS Doc. 750695 at 66-68.

<sup>190</sup> *Original Determinations*, USITC Pub. 3126 at 13-14.

consumption of SSWR to manufacture downstream products accounted for over \*\*\* percent of the industry's shipments in 2003, but noted that this ratio had gradually declined since 1998.<sup>191</sup> In the second five-year reviews, the Commission observed that captive consumption of SSWR for use in the production of downstream products continued to account for a substantial portion of the domestic industry's total shipments.<sup>192</sup> In 2009, Carpenter accounted for the \*\*\* share of total internal consumption by value, and NAS accounted for the \*\*\* share of total commercial sales by value.<sup>193</sup>

In the first five-year reviews, the Commission observed that subject imports remained in the U.S. market but steadily declined from their peak in 1997.<sup>194</sup> In the second and third five-year reviews, the Commission found that subject imports had either limited, minimal, or no presence in the U.S. market.<sup>195</sup>

Nonsubject imports in the first five-year reviews (imports of SSWR manufactured by producers in subject countries that were excluded from the orders and by producers in nonsubject countries) steadily increased their share of the U.S. market from 1997 until they peaked in 2000, subsequently falling from 2001 to 2003.<sup>196</sup> In the second five-year reviews, nonsubject imports declined and accounted for an irregularly declining share of apparent U.S. consumption. The leading nonsubject sources included China, \*\*\*, the United Kingdom, Sweden, France, and \*\*\*.<sup>197</sup> The Commission observed that the countervailing duty order on SSWR from Italy had been revoked effective September 15, 2003, that antidumping duty orders on SSWR from Brazil and France were revoked on August 8, 2006, and that an antidumping duty order was still in place on SSWR from India.<sup>198</sup> In the third five-year reviews, the Commission found that nonsubject imports had increased their share of apparent U.S. consumption from \*\*\* percent in 2013 to \*\*\* percent in 2014 and \*\*\* percent in 2015.<sup>199</sup>

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<sup>191</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 17-18.

<sup>192</sup> *Second Review Determinations*, USITC Pub. 4154 at 35. The Commission did not find that captive consumption was a relevant condition of competition in the third five-year reviews. *See Third Review Determinations*, USITC Pub. 4623 at 42.

<sup>193</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 61-62.

<sup>194</sup> *First Review Determinations*, USITC Pub. 3707 at 20-21.

<sup>195</sup> *Second Review Determinations*, USITC Pub. 4154 at 36 (finding that "subject imports from Italy, Japan, Korea, Spain, and Taiwan had a limited, if any, presence in the U.S. market during the review period"); *Third Review Determinations*, USITC Pub. 4623 at 42 (finding that subject imports had "minimal to no presence in the U.S. market"). In the third five-year reviews, Taiwan was the sole subject source whose subject imports had a greater than 0.05 percent share of the U.S. market during any year of the period. The market share of subject imports from Taiwan was \*\*\* percent in 2013 and \*\*\* percent in 2014. *Confidential Third Review Determinations*, EDIS Doc. 750699 at 66-68.

<sup>196</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 62.

<sup>197</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 62-63.

<sup>198</sup> *Second Review Determinations*, USITC Pub. 4154 at 36.

<sup>199</sup> The largest sources of nonsubject imports were \*\*\*, China, and the United Kingdom, which together accounted for \*\*\* percent of nonsubject imports in 2015. \*\*\* accounted for \*\*\* percent of all nonsubject imports in 2015. *Confidential Third Review Determinations*, EDIS Doc. 750699 at 67-68.

*Current Reviews.* In the current reviews, the domestic industry accounted for \*\*\* of apparent U.S. consumption in 2020, with U.S. shipments of \*\*\* short tons.<sup>200</sup> Available information indicates that the domestic industry's capacity and production were lower in 2020 than in the prior proceedings.<sup>201</sup> Domestic Producers state that no suppliers of SSWR have entered or departed from the U.S. SSWR market since the third five-year reviews.<sup>202</sup>

Available information in these reviews indicates that subject sources were the third largest source of supply in 2020, with subject imports of \*\*\* short tons accounting for \*\*\* percent of apparent U.S. consumption in 2020,<sup>203</sup> while nonsubject imports were the second largest source of supply in 2020, with a volume of 21,979 short tons and accounting for \*\*\* percent of apparent U.S. consumption.<sup>204</sup> The largest nonsubject sources of SSWR during the current review period (other than nonsubject imports from Hitachi of Japan and Yieh Hsing of Taiwan) were Sweden, France, and China.<sup>205</sup> \*\*\*.<sup>206</sup>

### 3. Substitutability and Other Conditions

*Prior Proceedings.* In the original investigations, the Commission concluded that the domestic like product and subject imports were relatively fungible.<sup>207</sup> In the first five-year reviews, the Commission found that there was at least a moderate degree of substitutability between subject imports and the domestic like product, and that price and quality were the most important factors influencing purchasing decisions.<sup>208</sup> In the second five-year reviews, the

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<sup>200</sup> CR/PR at Table I-6. The domestic industry accounted for \*\*\* percent of apparent U.S. consumption in 2015 (or \*\*\* short tons), \*\*\* percent of apparent U.S. consumption in 2009 (or \*\*\* short tons), \*\*\* percent of apparent U.S. consumption in 2014 (or \*\*\* short tons), \*\*\* percent of apparent U.S. consumption in 1997 (or \*\*\* short tons). *Id.*

<sup>201</sup> CR/PR at Table I-4.

<sup>202</sup> Response at 24. \*\*\*. CR/PR at Appendix D-3-4.

<sup>203</sup> CR/PR at Table I-6. Subject import data for 2020 may be overstated because, unlike in prior proceedings, they potentially include SSWR produced/exported by Hitachi (Japan) and Yieh Hsing (Taiwan), which are excluded from the orders. CR/PR at Table I-6 Note. The share of apparent U.S. consumption of subject imports from Japan, Korea, and Taiwan was \*\*\* percent in 2015 and 2009, \*\*\* percent in 2003 (or \*\*\* short tons), and \*\*\* percent in 1997 (or \*\*\* short tons). *Id.*

<sup>204</sup> CR/PR at Table I-6. These data likely understate the quantity and share of nonsubject imports because, unlike in the prior proceedings, nonsubject producers (*i.e.*, Hitachi (Japan) and Yieh Hsing (Taiwan), producers that were excluded by Commerce from the relevant orders) were not included in the data concerning nonsubject imports. CR/PR at Table I-6 Note. Nonsubject sources (including imports from Germany, Sweden, Italy, and Spain) accounted for \*\*\* percent of apparent U.S. consumption in 2015 (or \*\*\* short tons), \*\*\* percent of apparent U.S. consumption in 2009 (or \*\*\* short tons), \*\*\* percent of apparent U.S. consumption in 2003 (or \*\*\* short tons), and \*\*\* percent of apparent U.S. consumption in 1997 (or \*\*\* short tons). *Id.*

<sup>205</sup> CR/PR at Table I-5.

<sup>206</sup> CR/PR at Appendix D-3-4.

<sup>207</sup> *Original Determinations*, USITC Pub. 3126 at 13.

<sup>208</sup> *First Review Determinations*, USITC Pub. 3707 at 19.

Commission observed that market participants reported that subject imports were generally interchangeable with each other and the domestic like product. It also found that, because questionnaire respondents reported that subject and domestic producers met quality requirements, price was likely to play an important role in purchasing decisions.<sup>209</sup> In the third five-year reviews, the Commission found that there would likely be a high degree of substitutability among subject imports from all subject countries and the domestic like product, although the substitutability may be more limited between the domestic like product and SSWR from Japan as well as between the domestic like product and subject imports for some niche products.<sup>210</sup> The Commission also found that price would likely play an important role in purchasing decisions.<sup>211</sup>

In the second and third five-year reviews, the Commission found that raw material costs (principally for steel scrap or iron ore and the alloying elements nickel, chromium, and molybdenum) were a substantial factor in industry profitability.<sup>212</sup> It also found in the second five-year reviews that domestic producers responded to changes in raw material costs by adjusting their sales prices.<sup>213</sup> Specifically, the domestic industry's metal margin (defined as the difference between its average unit sales price and the average unit cost of raw materials) fluctuated moderately and averaged about \$\*\*\* per short ton between 2004 and 2008, although it was \$\*\*\* per short ton in 2009. The domestic industry's ratios of raw materials to net sales and to total cost of goods sold ("COGS") rose irregularly between 2004 and 2008.<sup>214</sup> In the third five-year reviews, the Commission found that raw materials accounted for between \*\*\* and \*\*\* percent of the domestic industry's COGS,<sup>215</sup> and that raw material prices had decreased overall between January 2013 and December 2015.<sup>216</sup>

*Current Reviews.* In these reviews, as in the third reviews, we again find a high degree of substitutability between subject imports and the domestic like product (although more limited with respect to certain niche products). There is no new information on the record indicating that the substitutability between subject imports and the domestic like product or the importance of price has changed since the third five-year reviews. Domestic Producers contend that the U.S. market for SSWR is highly price-sensitive and that subject imports and the domestic like product remain substitutable.<sup>217</sup> \*\*\*, which is consistent with the Commissions' finding in the third five-year reviews that substitutability may be more limited for some niche products.<sup>218</sup>

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<sup>209</sup> *Second Review Determinations*, USITC Pub. 4154 at 36.

<sup>210</sup> *Third Review Determinations*, USITC Pub. 4623 at 43.

<sup>211</sup> *Third Review Determinations*, USITC Pub. 4623 at 43.

<sup>212</sup> *Second Review Determinations*, USITC Pub. 4154 at 36-37; *Third Review Determinations*, USITC Pub. 4623 at 43.

<sup>213</sup> *First Review Determinations*, USITC Pub. 3707 at 21-22.

<sup>214</sup> *Second Review Determinations*, USITC Pub. 4154 at 36-37.

<sup>215</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 69.

<sup>216</sup> *Third Review Determinations*, USITC Pub. 4623 at 36.

<sup>217</sup> Response at 16; Final Comments at 4.

<sup>218</sup> CR/PR at Appendix D-3.

In the current reviews, the record contains limited information on the domestic industry's raw material costs. \*\*\*.<sup>219</sup> The domestic industry's COGS, on both an absolute basis and as a ratio to net sales, was lower in 2020 than in 2015.<sup>220</sup>

Steel articles classifiable under HTS heading 7221, which include SSWR, from Japan and Taiwan became subject to additional 25 percent *ad valorem* duties pursuant to Section 232 of the Trade Expansion Act of 1962 ("section 232 tariffs"),<sup>221</sup> as of March 23, 2018.<sup>222</sup> Imports of steel articles from Korea, including SSWR, have been exempted from additional section 232 tariffs, but became subject to an annual import quota limit pursuant to section 232 effective May 1, 2018.<sup>223</sup>

## C. Likely Volume of Subject Imports

### 1. The Prior Proceedings

*Original Investigations.* In the original investigations, the Commission found that the volume of cumulated subject imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan rose by \*\*\* percent from 1995 to 1997 and their market share rose from \*\*\* percent to \*\*\* percent.<sup>224</sup> It observed that the increase in the volume of subject imports was greater than the rise in apparent U.S. consumption over the period. The Commission found the increase in volume and market share of the subject imports to be significant.<sup>225</sup>

*First Reviews.* In the first five-year reviews, the Commission observed that cumulated subject imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan had declined gradually since imposition of the orders but remained in the market.<sup>226</sup> It found that capacity and excess capacity in the subject countries had increased significantly since the original investigations, with known excess capacity in the subject countries amounting to more than \*\*\* of apparent U.S. consumption in 2003.<sup>227</sup> The Commission found several factors indicating that subject exporters were likely to increase exports to the United States to significant levels if the orders

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<sup>219</sup> CR/PR at Appendix D-4.

<sup>220</sup> CR/PR at Table I-4.

<sup>221</sup> 19 U.S.C § 1862.

<sup>222</sup> CR/PR at I-11; *Adjusting Imports of Steel Into the United States*, 83 Fed. Reg. 11625 (Mar. 15, 2018).

<sup>223</sup> *Adjusting Imports of Steel Into the United States*, 83 Fed. Reg. 13361 (Mar. 22, 2018).

<sup>224</sup> Imports of SSWR from Sweden, Spain, and Italy are no longer subject to an order.

<sup>225</sup> *Original Determinations*, USITC Pub. 3126 at 14-15; *Confidential Views of Stainless Steel Wire Rod from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan*, Inv. Nos. 701-TA-373 and 731-TA-769-775 (Final), EDIS Doc. 750629 (Sept. 1998) at 18-20. The Commission cumulated imports from Italian producer Valbruna because at the time its imports were subject to an affirmative final subsidy determination by Commerce.

<sup>226</sup> As explained above, imports from of SSWR from Sweden, Spain, and Italy are no longer subject to an order.

<sup>227</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 18-19.

were revoked. First, subject imports maintained their presence in the United States to a significant degree, indicating the importance of the U.S. market to the subject exporters. Second, the subject producers exported a substantial portion of their shipments, and transportation costs did not appear to provide much disincentive to shipping SSWR to the United States from Asia and Europe. Third, the United States was an attractive market.<sup>228</sup> The Commission concluded that the likely volume of imports of the subject merchandise, both in absolute terms and relative to production and consumption in the United States, would be significant absent the restraining effects of the antidumping duty orders.<sup>229</sup>

*Second Reviews.* In the second five-year reviews, the Commission again found that the likely volume of cumulated subject imports, in absolute terms and relative to both U.S. production and consumption, would be significant in the event of revocation.<sup>230</sup> It noted that cumulated subject import volume increased rapidly in the original investigations, and subject imports maintained a presence during the period covered by the first reviews, only withdrawing from the U.S. market completely during the last part of the period covered by the second reviews.<sup>231</sup> The Commission found there was considerable production capacity<sup>232</sup> and unused capacity<sup>233</sup> in the cumulated subject countries.<sup>234</sup> It further found that, given the capital-intensive nature of the SSWR industry and producers' need to operate at high capacity to spread fixed costs over a larger production volume, the aggregate excess capacity would likely provide a strong incentive for subject producers of SSWR to increase shipments to export markets, including the United States, if the orders were revoked. The Commission also determined that subject SSWR producers depended to a significant degree on exports,<sup>235</sup> and that the United States was an attractive market for subject producers.<sup>236</sup> It further found that

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<sup>228</sup> *First Review Determinations*, USITC Pub. 3707 at 22-23.

<sup>229</sup> *First Review Determinations*, USITC Pub. 3707 at 23.

<sup>230</sup> *Second Review Determinations*, USITC Pub. 4154 at 40.

<sup>231</sup> *Second Review Determinations*, USITC Pub. 4154 at 38.

<sup>232</sup> *Second Review Determinations*, USITC Pub. 4154 at 38. Collectively, subject producers in Italy, Japan, Korea, Spain, and Taiwan had an estimated capacity of more than 1.0 million short tons in 2009. *Id.*

<sup>233</sup> *Second Review Determinations*, USITC Pub. 4154 at 38-39. The lack of participation in those reviews by subject producers of SSWR from Japan, Spain, and Taiwan precluded quantifying precisely the unused production capacity in each of the subject countries. Nonetheless, the Commission found that known excess capacity in Italy and Korea alone \*\*\* apparent U.S. consumption in 2009 and \*\*\*. Observing that subject producers in the other subject countries reported having excess capacity in the original investigations and first five-year reviews, the Commission concluded that the combined excess capacity of all five subject countries was likely to be significantly larger than the reported data for Italy and Korea. *Confidential Second Review Determinations*, EDIS Doc. 750695 at 68-69.

<sup>234</sup> *Second Review Determinations*, USITC Pub. 4154 at 38. Collectively, subject producers in Italy, Japan, Korea, Spain, and Taiwan had an estimated capacity of more than 1.0 million short tons in 2009. *Id.*

<sup>235</sup> *Second Review Determinations*, USITC Pub. 4154 at 40.

<sup>236</sup> *Second Review Determinations*, USITC Pub. 4154 at 39. It found that \*\*\*, illustrating the attractiveness of the U.S. market to producers in Europe and Asia despite the transportation costs (Continued...)

NAS's pricing practices would not prevent subject imports from competing in the U.S. market, observing that the data on the record indicated that \*\*\*.<sup>237</sup>

*Third Reviews.* In the third five-year reviews, the Commission found that there was substantial production capacity and unused capacity in Japan, Korea, and Taiwan, and that the producers in those countries were highly export-oriented.<sup>238</sup> The Commission found that the excess capacity and export-orientation of subject producers provided them with strong incentives to increase shipments to export markets, including the United States in the event of revocation.<sup>239</sup> It observed that the United States was likely to be an attractive market for subject producers from the three subject countries, given the relatively higher prices available in the United States and the continued presence of cumulated subject imports in the U.S. market.<sup>240</sup> The Commission concluded that the likely volume of cumulated subject imports from Japan, Korea, and Taiwan, in absolute terms and relative to both U.S. production and consumption, would be significant in the event of revocation.<sup>241</sup>

## 2. The Current Reviews

The record in these reviews indicates that cumulated subject imports maintained a presence in the U.S. market under the disciplining effect of the orders, though the volume of subject imports was substantially lower than during the original investigations. During the period of review, the volume of cumulated subject imports ranged from 7,118 short tons in 2019 to 10,044 short tons in 2018, and was 7,939 short tons in 2020, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>242</sup>

Due to the expedited nature of these reviews, the record contains limited information on the industries in Japan, Korea, and Taiwan. The information available indicates that subject

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(...Continued)

associated with such sales. The limited available AUV data also suggested that the U.S. market was more attractive than \*\*\*. *Confidential Second Review Determinations*, EDIS Doc. 750695 at 69-70.

<sup>237</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 70-71.

<sup>238</sup> *Third Review Determinations*, USITC Pub 4623 at 44. Specifically, excess capacity for Korean producer SeAH in 2015 was equivalent to approximately half of apparent U.S. consumption that year and the subject countries collectively had an estimated production capacity of more than five times apparent U.S. consumption in 2014. *Id.*

<sup>239</sup> *Third Review Determinations*, USITC Pub 4623 at 44.

<sup>240</sup> *Third Review Determinations*, USITC Pub 4623 at 44. Specifically, limited AUV data suggested that SSWR in the U.S. market was generally priced higher than in other markets to which subject producers exported SSWR. Furthermore, a SSWR producer from Taiwan, Yieh Hsing, which was excluded from the orders, was the largest single source of nonsubject imports during the period of review. *Id.*

<sup>241</sup> *Third Review Determinations*, USITC Pub 4623 at 44.

<sup>242</sup> CR/PR at Tables I-5-6. During the original investigations, subject imports of SSWR from Japan, Korea, and Taiwan were \*\*\* short tons in 1997, accounting for \*\*\* percent of apparent U.S. consumption. *Id.* at Table I-6. As noted above, 2020 data may overstate the volume of subject imports because it may include imports of SSWR from nonsubject producers in Japan and Taiwan. *Id.* at Table I-6 Note.



producers have the means and incentive to increase their exports of subject merchandise to the U.S. market to significant levels if the orders were revoked. Subject industries in Japan, Korea, and Taiwan remain large and have significant capacity.<sup>243</sup> Specifically, according to data from *Steel Market Intelligence*, Japan, Korea, and Taiwan rank among the top five SSWR producing countries in the world.<sup>244</sup> The record also indicates that subject producers remain export oriented, as GTA data indicate that Taiwan, Japan, and Korea were the world's largest, third largest, and sixth largest country exporters of products in the HTS subheading that includes SSWR, respectively.<sup>245</sup>

Available information also indicates that the U.S. market remains attractive to subject producers. First, cumulated subject imports maintained a presence in the U.S. market during the current review period,<sup>246</sup> thereby maintaining ready distribution networks in the United States through affiliated importers and sales agents.<sup>247</sup> Second, available AUV data on the record suggest that SSWR prices are relatively higher in the United States than in third-country markets.<sup>248</sup>

Given the significant volume of cumulated subject imports during the original investigations, the continued presence of cumulated subject imports in the U.S. market during the period of review, the subject industries' substantial capacity and export orientation, and the attractiveness of the U.S. market to subject producers, we find that the volume of subject

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<sup>243</sup> Domestic Producers provided SSWR-specific capacity data for subject producers Nippon of Japan and Walsin of Taiwan, which have a combined annual production capacity of 370,000 metric tons of SSWR, equivalent to \*\*\* apparent U.S. SSWR consumption in 2020. CR/PR at Table I-5 Note, Table I-6; Response at 12, 14, Exhibits 3 and 6.

<sup>244</sup> Response at 11, Exhibit 2.

<sup>245</sup> CR/PR at Tables I-8-14 (GTA data for HTS subheading 7221.00, a category that includes SSWR). These data may be overstated as it may include nonsubject SSWR produced and exported by Hitachi and Yieh Hsing.

<sup>246</sup> Response at 12-13, Exhibits 3, 5. Although subject import data may be overstated due to the possible inclusion of SSWR imported from nonsubject producers in Japan and Taiwan, see CR/PR at Table I-6 Note, the presence of such imports would also reflect the attractiveness of the U.S. market to Japanese and Taiwan producers and the existence of distribution networks for imports of SSWR from Japan and Taiwan.

<sup>247</sup> See CR/PR at Tables I-5-6.

<sup>248</sup> Specifically, the 2020 AUVs of U.S. shipments by Domestic Producers and U.S. imports of SSWR (\$\*\*\* per short ton, and \$3,406 per short ton, respectively) were higher than the 2020 AUVs of Japan's, Korea's, and Taiwan's respective exports to global markets including the United States (\$2,950 per short ton, \$1,897 per short ton, and \$2,046 per short ton, respectively). CR/PR at Tables I-5, I-8-14 (comparing GTA data for HTS subheading 7221.00, a category that includes SSWR, with official Commerce import data for HTS subheadings 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075). We recognize that these export data may include nonsubject SSWR produced and exported by Hitachi from Japan and Yieh Hsing from Taiwan.

imports would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.<sup>249</sup>

#### **D. Likely Price Effects**

##### **1. The Prior Proceedings**

*Original Investigations.* In the original investigations, the Commission found that purchasers of SSWR considered price to be an important factor in making purchasing decisions. Cumulated subject imports from Italy, Japan, Korea, Spain, Sweden, and Taiwan undersold the domestic like product in 83.9 percent of comparisons,<sup>250</sup> and the Commission found that the subject imports suppressed price increases to a significant degree. The domestic industry's prices were declining or flat, and its COGS rose as a ratio to net sales even though demand was increasing.<sup>251</sup>

*First Reviews.* In the first five-year reviews, the Commission found that cumulated subject imports from Italy, Japan, Korea, Spain, and Taiwan continued to undersell the domestic like product to a significant extent even with the orders in effect; subject imports undersold the domestic like product in 127 of 177 (or 71.7 percent of) comparisons from 1998 to 2003, at an average underselling margin of 17.9 percent. The Commission found that prices for the domestic like product fell during 1998 and then fluctuated between 1999 and 2003. Prices for raw materials fluctuated over the period and increased as a ratio to the value of net sales, but the domestic industry could not raise prices sufficiently to cover costs.<sup>252</sup> The Commission found that, if the orders were revoked, purchasers of SSWR would have further leverage to obtain lower prices from the domestic producers. Because of the substitutability of the subject imports and the importance of price in purchasing decisions, it found that the increasing volumes of subject imports would likely undersell the domestic like product to a significant

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<sup>249</sup> No responding purchaser reported that section 232 tariffs or related quotas have affected the supply of, or demand for, subject imports, or that they anticipated such effects in the reasonably foreseeable future. Furthermore, the U.S. market is sufficiently attractive to encourage subject producers to export significant quantities of SSWR in the absence of the orders. See CR/PR at Appendix D-3-4.

We observe that the record in these expedited reviews contains no information concerning inventories of the subject merchandise.

<sup>250</sup> This conclusion was based on pricing data for the subject imports that the Commission cumulated in the original investigations, and thus included data on imports from Sweden, Italy, and Spain, which are no longer subject to orders in these reviews.

<sup>251</sup> *Original Determinations*, USITC Pub. 3126 at 15-16.

<sup>252</sup> *First Review Determinations*, USITC Pub. 3707 at 23-24. The Commission found that several factors continued to make it difficult for the domestic industry to increase prices. While the industry had added capacity, demand remained below the level observed in the original investigations. Competition in the downstream market for wire also forced purchasers of SSWR to be particularly sensitive to price. *Id.*

degree to regain market share. The Commission found that this underselling would likely suppress price increases and depress domestic prices to a significant degree.<sup>253</sup>

*Second Reviews.* In the second five-year reviews, the Commission found that spot sales played a large role in the U.S. market and that, given the relatively few purchasers of SSWR in the U.S. commercial market and the fact that pricing information was likely to be disseminated relatively easily, price changes were likely to occur relatively quickly.<sup>254</sup> The Commission found that quarterly pricing data collected for 2004 through 2009 showed only limited underselling by \*\*\*, but there were only limited or no U.S. imports of subject merchandise from each of the subject countries during that period, suggesting that the orders provided some discipline on pricing practices of the subject imports.<sup>255</sup> It concluded that producers in the subject countries would be likely to use underselling to increase market share in the United States. The record, it found, reflected competitive pricing in the U.S. market among domestic producers and imports from nonsubject suppliers, even though nonsubject suppliers held a declining share of the U.S. market during the review period. Purchasers admitted that they switched suppliers after imposition of the orders for price-based reasons and that they expected price-based competition in the event of revocation.<sup>256</sup> The Commission concluded that, upon revocation, cumulated subject imports would likely have significant depressing and/or suppressing effects on prices of the domestic like product.<sup>257</sup>

*Third Reviews.* In the third five-year reviews, the Commission found that there was generally a high degree of substitutability among subject imports from the cumulated subject countries and between those imports and the domestic like product and that price played an important role in purchasing decisions. Given this and the factors motivating subject producers to increase their exports to the United States, the Commission found that subject producers would likely undersell the domestic like product to increase their market share in the United States, consistent with their behavior in the original investigations and first reviews. Based on these factors, the likely significant volume of cumulated subject imports, and the adverse price effects of low-priced imports in the original investigations, the Commission found that if the orders were revoked, significant volumes of subject imports would likely undersell the domestic like product to gain market share, with significant depressing and/or suppressing effects on prices of the domestic like product.<sup>258</sup>

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<sup>253</sup> *First Review Determinations*, USITC Pub. 3707 at 23-24. This conclusion was based on pricing data for the subject imports that the Commission cumulated in the original investigations, and thus included data on imports from Sweden, Italy, and Spain, which are no longer subject to orders in these reviews.

<sup>254</sup> *Second Review Determinations*, USITC Pub. 4154 at 41-42.

<sup>255</sup> *Confidential Second Review Determinations*, EDIS Doc. 750695 at 74-75. This conclusion was based on pricing data for the subject imports that the Commission cumulated in the second five-year reviews, and thus included data on imports from Italy and Spain, which are no longer subject to orders in these reviews.

<sup>256</sup> *Second Review Determinations*, USITC Pub. 4154 at 42-43.

<sup>257</sup> *Second Review Determinations*, USITC Pub. 4154 at 42-43.

<sup>258</sup> *Third Review Determinations*, USITC Pub 4623 at 45-46.

## 2. The Current Reviews

As discussed above, we continue to find a generally high degree of substitutability between subject imports and the domestic like product, and that price plays an important role in purchasing decisions. Due to the expedited nature of these reviews, there is no new product-specific pricing information on the record. In light of the high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, and the factors likely to motivate subject producers to increase their exports to the United States, subject producers would likely undersell the domestic like product to increase their market share in the United States if the orders were revoked, consistent with their behavior in the original investigations. Given this, the likely significant volume of cumulated subject imports, and the adverse price effects of low-priced subject imports in the original investigations, we find that that if the orders were revoked, significant volumes of subject imports would likely undersell the domestic like product to gain market share and/or have significant depressing and/or suppressing effects on prices of the domestic like product.<sup>259</sup>

### E. Likely Impact

#### 1. The Prior Proceedings

*Original Investigations.* In the original investigations, the Commission found that the domestic industry's production, capacity utilization, shipments, and employment levels fell over the POI. The domestic industry's financial performance also generally deteriorated, and its operating profits declined from 1995 to 1996 before turning into operating losses in 1997.<sup>260</sup>

*First Reviews.* In the first five-year reviews, the Commission found that the condition of the domestic industry had deteriorated and that the industry was vulnerable to material injury. The industry \*\*\* in only one of six years between 1998 and 2003. Raw material prices had begun to increase, and the Commission found this would place further pressure on the domestic industry's financial condition. The Commission found that the level of captive consumption was lower than in the original investigations, when the Commission found the domestic industry to be materially injured by subject imports.<sup>261</sup> Although the domestic industry had increased its capacity as a result of the start-ups of Charter and NAS in 2001 and 2003, respectively, domestic production fell over the period, and the industry's capacity utilization fell from \*\*\* percent in 1998 to \*\*\* percent in 2003.<sup>262</sup>

The Commission found that, in the face of a recession and weak demand, both subject and nonsubject imports continued to capture a significant portion of the U.S. market despite

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<sup>259</sup> Domestic Producers also argue that the disciplining effect of the orders has caused the AUVs of exports of SSWR from Japan, Korea, and Taiwan to the United States to exceed the AUVs of such exports to third country markets, according to the *Trade Data Monitor*. Response at 17; Exhibit 4.

<sup>260</sup> *Original Determinations*, USITC Pub. 3126 at 17-19.

<sup>261</sup> *First Review Determinations*, USITC Pub. 3707 at 25-26.

<sup>262</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 23.

the domestic industry's additions to capacity, which should have enabled it to increase its market share with the antidumping duty orders in place. The industry was unable to increase its market share until 2003, when nonsubject and subject imports declined.<sup>263</sup>

Based on its findings that revocation of the antidumping duty orders would likely lead to a significant increase in the volume of subject imports that would undersell the domestic like product and significantly suppress or depress U.S. prices, the Commission found that the volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of a vulnerable domestic industry. These reductions, in turn, would have a direct adverse impact on the industry's profitability as well as its ability to raise capital and make and maintain necessary capital investments. Accordingly, the Commission concluded that if the antidumping duty orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>264</sup>

*Second Reviews.* In the second five-year reviews, the Commission found that the condition of the domestic industry declined irregularly between 2004 and 2008 before deteriorating dramatically in 2009. Based on declines in the industry's capacity, production, capacity utilization, U.S. shipments, net sales quantities, employment-related indicators, profitability, and capital expenditures, the Commission found that the domestic industry was in a weakened state and therefore vulnerable to the likely volume and price effects of subject imports.<sup>265</sup>

The Commission concluded that revocation of the antidumping duty orders on imports of SSWR from Italy, Japan, Korea, Spain, and Taiwan would likely lead to a significant increase in the cumulated volume of subject imports that would likely undersell the domestic like product and significantly suppress or depress U.S. prices. The likely volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These reductions would have an adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. Consequently, the Commission found that cumulated subject imports from Italy, Japan, Korea, Spain, and Taiwan would be likely to have a significant impact on the domestic industry upon revocation.<sup>266</sup>

The Commission also found that nonsubject imports took on an increasingly significant role in the U.S. market after the imposition of the antidumping duty orders but that their market presence subsequently declined. It found that nonsubject imports were not likely to prevent subject imports from reentering the U.S. market in the event of revocation of the antidumping duty orders, in light of the subject producers' excess capacity and the attractiveness of the U.S. market. The Commission observed that nonsubject imports were sharply lower in 2009 than in 2008 and that this decline was likely to provide an increased

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<sup>263</sup> *Confidential First Review Determinations*, EDIS Doc. 750689 at 24.

<sup>264</sup> *First Review Determinations*, USITC Pub. 3707 at 26-27.

<sup>265</sup> *Second Review Determinations*, USITC Pub. 4154 at 44-45.

<sup>266</sup> *Second Review Determinations*, USITC Pub. 4154 at 45.

opportunity for subject imports to reenter the U.S. market. Accordingly, the Commission found that cumulated subject imports were likely to have a significant impact upon the domestic industry in the event of revocation, notwithstanding the presence of nonsubject imports in the U.S. market.<sup>267</sup>

Finally, the Commission considered the likely future effects of suppressed demand for SSWR on the domestic industry. Although it was unclear when U.S. demand would improve, the Commission found that subject imports would further reduce domestic sales volumes and prices significantly and thus would be likely to have a significant impact on the domestic industry in the event of revocation regardless of demand levels.<sup>268</sup>

*Third Reviews.* In the third five-year reviews, the Commission found that the domestic industry's condition deteriorated according to most measures as demand for SSWR declined and the domestic industry lost market share to nonsubject imports.<sup>269</sup> Based on the industry's weakened state, the Commission found that the industry was vulnerable to material injury if the orders were revoked.<sup>270</sup>

The Commission concluded that revocation of the antidumping duty orders on imports of SSWR from Japan, Korea, and Taiwan would likely lead to a significant increase in the cumulated volume of subject imports that would likely undersell the domestic like product and significantly suppress or depress U.S. prices. The likely volume and price effects of the subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. These reductions would have an adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. Consequently, the Commission found that cumulated subject imports from Japan, Korea, and Taiwan would be likely to have a significant adverse impact on the domestic industry upon revocation within a reasonably foreseeable time.<sup>271</sup>

The Commission also considered the likely role of nonsubject imports in the U.S. market whose share of the U.S. market increased during the period of review. Noting the unused capacity in subject countries, the relative attractiveness of the U.S. market, and the importance of price, the Commission found that nonsubject imports would not likely prevent subject imports from Japan, Korea, and Taiwan from reentering the U.S. market or from driving down prices and impairing the domestic industry's revenues and financial performance.<sup>272</sup>

It then considered the likely future effects of demand for SSWR on the domestic industry. The Commission found that the absence of likely robust demand growth supported

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<sup>267</sup> *Second Review Determinations*, USITC Pub. 4154 at 45.

<sup>268</sup> *Second Review Determinations*, USITC Pub. 4154 at 45.

<sup>269</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 74-75.

<sup>270</sup> *Confidential Third Review Determinations*, EDIS Doc. 750699 at 75.

<sup>271</sup> *Third Review Determinations*, USITC Pub. 4623 at 47.

<sup>272</sup> *Third Review Determinations*, USITC Pub. 4623 at 47-48.

its finding that increased volumes of low-priced subject imports would take sales from the domestic industry and adversely impact the industry.<sup>273</sup>

The Commission concluded that if the orders were revoked, subject imports from Japan, Korea, and Taiwan would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.<sup>274</sup>

## 2. The Current Reviews

Due to the expedited nature of these reviews, the record contains limited information on the domestic industry's performance since the prior proceedings.

The information available indicates that the domestic industry's performance was mixed in 2020 as compared to its performance in the prior proceedings. The domestic industry's capacity and production were substantially lower in 2020 than in prior periods, though its capacity utilization rate was similar.<sup>275</sup> Specifically, in 2020, the domestic industry's capacity was \*\*\* short tons, its production was \*\*\* short tons, and its capacity utilization rate was \*\*\* percent.<sup>276</sup> Domestic industry U.S. shipments totaled \*\*\* short tons in 2020, which were also lower than in 2015, 2009, 2003, and 1997.<sup>277</sup> The industry's gross profit and operating income, however, were higher in 2020 at \$\*\*\* and \$\*\*\*, respectively, than they were in 2015, 2009, 2003, and 1997.<sup>278</sup> The domestic industry also reported a higher operating income to net sales ratio in 2020, at \*\*\* percent, than in 2015, 2009, 2003, and 1997.<sup>279</sup> We recognize that volume-related measures of the domestic industry's performance in 2020 may have been influenced by a decrease in demand caused by the COVID-19 pandemic.<sup>280</sup> This limited information is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available in these reviews, we find that revocation of the antidumping duty orders on imports of SSWR from Japan, Korea, and Taiwan would likely lead to a significant increase in the cumulated volume of subject imports that would likely undersell

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<sup>273</sup> *Third Review Determinations*, USITC Pub. 4623 at 47-48.

<sup>274</sup> *Third Review Determinations*, USITC Pub. 4623 at 48.

<sup>275</sup> CR/PR at Table I-4.

<sup>276</sup> CR/PR at Table I-4. By comparison, the domestic industry's capacity was \*\*\* short tons in 2015, \*\*\* short tons in 2009, \*\*\* short tons in 2003, and \*\*\* short tons in 1997; its production was \*\*\* short tons in 2015, \*\*\* short tons in 2009, \*\*\* short tons in 2003, and \*\*\* short tons in 1997; and its capacity utilization rate was \*\*\* percent, \*\*\* percent, \*\*\* percent, and \*\*\* percent, respectively. *Id.*

<sup>277</sup> CR/PR at Table I-4. By comparison, in 2015, 2009, 2003, and 1997, the domestic industry's U.S. shipments totaled \*\*\*, respectively. *Id.*

<sup>278</sup> CR/PR at Table I-4. In 2015, 2009, 2003, and 1997 the domestic industry's gross profit was \*\*\*, respectively, while its operating income was \*\*\*, respectively.

<sup>279</sup> CR/PR at Table I-4. In 2015, 2009, 2003, and 1997 the domestic industry's operating income to net sales ratio was \*\*\*, respectively. *Id.*

<sup>280</sup> Response at 24.

the domestic like product causing the domestic industry to lose sales and market share and/or significantly suppressing or depressing U.S. prices. The likely significant volume of subject imports and their price effects would negatively affect the domestic industry's capacity, production, capacity utilization, shipments, market share, net sales values and quantities, employment levels, operating income, operating income margins, and capital investments. Consequently, we conclude that, if the orders were revoked, cumulated subject imports from Japan, Korea, and Taiwan would be likely to have an adverse impact on the domestic industry within a reasonably foreseeable time.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to subject imports. The information available indicates that nonsubject imports were present in the U.S. market during the current period of review, as they were during the original investigations and prior reviews, although at reduced levels relative to the third five-year reviews. Specifically, nonsubject imports' share of apparent U.S. consumption was lower in 2020, at \*\*\* percent, than in 2015, at \*\*\* percent.<sup>281</sup> The record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant volumes or adversely affecting the domestic industry's prices after revocation of the orders. Given the fact that the domestic industry supplies the majority of the U.S. market, the high substitutability between subject imports and the domestic like product, and the importance of price to purchasers, the presence of nonsubject imports in the U.S. market would likely not prevent the significant increase in low-priced subject imports that is likely after revocation from taking market share from the domestic industry, as well as possibly from nonsubject imports, or from forcing domestic producers to lower their prices or forgo price increases in order to retain market share. In light of these considerations, we find that any effects of nonsubject imports would be distinct from the likely effects attributable to the subject imports.

We have also considered the likely effects of demand trends on the domestic industry. We recognize that apparent U.S. consumption was lower in 2020 than in 2015, due in part to the COVID-19 pandemic.<sup>282</sup> Nevertheless, no responding purchasers reported that U.S. demand for SSWR decreased or is anticipated to decrease within a reasonably foreseeable time, and responding purchaser \*\*\*.<sup>283</sup> Furthermore, the domestic industry was able to increase its market share and profitability in 2020, notwithstanding any decline in demand that year.<sup>284</sup> Therefore, the adverse effects likely to be caused by subject imports upon revocation of the orders would be distinct from any adverse effects caused by demand trends.

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<sup>281</sup> CR/PR at Table I-6. Nonsubject import data for 2020 may be understated as they may not include nonsubject SSWR produced and exported by Hitachi from Japan and Yieh Hsing from Taiwan. CR/PR at Table I-6 Note.

<sup>282</sup> CR/PR at Table I-6; Response at 24.

<sup>283</sup> CR/PR at Appendix D-3-4.

<sup>284</sup> CR/PR at Tables I-4, I-6.



Accordingly, we conclude that if the antidumping duty orders on SSWR from Japan, Korea, and Taiwan were revoked, subject imports 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 antidumping duty orders on SSWR from Japan, Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.



# Information obtained in these reviews

## Background

On July 1, 2021, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of antidumping duty orders on stainless steel wire rod (“SSWR”) from Japan, South Korea, and Taiwan would likely lead to the continuation or recurrence of material injury to a domestic industry.<sup>2</sup> All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.<sup>3 4</sup> The following tabulation presents information relating to the background and schedule of this proceeding:

<b>Effective date</b>	<b>Action</b>
July 1, 2021	Notice of initiation by Commerce (86 FR 35070, July 1, 2021)
July 1, 2021	Notice of institution by Commission (86 FR 35124, July 1, 2021)
October 4, 2021	Commission’s vote on adequacy
October 8, 2021	Commerce’s results of its expedited reviews
February 10, 2022	Commission’s determinations and views

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<sup>1</sup> 19 U.S.C. 1675(c).

<sup>2</sup> 86 FR 35124, July 1, 2021. 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 duty orders. 86 FR 35070, July 1, 2021. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

<sup>3</sup> As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in the original investigations and subsequent full reviews are presented in app. C.

<sup>4</sup> Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the domestic like product and the subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in this proceeding.

## Responses to the Commission’s notice of institution

### Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the following entities:

1. Carpenter Technology Corporation (“Carpenter”), North American Stainless (“NAS”), and Universal Stainless & Alloy Products, Inc. (“Universal”), domestic producers of SSWR (collectively referred to herein as “domestic interested parties”).

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-1.

**Table I-1**  
**SSWR: Summary of completed responses to the Commission’s notice of institution**

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	3	***%

Note: The U.S. producer coverage figure presented is the domestic interested parties’ estimate of their share of total U.S. production of SSWR during 2020. Domestic interested parties’ response to the notice of institution, August 2, 2021, p. 23.

### Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested parties. The domestic interested parties request that the Commission conduct expedited reviews of the antidumping duty orders on SSWR.<sup>5</sup>

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<sup>5</sup> Domestic interested parties’ comments on adequacy, September 10, 2021, p. 2.

## The original investigations and subsequent reviews

### The original investigations

The original investigations resulted from petitions filed on July 30, 1997, with Commerce and the Commission by Al Tech Specialty Steel Corp., Dunkirk, New York (“Al Tech”); Carpenter; Republic Engineered Steels, Inc., Massillon, Ohio (“Republic”); Talley Metals Technology, Inc., Hartsville, South Carolina (“Talley”); and the United Steelworkers of America, AFL CIO/CLC.<sup>6</sup> On July 29, 1998, Commerce determined that imports of SSWR from Germany, Italy, Japan, South Korea, Spain, Sweden, and Taiwan were being sold at less than fair value (“LTFV”) and subsidized by the Government of Italy.<sup>7</sup> The Commission determined on September 8, 1998, that the domestic industry was materially injured by reason of LTFV imports of SSWR from Italy, Japan, South Korea, Spain, Sweden, and Taiwan and not materially injured with respect to subject imports from Germany.<sup>8</sup> On September 15, 1998, Commerce issued its antidumping and countervailing duty orders with the final weighted-average dumping margins of 12.73 percent for Italy; ranging from 0.0 to 34.21 percent for Japan; ranging from 3.18 to 28.44 percent for South Korea, 4.27 percent for Spain; 5.71 percent for Sweden; ranging from 0.02 to 8.29 percent for Taiwan; and net subsidy rate for Italy ranging from 1.28 to 22.22 percent.<sup>9</sup>

### The first five-year reviews

On November 4, 2003, the Commission determined that it would conduct full reviews of the countervailing duty order on SSWR from Italy and the antidumping duty orders on SSWR from Italy, Japan, South Korea, Spain, Sweden, and Taiwan.<sup>10</sup> On June 28, 2004, Commerce

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<sup>6</sup> Stainless Steel Wire Rod from Germany, Italy, Japan, Korea, Spain, Sweden, and Taiwan, Inv. Nos. 701-TA-373 and 731-TA-769-775 (Final), USITC Publication 3126, September 1998 (“Original publication”), p. I-1.

<sup>7</sup> 63 FR 40433, July 29, 1998; 63 FR 40422, July 29, 1998; 63 FR 40474, July 29, 1998; 63 FR 40434, July 29, 1998; 63 FR 40404, July 29, 1998; 63 FR 40391, July 29, 1998; 63 FR 40449, July 29, 1998; 63 FR 40461, July 29, 1998.

<sup>8</sup> 63 FR 49610, September 16, 1998.

<sup>9</sup> 63 FR 49327, September 15, 1998; 63 FR 49329, September 15, 1998; 63 FR 49331, September 15, 1998; 63 FR 49330, September 15, 1998; 63 FR 49332, September 15, 1998; 63 FR 49329, September 15, 1998; and 63 FR 49334, September 15, 1998. Italian producer/exporter Acciaierie Valbruna/Acciaierie di Bolzano S.p.A., Japanese producer/exporter Hitachi Metals Ltd., and Taiwan producer/exporter Yieh Hsing Enterprise Group, Ltd. received zero or de minimis margins in Commerce’s original investigations and were excluded from the antidumping duty orders.

<sup>10</sup> 68 FR 65085, November 18, 2003.

determined that net countervailable subsidy likely to prevail is *de minimis* therefore, effective July 2, 2004, Commerce revoked the countervailing duty order on imports of SSWR from Italy.<sup>11</sup> On December 10, 2003, Commerce determined that revocation of the antidumping duty orders on SSWR from Italy, Japan, South Korea, Spain, Sweden, and Taiwan would be likely to lead to continuation or recurrence of dumping and subsidization.<sup>12</sup> On July 23, 2004, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>13</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective September 13, 2004, Commerce issued a continuation of the antidumping duty orders on imports of SSWR from Italy, Japan, South Korea, Spain, Sweden, and Taiwan.<sup>14</sup> Subsequently, effective April 23, 2007, Commerce revoked the antidumping duty order on imports of SSWR from Sweden.<sup>15</sup>

## **The second five-year reviews**

On October 5, 2009, the Commission determined that it would conduct full reviews of the antidumping orders on SSWR from Italy, Japan, South Korea, Spain, and Taiwan.<sup>16</sup> On October 30, 2009, Commerce determined that revocation of the antidumping duty orders on SSWR from Italy, Japan, South Korea, Spain and Taiwan would be likely to lead to continuation or recurrence of dumping and subsidization.<sup>17</sup> On May 28, 2010, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>18</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective June 17, 2010, Commerce issued a continuation of the antidumping orders on imports of SSWR from Italy, Japan, South Korea, Spain, and Taiwan.<sup>19</sup>

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<sup>11</sup> 69 FR 40354, July 2, 2004.

<sup>12</sup> 68 FR 68860, December 10, 2003; 68 FR 68862, December 10, 2003; 68 FR 68863, December 10, 2003; 68 FR 68864, December 10, 2003; 68 FR 68865, December 10, 2003; 68 FR 68866, December 10, 2003; and 69 FR 19161, April 12, 2004.

<sup>13</sup> 69 FR 45077, July 28, 2004.

<sup>14</sup> 69 FR 50167, August 13, 2004.

<sup>15</sup> 72 FR 25261, May 4, 2007.

<sup>16</sup> 74 FR 54068, October 21, 2009.

<sup>17</sup> 74 FR 56179, October 30, 2009.

<sup>18</sup> 75 FR 32503, June 8, 2010.

<sup>19</sup> 75 FR 34424, June 17, 2010.

## The third five-year reviews

On August 4, 2015, the Commission determined that it would conduct full reviews of the antidumping duty orders on SSWR from Italy, Japan, South Korea, Spain, and Taiwan.<sup>20</sup> On October 2, 2015, Commerce determined that revocation of the antidumping duty orders on SSWR from Italy, Japan, South Korea, Spain, and Taiwan would be likely to lead to continuation or recurrence of dumping.<sup>21</sup> On July 25, 2016, the Commission determined that revocation of the antidumping duty orders on SSWR from Japan, South Korea, and Taiwan would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time and further determined that revocation of the antidumping duty orders on SSWR from Italy and Spain would not be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.<sup>22</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission regarding SSWR from Japan, South Korea, and Taiwan, effective August 15, 2016, Commerce issued a continuation of the antidumping duty orders on imports of SSWR from Japan, South Korea, and Taiwan.<sup>23</sup> Following negative determinations in the five-year reviews by the Commission regarding SSWR from Italy and Spain, effective June 17, 2015, Commerce issued a revocation of the antidumping duty orders on imports of SSWR from Italy and Spain.<sup>24</sup>

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<sup>20</sup> 80 FR 48336, August 12, 2015.

<sup>21</sup> 80 FR 59733, October 2, 2015.

<sup>22</sup> 81 FR 50011, July 29, 2016.

<sup>23</sup> 81 FR 54043, August 15, 2016.

<sup>24</sup> *Ibid.*

## Previous and related investigations

The Commission has conducted a number of previous import relief investigations on SSWR and similar merchandise. Table I-2 presents data on previous title VII investigations regarding SSWR and table I-3 presents data on related title VII investigations regarding stainless steel wire (“SS wire”) and stainless steel bar (“SS bar”).

**Table I-2**  
**SSWR: Previous Commission proceedings and status of orders**

<b>Date</b>	<b>Number(s)</b>	<b>Countr(ies)</b>	<b>Original Determination(s)</b>	<b>Current Status of Order(s)</b>
1982	701-TA-178	Spain	Negative	Order revoked after first review January 1, 2000
1992	731-TA-638	India	Affirmative	Order continued after fourth review, June 23, 2017
1992	731-TA-636-637	Brazil and France	Negative	Order revoked after second review July 1, 2006

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

Note: “Date” refers to the year in which the investigation or review was instituted by the Commission.



**Table I-3**  
**SS bar and SS wire: Related Commission proceedings and status of orders**

<b>Date</b>	<b>Product</b>	<b>Number(s)</b>	<b>Countr(ies)</b>	<b>Original Determination(s)</b>	<b>Current Status of Order(s)</b>
1993	SS Bar	731-TA-678	Brazil	Negative	Order revoked after fourth review, August 9, 2017
1993	SS Bar	731-TA-679	India	Affirmative	Order continued after fourth review, August 9, 2017
1993	SS Bar	731-TA-680	Italy	Negative	Order revoked after fourth review, August 9, 2017
1993	SS Bar	731-TA-681	Japan	Negative	Order revoked after fourth review, August 9, 2017
1993	SS Bar	731-TA-682	Spain	Negative	Order revoked after fourth review, August 9, 2017
1998	SS Wire	731-TA-781	Canada	Negative	-
1998	SS Wire	731-TA-782	India	Negative	-
1998	SS Wire	731-TA-783	Japan	Negative	-
1998	SS Wire	731-TA-784	South Korea	Negative	-
1998	SS Wire	731-TA-785	Spain	Negative	-
1998	SS Wire	731-TA-786	Taiwan	Negative	-
2000	SS Bar	731-TA-913	France	Negative	Order revoked after first review, March 7, 2007
2000	SS Bar	731-TA-914	Germany	Negative	Order revoked after first review, March 7, 2007
2000	SS Bar	701-TA-413 731-TA-915	Italy	Negative	Order revoked after first review, March 8, 2007 and March 8, 2007
2000	SS Bar	731-TA-916	South Korea	Negative	Order revoked after first review, March 7, 2007
2000	SS Bar	731-TA-917	Taiwan	Negative	-
2000	SS Bar	731-TA-918	United Kingdom	Negative	Order revoked after first review, March 7, 2007

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

Note: "Date" refers to the year in which the investigation or review was instituted by the Commission.

## Safeguard investigations<sup>25</sup>

During 1982-83, the Commission conducted a safeguard investigation of stainless steel products (Inv. No. TA-201-48) that included SSWR. Following affirmative determinations of serious injury and remedy recommendations by the Commission, President Reagan proclaimed four-year global quotas limiting SSWR imports to 19,100 tons in the first year; and increasing to 19,700 tons, 20,300 tons, and 20,900 tons in subsequent years. In 2001, the Commission conducted a safeguard investigation of steel products (Inv. No. TA-201-73) that included SSWR (as well as downstream products such as SS bar and SS wire). Following affirmative determinations of serious injury and remedy recommendations by the Commission, President Bush issued a proclamation on March 5, 2002, imposing temporary import relief for a period not to exceed three years and one day. Import relief relating to SSWR consisted of an additional tariff of 15 percent ad valorem on imports in the first year, 12 percent in the second year, and 9 percent in the third year. Following receipt of the Commission's mid-term monitoring report in September 2003, and after seeking information from the U.S. Secretary of Commerce and U.S. Secretary of Labor, President Bush determined that the effectiveness of the action taken had been impaired by changed circumstances. Therefore, he terminated the U.S. measure with respect to increased tariffs on December 4, 2003.<sup>26</sup>

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<sup>25</sup> *Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan, Investigation Nos. 731-TA-770-773 and 775 (Second Review)*, USITC Publication 4154, May 2010, p. I-5.

<sup>26</sup> *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003. Import licensing, however, remained in place through March 21, 2005, and continues in modified form at this time.

## Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of SSWR from Japan, South Korea, and Taiwan with the intent of issuing the final results of these reviews based on the facts available not later than October 29, 2021.<sup>27</sup> Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <http://enforcement.trade.gov/frn/>. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty orders on imports of SSWR from Japan, South Korea, and Taiwan are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

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<sup>27</sup> Letter from Melissa Skinner, Senior Director Office VII, Office of AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, August 20, 2021.

## The product

### Commerce's scope

Commerce has defined the scope as follows:

*The merchandise covered by these orders is SSWR, which comprises products that are hot-rolled or hot-rolled annealed and/or pickled and/or descaled rounds, squares, octagons, hexagons or other shapes, in coils, that may also be coated with a lubricant containing copper, lime, or oxalate. SSWR is made of alloy steels containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. These products are manufactured only by hot-rolling or hotrolling, annealing, and/or pickling and/or descaling, are normally sold in coiled form, and are of solid cross-section. The majority of SSWR sold in the United States is round in cross-sectional shape, annealed and pickled, and later coldfinished into stainless steel wire or small-diameter bar.*

*The most common size for such products is 5.5 millimeters or 0.217 inches in diameter, which represents the smallest size that normally is produced on a rolling mill and is the size that most wire-drawing machines are set up to draw. The range of SSWR sizes normally sold in the United States is between 0.20 inches and 1.312 inches diameter. Two stainless steel grades, SF20T and K-M35FL, are excluded from the scope of the orders. The chemical makeup for the excluded grades is as follows:*

#### *SF20T*

*Carbon ..... 0.05 max  
Chromium ..... 19.00/21.00  
Manganese ..... 2.00 max  
Molybdenum ..... 1.50/2.50  
Phosphorous ..... 0.05 max  
Lead ..... added (0.10/0.30)  
Sulfur ..... 0.15 max  
Tellurium ..... added (0.03 min)  
Silicon ..... 1.00 max*

*K–M35FL*

<i>Carbon</i> .....	<i>0.015 max</i>
<i>Nickel</i> .....	<i>0.30 max</i>
<i>Silicon</i> .....	<i>0.70/1.00</i>
<i>Chromium</i> .....	<i>12.50/14.00</i>
<i>Manganese</i> .....	<i>0.40 max</i>
<i>Lead</i> .....	<i>0.10/0.30</i>
<i>Phosphorous</i> .....	<i>0.04 max</i>
<i>Aluminum</i> .....	<i>0.20/0.35</i>
<i>Sulfur</i> .....	<i>0.03 max</i> <sup>28</sup>

**U.S. tariff treatment**

SSWR is imported under HTS heading 7221.00.00 and its statistical reporting numbers 7221.00.0005, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075.<sup>29</sup> SSWR imported from Japan, South Korea, and Taiwan imported into the U.S. market has a column 1-general duty rate of “free.” Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

**Section 232 tariff treatment**

HTS heading 7221 is included in the enumeration of steel mill products that are subject to the additional 25 percent ad valorem national-security duties under Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862). However, HTS statistical reporting numbers 7221.00.0017, 7221.00.0018, and 7221.00.0030 are excluded from the section 232 tariffs based on HTS heading 9903.80.38 and HTS statistical reporting numbers 7221.00.0005, 7221.00.0045, and 7221.00.0075 are also excluded based on HTS heading 9903.80.43.<sup>30</sup> See also U.S. notes 16(a) and 16(b) to subchapter III of HTS chapter 99.<sup>31</sup>

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<sup>28</sup> 81 FR 54043, August 15, 2016.

<sup>29</sup> S S Revision 7, USITC Publication 5224, August 2021, pp. 35-72. Effective July 1, 2016, HTS 7221.00.0015 was discontinued and replaced with 7221.00.0017 and 7221.00.0018.

<sup>30</sup> Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. §1862), authorizes the President, on advice of the Secretary of Commerce, to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. Adjusting Imports of Steel Into the United States, Presidential Proclamation 9705, March 8, 2018 (83 FR 11625, March 15, 2018).

<sup>31</sup> HTSUS (2021) Revision 7, USITC Publication 5224, August 2021, ch. 99, p. 99 - III – 239.

## Section 301 tariff treatment

HTS subheading 7221.00.00 is included among the products originating in China (a nonsubject country in these reviews) otherwise currently subject to an additional 7.5-percent ad valorem duty under Section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411).<sup>32</sup> See also U.S. notes 20(r) and 20(s), subchapter III of chapter 99.<sup>33</sup>

## Description and uses<sup>34</sup>

SSWR is an intermediate stainless steel product that is used primarily to produce stainless steel wire and stainless steel bar. SSWR is a long product produced in coiled form with no specific size limitation. SSWR is produced in diameters at least as large as 39 mm (1.54 inch), although the most common size is 5.5 mm (0.217 inch), circular cross-section. This is the smallest size normally produced on a hot-rolling mill and is the size most commonly used for wire drawing. SSWR may also be produced as a square, hexagon, octagon, or other shape.

Stainless steels are alloys of iron containing at least 10.5 percent by weight of chromium. In comparison to carbon steel and other alloy steels, stainless steels offer superior resistance to corrosion or oxidation at ambient or elevated temperatures. There are 5 classes of stainless steel, each having different chemical compositions and physical properties: austenitic, martensitic, ferritic, duplex, and precipitation hardenable stainless steel alloys.

Austenitic stainless steels (200- and 300-series) are nonmagnetic, chromium-nickel alloys, such as American Iron and Steel Institute (“AISI”) grades 304 and 316.<sup>35</sup> Austenitic alloys

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<sup>32</sup> Section 301 of the Trade Act, as amended (19 U.S.C. §2411) authorizes the Office of the United States Trade Representative (“USTR”), at the direction of the President, to take appropriate action to respond to a foreign country’s unfair trade practices. Following investigations into “China’s acts, policies, and practices related to technology transfer, intellectual property, and innovation” (82 FR 40213, August 24, 2017), USTR published its determination, on April 6, 2018, that the acts, policies, and practices of China under investigation are unreasonable or discriminatory and burden or restrict U.S. commerce, and are thus actionable under section 301(b) of the Trade Act (83 FR 14906, April 6, 2018).

Effective September 1, 2019, USTR included HTS subheading 7221.00.00 in its \$300 Billion Trade Action (List 4 or Tranche 4, Annex A) of products originating in China subject to an initial 10 percent ad valorem duty (84 FR 43304, August 20, 2019) which was subsequently raised to 15 percent ad valorem, with the same effective date of September 1, 2019 (84 FR 45821, August 30, 2019), but was more recently reduced to 7.5 percent ad valorem, effective February 14, 2020 (85 FR 3741, January 22, 2020).

<sup>33</sup> HTSUS (2021) Revision 7, USITC Publication 5224, August 2021, pp. 99-III-81 - 99-III-97.

<sup>34</sup> Unless otherwise noted, this information is based on Stainless Steel Wire Rod from Italy, Japan, Korea, and Taiwan Investigation Nos. 731-TA-770-773 and 775 (Third Review), USITC Publication 4623, July 2016 (“Third review publication”), pp. I-18-I-19.

<sup>35</sup> The “grade” of stainless steel refers to the properties associated with its composition such as quality, durability and temperature resistance.

can be substantially hardened by cold working but not by heat treatment. Grade 304 is the most widely used steel of the austenitic class. It has a nominal composition of 18 percent chromium and 8 percent nickel. Martensitic stainless steels (400-series) are magnetic alloys containing chromium but little or no nickel, such as grade 410, which contains 11.5 percent chromium. Martensitic alloys are hardenable by heat treatment and are generally used in the hardened condition for applications subject to contact friction. Ferritic stainless steels (also 400-series) are magnetic, chromium alloys such as grade 430 (which contains 16 percent chromium) and type 409 (which contains 10.5 percent chromium.) Grade 409 SSWR is commonly used to produce wire for exhaust-system hangers. Grade 430 is a general-purpose grade that is less resistant to corrosion than the austenitic grades and is therefore used in applications that are not subject to corrosive conditions. Duplex stainless steels, such as 2205, are magnetic and not hardenable by heat treatment. Duplex stainless steels are a combination of austenitic and ferritic stainless steels with excellent corrosion resistance and have about twice the yield strength of common austenitic alloys. Grade 2205 contains 22 percent chromium, 4.5 percent nickel, and 3 percent molybdenum. Precipitation hardenable (PH) stainless steels combine high strength and hardness with corrosion resistance that is superior to that of the martensitic alloys. Alloy 17-7 PH is a typical PH alloy and contains 16 percent chromium, 6.5 percent nickel, and about 1 percent aluminum. The essential characteristics imparted by physical structures and chemical compositions influence how the steel is melted, as well as its ladle treatment, hot-rolling, and heat treatment.<sup>36</sup>

There are three basic applications for SSWR; drawn wire, fasteners or cutlery, and conversion to bars. Bars with a diameter between 5 and 20 mm are usually manufactured by straightening hot rolled, annealed and pickled wire rod.

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<sup>36</sup> Stainless Steels, ASM International, Materials Park, OH, 1994, and Steel Products Manual: Stainless Steels, Iron & Steel Society, 1999.

## Manufacturing process<sup>37</sup>

There are three basic steps involved in SSWR production, regardless of grade or final cross section: (1) the melting of steel and production of stainless steel billets, (2) hot-rolling the billets and coiling the wire rod, and (3) finishing, which includes annealing and pickling. Inspection, packaging, and shipment follow these three stages of production. The production process employed by U.S. producers and by foreign manufacturers is generally the same.

In the first stage, molten stainless steel is produced by melting stainless steel scrap and other raw materials (including chromium, nickel, and molybdenum) in an electric-arc furnace. Molten stainless steel typically is transferred to an argon-oxygen refining vessel, where its chemistry is refined and adjusted through further additions to produce steel with the required chemical composition. The steel is then processed through a continuous casting machine to produce billets, which are semifinished long products with a square cross section. Other types of melting equipment, such as a vacuum furnace or an electroslag remelting furnace, may be used to produce special quality SSWR, but these processes are uncommon. When continuous casting is not used, billets may be produced from ingots by rolling or forging.

In the second stage, the surface of the billets may be ground to remove defects, following which the billets are heated to rolling temperature (about 2,200 degrees Fahrenheit) prior to hot rolling. In the hot-rolling mill, the billet passes through a series of rolling operations until it has been reduced to its final diameter or shape, at which point it has the dimensions of wire rod. The wire rod is coiled and then is cooled either by forced air or by water-quenching. Each billet yields a single coil of wire rod.

In the finishing stage, the coils may be annealed (heat-treated) and mechanically descaled (shot-blasted) and/or pickled (dipped in a series of acid baths) to improve surface quality. The coils of wire rod may also be coated with a lubricant containing copper, lime, or oxalate, which facilitates the drawing process.

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<sup>37</sup> Unless otherwise noted, this information is based on the "Third review publication", pp. I-19-I-20.



## The industry in the United States

### U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from five firms, which accounted for approximately 100 percent of production of SSWR in the United States during 1997.<sup>38</sup> During the first five-year reviews, the Commission received U.S. producer questionnaires from seven firms, which accounted for all production of SSWR in the United States during 2003.<sup>39</sup> During the second five-year reviews, the Commission received U.S. producer questionnaires from \*\*\* firms, which accounted for \*\*\* production of SSWR in the United States during 2009.<sup>40</sup> During the third five-year reviews, the Commission received U.S. producer questionnaires from three firms, which accounted for all U.S. production of SSWR in the United States during 2015.<sup>41</sup>

In response to the Commission's notice of institution in these current reviews, domestic interested parties provided a list of five known and currently operating U.S. producers of SSWR. Three firms providing U.S. industry data in response to the Commission's notice of institution accounted for approximately \*\*\* percent of production of SSWR in the United States during 2020.<sup>42</sup>

### Recent developments

No developments were identified in the domestic industry since the Commission's third reviews.

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<sup>38</sup> Original publication, p. I-1.

<sup>39</sup> Investigation Nos. 731-TA-770-775 (Review), USITC Publication 3707, July 2004 (First review publication), p. I-8.

<sup>40</sup> Investigation Nos. 731-TA-770-773 and 775 (Second Review): Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan Confidential Report, INV-HH-046, May 3, 2010, (Second review confidential report), p. III-3.

<sup>41</sup> Third review publication, p. III-1.

<sup>42</sup> The additional two firms provided by the domestic interested parties are Allvac Metals Company, Monroe, North Carolina; and Outokumpu Stainless Bar Inc., Richburg, South Carolina. Domestic interested parties' response to the notice of institution, August 2, 2021, pp. 21-23.

## U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.<sup>43</sup> Table I-4 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

**Table I-4**  
**SSWR: Trade and financial data submitted by U.S. producers, by period**

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

Item	Measure	1997	2003	2009	2015	2020
Capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
Capacity utilization	Ratio	***	***	***	***	***
U.S. shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Net sales	Value	***	***	***	***	***
COGS	Value	***	***	***	***	***
COGS to net sales	Ratio	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***	***	***

Source: For the years 1997, 2003, 2009, and 2015 data are compiled using data submitted in the Commission's original investigations and five-year reviews. For the year 2020, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, August 2, 2021, Exh. 7.

Note: For a discussion of data coverage, please see "U.S. producers" section.

<sup>43</sup> Individual company trade and financial data are presented in app. B.

## Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.<sup>44</sup>

In its original and full first, second, and third five-year review determinations, the Commission found one domestic like product consisting of all SSWR corresponding to Commerce’s scope.<sup>45</sup> In its original and full first, second, and third five-year review determinations, the Commission defined the domestic industry as consisting of all domestic producers of SSWR.<sup>46</sup>

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<sup>44</sup> Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

<sup>45</sup> 86 FR 35124, July 1, 2021.

<sup>46</sup> *Ibid.*

## U.S. imports

### U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 43 firms, which accounted for virtually all U.S. imports of SSWR from subject countries during 1997.<sup>47</sup> Import data presented in the original investigations are based on official Commerce statistics adjusted by proprietary customs data.<sup>48</sup>

During the first five-year reviews, the Commission received U.S. importer questionnaires from 27 firms which accounted for approximately 77.4 percent of total U.S. imports of SSWR from Japan, \*\*\* percent of total U.S. imports of SSWR from South Korea, and \*\*\* percent of total U.S. imports of SSWR from Taiwan, during 2003.<sup>49</sup> Import data presented in the first reviews are based on official Commerce statistics adjusted by proprietary customs data.<sup>50</sup>

During the second five-year reviews, the Commission received U.S. importer questionnaires from 16 firms.<sup>51</sup> Import data presented in the second reviews are based on official Commerce statistics adjusted by proprietary customs data.<sup>52</sup>

During the third five-year reviews, the Commission received U.S. importer questionnaires from two firms.<sup>53</sup> In light of the lack of data coverage by questionnaire responses import data presented in the third reviews are based on official Commerce statistics adjusted by proprietary customs data.<sup>54</sup>

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 23 potential U.S. importers of SSWR.<sup>55</sup>

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<sup>47</sup> Original publication, p. I-1.

<sup>48</sup> Original publication, p. IV-1.

<sup>49</sup> Investigation Nos. 701-TA-373 and 731-TA-770-775 (Review): Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, Sweden, and Taiwan Confidential Report, INV-BB-074, June 10, 2004, as revised in INV-BB-081, June 24, 2004, INV-BB-082, June 29, 2004; and INV-BB-089, July 7, 2004 ("First review confidential report"), p. IV-1.

<sup>50</sup> Ibid.

<sup>51</sup> Investigation Nos. 731-TA-770-773 and 775 (Second Review), USITC Publication 4154, May 2010 ("Second review publication"), p. IV-1.

<sup>52</sup> Ibid.

<sup>53</sup> Third review publication, p. IV-1.

<sup>54</sup> Ibid.

<sup>55</sup> Domestic interested parties' response to the notice of institution, August 2, 2021, exh. 8.

## **U.S. imports**

Table I-5 presents the quantity, value, and unit value of U.S. imports from Japan, South Korea, and Taiwan as well as the other top sources of U.S. imports (shown in descending order of 2020 imports by quantity).

**Table I-5**  
**SSWR: U.S. imports, by source and period**

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

U.S. imports from	Measure	2016	2017	2018	2019	2020
Japan	Quantity	199	187	230	274	187
South Korea	Quantity	0	0	0	2	0
Taiwan	Quantity	8,410	8,413	9,815	6,843	7,752
Subject sources	Quantity	8,609	8,599	10,044	7,118	7,939
Sweden	Quantity	4,849	5,339	6,036	4,218	4,726
France	Quantity	4,319	6,593	6,761	5,211	4,505
China	Quantity	7,781	8,985	9,039	9,604	4,366
All other sources	Quantity	8,003	12,771	9,916	10,405	8,382
Nonsubject sources	Quantity	24,952	33,688	31,752	29,439	21,979
All import sources	Quantity	33,562	42,287	41,796	36,557	29,918
Japan	Value	686	649	925	1,692	1,084
South Korea	Value	0	0	0	15	0
Taiwan	Value	17,670	19,470	29,803	20,256	21,072
Subject sources	Value	18,357	20,119	30,728	21,964	22,156
Sweden	Value	18,148	22,312	34,501	20,925	21,631
France	Value	13,445	24,666	30,757	23,024	19,461
China	Value	12,919	15,535	21,026	24,072	9,737
All other sources	Value	21,868	36,932	39,326	38,802	28,919
Nonsubject sources	Value	66,380	99,445	125,611	106,822	79,748
All import sources	Value	84,736	119,564	156,339	128,786	101,904
Japan	Unit value	3,441	3,474	4,030	6,186	5,799
South Korea	Unit value	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	8,827	( <sup>1</sup> )
Taiwan	Unit value	2,101	2,314	3,037	2,960	2,718
Subject sources	Unit value	2,132	2,340	3,059	3,086	2,791
Sweden	Unit value	3,742	4,179	5,716	4,961	4,577
France	Unit value	3,113	3,741	4,549	4,418	4,320
China	Unit value	1,660	1,729	2,326	2,506	2,230
All other sources	Unit value	2,733	2,892	3,966	3,729	3,450
Nonsubject sources	Unit value	2,660	2,952	3,956	3,629	3,628
All import sources	Unit value	2,525	2,827	3,741	3,523	3,406

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075, accessed September 15, 2021. These data may be overstated as they potentially include SSWR produced/exported by Hitachi (Japan) and Yieh Hsing (Taiwan) were which found to be de minimis during the original investigations and are therefore excluded from the orders.

(<sup>1</sup>) Not applicable.

Note: Because of rounding, figure may not add to total shown.

## **Apparent U.S. consumption and market shares**

Table I-6 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

**Table I-6**  
**SSWR: Apparent U.S. consumption and market shares, by source and period**

Quantity in units; value in 1,000 dollars; share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent

Source	Measure	1997	2003	2009	2015	2020
U.S. producers	Quantity	***	***	***	***	***
Japan (excl. Hitachi)	Quantity	***	***	***	***	187
South Korea	Quantity	***	***	***	***	0
Taiwan (excludes Yieh Hsing)	Quantity	***	***	***	***	7,752
Subtotal, subject sources	Quantity	***	***	***	***	7,939
Japan/Hitachi	Quantity	***	***	***	***	( <sup>1</sup> )
Taiwan/Yieh Hsing	Quantity	***	***	***	***	( <sup>1</sup> )
All other sources	Quantity	***	***	***	***	8,382
Nonsubject sources	Quantity	***	***	***	***	21,979
All import sources	Quantity	***	***	***	40,825	29,918
Apparent U.S. consumption	Quantity	***	***	***	***	***
U.S. producers	Value	***	***	***	***	***
Japan (excl. Hitachi)	Value	***	***	***	***	1,084
South Korea	Value	***	***	***	***	0
Taiwan (excludes Yieh Hsing)	Value	***	***	***	***	21,072
Subtotal, subject sources	Value	***	***	***	***	22,156
Japan/Hitachi	Value	***	***	***	***	( <sup>1</sup> )
Taiwan/Yieh Hsing	Value	***	***	***	***	( <sup>1</sup> )
All other sources	Value	***	***	***	***	28,919
Nonsubject sources	Value	***	***	***	***	79,748
All import sources	Value	***	***	***	129,930	101,904
Apparent U.S. consumption	Value	***	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***	***
Japan (excl. Hitachi)	Share of quantity	***	***	***	***	***
South Korea	Share of quantity	***	***	***	***	***
Taiwan (excludes Yieh Hsing)	Share of quantity	***	***	***	***	***

Table continued on next page.



**Table I-6 Continued**  
**SSWR: Apparent U.S. consumption and market shares, by source and period**

Quantity in units; value in 1,000 dollars; share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent

Source	Measure	1997	2003	2009	2015	2020
Subtotal, subject sources	Share of quantity	***	***	***	***	***
Japan/Hitachi	Share of quantity	***	***	***	***	( <sup>1</sup> )
Taiwan/Yieh Hsing	Share of quantity	***	***	***	***	( <sup>1</sup> )
All other sources	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	***	***	***	33.3	***
U.S. producers	Share of value	***	***	***	***	***
Japan (excl. Hitachi)	Share of value	***	***	***	***	***
South Korea	Share of value	***	***	***	***	***
Taiwan (excludes Yieh Hsing)	Share of value	***	***	***	***	***
Subtotal, subject sources	Share of value	***	***	***	***	***
Japan/Hitachi	Share of value	***	***	***	***	( <sup>1</sup> )
Taiwan/Yieh Hsing	Share of value	***	***	***	***	( <sup>1</sup> )
All other sources	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	***	***	***	28.8	***

Source: For the years 1997, 2003, 2009, and 2015, data are compiled using data submitted in the Commission's original investigations and five-year reviews. For the year 2020, U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075, accessed September 15, 2021. These data may be overstated as they potentially include SSWR produced/exported by Hitachi (Japan) and Yieh Hsing (Taiwan) which were found to be de minimis during the original investigations and are therefore excluded from the orders.

(<sup>1</sup>) Unknown.

Note: Import data for 2020 does not exclude producers Hitachi (Japan) and Yieh Hsing (Taiwan) which were found to be de minimis during the original investigations and are therefore excluded from the orders.

Note: For 1997, 2003, 2009, and 2015, apparent U.S. consumption is derived from U.S. shipments of imports, rather than U.S. imports.

Note: For a discussion of data coverage, please see "U.S. producers" and "U.S. importers" sections.

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

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

## Cumulation considerations<sup>56</sup>

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.<sup>57</sup>

Imports from Japan were reported in 59 of the 60 months between 2016 and 2020. Imports from Japan were reported in all months of 2020. All imports from Japan entered through northern and eastern borders of entry in all years from 2016 through 2020. Imports of SSWR from Japan in 2020 entered through the same eastern border of entry (Charleston, South Carolina) and northern border of entry (Chicago, Illinois).

There were no reported U.S. imports of SSWR from South Korea during 2016-18 and 2020. Imports from South Korea were reported in one of the 60 months between 2016 and 2020. No imports from South Korea were reported in 2020. All imports from South Korea entered through northern borders of entry in 2019. Imports of SSWR from South Korea in 2019 entered through the same northern border of entry (Cleveland, Ohio).

Imports from Taiwan were reported in all months between 2016 and 2020. All imports from Taiwan entered through northern, eastern, and western borders of entry in all years from 2016 through 2020. Imports from Taiwan entered through the southern border of entry in 2019 and 2020. The majority of imports of SSWR from Taiwan in 2020 entered through the eastern border of entry (New York, New York), the northern border of entry (Chicago, Illinois), and the western border of entry (Los Angeles, California).

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<sup>56</sup> Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting numbers 7221.00.0005, 7221.00.0015, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, and 7221.00.0075. These data may be overstated as they potentially include SSWR produced/exported by Hitachi (Japan) and Yieh Hsing (Taiwan) were which found to be de minimis during the original investigations and are therefore excluded from the orders.

<sup>57</sup> In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

## The industry in Japan

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from eight firms.<sup>58</sup> During the first,<sup>59</sup> second, and third five-year reviews, the Commission did not receive foreign producer/exporter questionnaires from firms that produced/exported SSWR in Japan.<sup>60</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of three possible producers of SSWR in Japan.<sup>61</sup>

Table I-7 presents events in the Japanese industry since the last five-year reviews.

**Table I-7**  
**SSWR: Recent developments in Japan's industry**

Item	Firm	Event
Name Change	Nippon Steel Corporation	Nippon Steel & Sumitomo Metal Corporation (NSSMC) changed its corporate name to Nippon Steel Corporation effective April 1, 2019.
Acquisition	Nippon Steel Corporation	On March 28, 2019, Nippon Steel Corporation made Sanyo Steel Co., Ltd. a subsidiary by acquiring 51 percent of the common shares.
Expansion	Daido Steel	In October 2019, Daido Steel increased its steelmaking productivity by adding a new line to its Hoshizaki plant.
Expansion	Daido Steel	In May 2021, Daido Steel announced its plans to focus on adjusting the production levels of their high level steelmaking capacity during fiscal year 2022 and 2023.

Source: Domestic interested parties' response to the notice of institution, August 2, 2021, exhibit 3.

In terms of quantity and value, South Korea, Taiwan, and China are among the top 5 destinations for Japan's exports of SSWR. South Korea and Taiwan account for 40.4 percent of the total quantity of Japan's exports in 2020, while China accounts for 33.0 percent.

<sup>58</sup> Original publication, p. VII-4.

<sup>59</sup> \*\*\*. First review confidential report, p. IV-18.

<sup>60</sup> First review confidential report, p. IV-18; second review confidential report, p. IV-13; and Investigation Nos. 731-TA-770-773 and 775 (Third Review): Stainless Steel Wire Rod from Italy, Japan, Korea, Spain, and Taiwan Confidential Report, INV-OO-054, June 17, 2016, (Third review confidential report), p. IV-7.

<sup>61</sup> Domestic interested parties' response to the notice of institution, August 2, 2021, pp. 21-22.

Table I-8 presents export data for Japan for HS 7221.00, a category that includes SSWR (by export destination in descending order of quantity for 2020).

**Table I-8**  
**Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: short tons of exports from Japan, by destination and period**

Destination market	2016	2017	2018	2019	2020
China	17,223	25,427	18,482	20,478	23,016
South Korea	21,758	22,723	19,179	17,406	14,923
Taiwan	19,287	21,506	16,280	14,907	13,290
Thailand	8,283	11,829	10,781	9,911	7,105
Vietnam	4,155	5,429	4,571	3,298	3,679
Malaysia	3,758	4,685	3,635	3,810	2,573
Germany	3,702	3,419	4,975	6,946	2,486
India	863	2,129	557	1,637	799
Italy	1,204	794	648	332	381
Sweden	367	383	520	664	294
All other markets	3,909	4,362	2,638	2,391	1,286
All markets	84,510	102,686	82,266	81,781	69,832

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7221.00, accessed September 7, 2021.

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

Table I-9 presents export data for Japan for HS 7221.00, a category that includes SSWR (by export destination in descending order of value for 2020).

**Table I-9****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: thousand dollars of exports from Japan, by destination and period**

<b>Destination market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
China	41,649	66,614	53,391	59,623	75,309
South Korea	48,381	56,555	53,515	48,691	41,277
Taiwan	44,724	53,518	47,112	40,086	33,431
Thailand	19,159	28,459	30,257	27,067	19,614
Vietnam	9,962	13,733	13,199	9,581	10,361
Malaysia	8,078	10,726	8,998	10,322	7,269
Germany	8,142	8,609	14,527	19,159	6,638
India	4,838	3,234	4,424	2,369	2,949
Italy	2,297	5,133	1,804	5,005	2,334
Sweden	2,725	2,723	4,064	5,101	2,296
All other markets	11,321	15,061	10,068	10,212	4,540
All markets	201,275	264,366	241,360	237,217	206,017

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7221.00, accessed September 7, 2021.

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

## The industry in South Korea

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from three firms.<sup>62</sup> During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms.<sup>63</sup>

During the second five-year reviews, the Commission received a foreign producer/exporter questionnaire from one firm, which accounted for \*\*\* percent of production of SSWR in South Korea during 2009, and the firm reported that it last exported SSWR to the United States during \*\*\*.<sup>64</sup> During the third five-year reviews, the Commission received a foreign producer/exporter questionnaire from one firm.<sup>65</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of one possible producer of SSWR in South Korea.<sup>66</sup>

No developments were identified in the South Korean industry since the Commission's third review investigations. In terms of quantity and value, India and China are the top export destinations for SSWR from South Korea. These two countries accounted for 32.7 percent of the quantity of SSWR exported from South Korea in 2020. Table I-10 presents export data for South Korea for HS 7221.00, a category that includes SSWR (by export destination in descending order of quantity for 2020).

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<sup>62</sup> Original publication, p. VII-5.

<sup>63</sup> First review publication, p. IV-7.

<sup>64</sup> Second review confidential report, p. IV-21.

<sup>65</sup> Third review confidential report, p. IV-7.

<sup>66</sup> Domestic interested parties' response to the notice of institution, August 2, 2021, p. 22.

**Table I-10****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: short tons of exports from South Korea, by destination and period**

<b>Destination market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
India	7,445	10,406	15,420	13,864	10,495
China	10,944	14,044	15,403	10,724	8,669
Taiwan	11,725	10,702	8,088	8,225	8,330
Thailand	8,339	7,918	7,946	7,280	7,828
Japan	7,193	9,048	6,177	5,463	5,984
Malaysia	1,685	1,329	2,030	2,651	5,885
Czech Republic	2,734	3,742	4,673	5,113	4,354
Vietnam	1,701	4,168	4,933	4,637	3,808
Italy	3,304	7,094	10,250	5,421	1,806
Spain	384	701	292	449	364
All other markets	4,531	5,525	6,334	3,248	1,160
All markets	59,986	74,676	81,545	67,074	58,683

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 7221.00, accessed September 7, 2021.

Table I-11 presents export data for South Korea for HS 7221.00, a category that includes SSWR (by export destination in descending order of value for 2020).

**Table I-11****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: thousand dollars of exports from South Korea, by destination and period**

<b>Destination market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
India	12,146	19,641	32,731	24,638	16,558
China	19,531	26,828	34,279	23,188	16,703
Taiwan	17,793	16,571	15,106	15,546	15,253
Thailand	13,401	14,008	17,300	13,504	13,592
Japan	14,669	19,292	16,394	13,870	16,122
Malaysia	2,585	2,637	4,560	4,728	10,153
Czech Republic	4,805	7,544	10,907	11,367	9,281
Vietnam	2,966	7,793	9,822	8,494	7,207
Italy	5,337	14,061	24,081	11,576	3,551
Spain	547	1,222	608	978	682
All other markets	3,982	5,868	9,428	5,421	2,207
All markets	97,762	135,467	175,215	133,309	111,311

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7221.00, accessed September 7, 2021.

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



## The industry in Taiwan

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms.<sup>67</sup> During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from one firm, which accounted for approximately \*\*\* percent of production of SSWR in Taiwan during 2003, and approximately \*\*\* percent of SSWR exports from Taiwan to the United States during 2003.<sup>68</sup>

During the second and third five-year reviews, the Commission did not receive foreign producer/exporter questionnaire responses from firms in Taiwan.<sup>69</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of one possible producer of SSWR in Taiwan.<sup>70</sup>

No development were identified in the industry in Taiwan since the Commission's third review investigations.

In terms of quantity and value, South Korea, Thailand, Malaysia, China, and Vietnam are the top 5 destinations for Taiwan's exports of SSWR. These five countries represented almost two thirds of all Taiwan exports, by quantity, in 2020.

Table I-12 presents export data for Taiwan for HS 7221.00, a category that includes SSWR (by export destination in descending order of quantity for 2020).

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<sup>67</sup> Original publication, p. VII-7.

<sup>68</sup> First review confidential report, p. IV-30.

<sup>69</sup> Second review publication, p. IV-16; and third review confidential report, p. IV-7.

<sup>70</sup> Domestic interested parties' response to the notice of institution, August 2, 2021, p. 22.

**Table I-12****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: short tons of exports from Taiwan, by destination and period**

<b>Destination market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
South Korea	25,402	25,270	24,892	24,211	26,222
Thailand	25,113	35,080	29,853	27,165	22,566
Malaysia	19,369	25,435	19,247	18,151	11,417
China	17,969	23,085	15,043	13,552	10,929
Vietnam	11,580	15,807	14,722	10,613	10,110
United States	8,702	8,936	10,774	6,415	7,487
Indonesia	6,656	8,071	8,987	6,375	7,435
India	11,870	7,488	5,423	6,534	5,505
Italy	4,982	8,243	9,431	8,735	4,704
Czech Republic	0	0	0	3,200	4,555
All other markets	25,331	28,981	26,748	19,759	17,723
All markets	156,972	186,396	165,122	144,710	128,653

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading HS 7221.00, accessed September 7, 2021.

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

Table I-13 presents export data for Taiwan for HS 7221.00, a category that includes SSWR (by export destination in descending order of value for 2020).

**Table I-13****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: short tons of exports from Taiwan, by destination and period**

<b>Destination market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
South Korea	44,864	50,582	56,593	51,977	53,376
Thailand	42,725	67,712	65,734	52,964	42,399
China	31,033	44,904	33,620	27,989	29,337
Malaysia	32,859	47,762	41,260	35,164	21,383
Vietnam	21,616	33,149	35,342	24,018	21,012
United States	16,847	20,576	26,845	16,186	17,106
Indonesia	10,935	15,706	20,075	12,133	13,624
Italy	8,920	17,180	21,870	17,967	9,778
India	18,821	13,300	10,815	11,810	9,724
Czech Republic	0	0	0	7,386	9,422
All other markets	45,747	60,993	64,360	41,604	36,049
All markets	274,369	371,864	376,515	299,198	263,209

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7221.00, accessed September 7, 2021.

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

## Third-country trade actions

Based on available information, SSWR from Japan, South Korea, and Taiwan have not been subject to other antidumping or countervailing duty investigations outside the United States.

## The global market

Each of the subject countries for these investigations ranked among the top ten global exporters of SSWR in 2020, by quantity and value. Taiwan was the largest exporter in terms of quantity (19.2 percent) and value (17.1 percent). Combined, the subject countries accounted for approximately 38 percent of all global exports in terms of quantity and value.

Table I-14 presents global export data for bars and rods of stainless steel, hot-rolled, in irregularly wound coils (HS 7221.00), a category that includes SSWR, by source in descending order of quantity for 2020.

**Table I-14**  
**Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: short tons of global exports by exporting country and period**

Exporting country	2016	2017	2018	2019	2020
Taiwan	156,972	186,396	165,122	144,710	128,653
China	93,722	89,209	130,986	131,989	123,439
Japan	84,510	102,686	82,266	81,781	69,832
France	80,968	81,796	75,167	68,071	62,165
Italy	80,508	89,548	83,008	80,290	61,554
South Korea	59,986	74,676	81,545	67,074	58,683
Spain	56,952	66,909	67,602	56,801	53,390
India	66,259	51,965	40,768	36,167	49,937
Sweden	35,704	39,383	40,201	35,380	34,052
United Kingdom	19,339	20,012	16,426	13,789	10,909
All other exporters	234,924	68,625	88,146	35,869	19,190
All exporters	969,844	871,205	871,237	751,921	671,804

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 7221.00 accessed September 7, 2021.

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

Table I-15 presents global export data for bars and rods of stainless steel, hot-rolled, in irregularly wound coils, a category that includes SSWR, by source in descending order of value for 2020.

**Table I-15****Bars and rods of stainless steel, hot-rolled, in irregularly wound coils: thousand dollars of global exports by exporting country and period**

<b>Exporting country</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Taiwan	274,369	371,864	376,515	299,198	263,209
Japan	201,275	264,366	241,360	237,217	206,017
China	138,340	149,899	248,565	225,534	196,525
Italy	190,345	245,761	257,065	239,751	178,899
France	180,375	227,008	229,701	188,126	163,078
Spain	102,820	149,997	172,954	137,489	123,313
Sweden	100,493	128,839	144,130	120,027	112,792
South Korea	97,762	135,467	175,215	133,309	111,311
India	82,533	89,533	80,179	72,232	89,926
United Kingdom	47,263	57,140	53,427	43,203	34,259
All other exporters	324,758	214,068	183,755	128,407	63,800
All exporters	1,740,333	2,033,942	2,162,866	1,824,493	1,543,129

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 7221.00 accessed September 7, 2021.

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



**APPENDIX A**  
**FEDERAL REGISTER NOTICES**





The Commission makes available notices relevant to its investigations and reviews on its website, [www.usitc.gov](http://www.usitc.gov). In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
86 FR 35070, July 1, 2021	Initiation of Five-Year (Sunset) Reviews	<a href="https://www.govinfo.gov/content/pkg/FR-2021-07-01/pdf/2021-14111.pdf">https://www.govinfo.gov/content/pkg/FR-2021-07-01/pdf/2021-14111.pdf</a>
86 FR 35124, July 1, 2021	Stainless Steel Wire Rod From Japan, Korea, and Taiwan; Institution of a Five-Year Review	<a href="https://www.govinfo.gov/content/pkg/FR-2021-07-01/pdf/2021-14014.pdf">https://www.govinfo.gov/content/pkg/FR-2021-07-01/pdf/2021-14014.pdf</a>



**APPENDIX B**  
**COMPANY-SPECIFIC DATA**



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**APPENDIX C**  
**SUMMARY DATA COMPILED**  
**IN PRIOR PROCEEDINGS**





**Table C-1**  
**SSWR: Summary data concerning the U.S. market, 2013-15**

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	2013	2014	2015	2013-15	2013-14	2014-15
<b>U.S. consumption quantity:</b>						
Amount.....	***	***	***	***	***	***
Producers' share (fn1).....	***	***	***	***	***	***
Importers' share (fn1):						
Italy (excl. Valbruna)	***	***	***	***	***	***
Japan (excl. Hitachi)	***	***	***	***	***	***
Korea	***	***	***	***	***	***
Spain	***	***	***	***	***	***
Taiwan (excl. Yieh Hsing)	***	***	***	***	***	***
Subtotal, subject sources	0.1	0.2	0.0	(0.1)	0.1	(0.1)
Italy/Valbruna	***	***	***	***	***	***
Japan/Hitachi	***	***	***	***	***	***
Taiwan /Yieh Hsing	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Subtotal, nonsubject sources	22.2	27.4	33.3	11.1	5.2	5.9
Total imports.....	22.3	27.5	33.3	11.0	5.3	5.8
<b>U.S. consumption value:</b>						
Amount.....	***	***	***	***	***	***
Producers' share (fn1).....	***	***	***	***	***	***
Importers' share (fn1):						
Italy (excl. Valbruna)	***	***	***	***	***	***
Japan (excl. Hitachi)	***	***	***	***	***	***
Korea	***	***	***	***	***	***
Spain	***	***	***	***	***	***
Taiwan (excl. Yieh Hsing)	***	***	***	***	***	***
Subtotal, subject sources	0.1	0.1	0.0	(0.1)	0.0	(0.1)
Italy/Valbruna	***	***	***	***	***	***
Japan/Hitachi	***	***	***	***	***	***
Taiwan /Yieh Hsing	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Subtotal, nonsubject sources	18.5	23.2	28.7	10.3	4.7	5.5
Total imports.....	18.6	23.3	28.8	10.2	4.8	5.4
<b>U.S. imports from:</b>						
<b>Italy (excl. Valbruna):</b>						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity (3).....	***	***	***	***	***	***
<b>Japan (excl. Hitachi):</b>						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity (3).....	***	***	***	***	***	***
<b>Korea:</b>						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
<b>Spain:</b>						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
<b>Taiwan (excl. Yieh Hsing):</b>						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
<b>Subject sources:</b>						
Quantity.....	113	224	30	(73.6)	97.6	(86.7)
Value.....	435	549	103	(76.2)	26.2	(81.2)
Unit value.....	\$3,833	\$2,448	\$3,460	(9.7)	(36.1)	41.3
Ending inventory quantity.....	***	***	***	***	***	***

Table continued on next page.

**Table C-1--Continued**  
**SSWR: Summary data concerning the U.S. market, 2013-15**

(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted)

	Reported data			Period changes		
	2013	Calendar year		2013-15	Calendar year	
		2014	2015		2013-14	2014-15
Italy/Valbruna:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Japan/Hitachi:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Taiwan/Yieh Hsing:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
All other sources:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
Nonsubject sources:						
Quantity.....	29,193	37,559	40,795	39.7	28.7	8.6
Value.....	97,185	128,220	129,827	33.6	31.9	1.3
Unit value.....	\$3,329	\$3,414	\$3,182	(4.4)	2.5	(6.8)
Ending inventory quantity.....	***	***	***	***	***	***
Total imports:						
Quantity.....	29,306	37,783	40,825	39.3	28.9	8.1
Value.....	97,620	128,769	129,930	33.1	31.9	0.9
Unit value.....	\$3,331	\$3,408	\$3,183	(4.5)	2.3	(6.6)
Ending inventory quantity.....	***	***	***	***	***	***
U.S. producers':						
Average capacity quantity.....	***	***	***	***	***	***
Production quantity.....	***	***	***	***	***	***
Capacity utilization (fn1).....	***	***	***	***	***	***
U.S. shipments:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Export shipments:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
Inventories/total shipments (fn1).....	***	***	***	***	***	***
Production workers.....	***	***	***	***	***	***
Hours worked (1,000s).....	***	***	***	***	***	***
Wages paid (\$1,000).....	***	***	***	***	***	***
Hourly wages.....	***	***	***	***	***	***
Productivity (short tons per 1,000 hours).....	***	***	***	***	***	***
Unit labor costs.....	***	***	***	***	***	***
Net Sales:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Cost of goods sold (COGS).....	***	***	***	***	***	***
Gross profit of (loss).....	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***
Operating income or (loss).....	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***
Unit COGS.....	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***
Unit operating income or (loss).....	***	***	***	***	***	***
COGS/sales (fn1).....	***	***	***	***	***	***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	***

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Undefined.

Source: Official statistics of the U.S. Department of Commerce and data compiled from questionnaires.

**Table C-1**

**SSWR: Summary data concerning the U.S. market, 2004-09**

\* \* \* \* \*

**Table C-1**  
**SSWR: Summary data concerning the U.S. market, 2004-09**

Item	Reported data						Period changes					
	2004	2005	2006	2007	2008	2009	2004-09	2004-05	2005-06	2006-07	2007-08	2008-09
(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent except where noted)												
U.S. imports from:												
Italy (other than Valbruna):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Japan (other than Hitachi):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Korea:												
Quantity	1,982	2,626	385	24	0	0	-100.0	32.5	-85.3	-93.7	-100.0	(2)
Value	3,858	6,226	960	132	0	0	-100.0	61.4	-84.6	-86.2	-100.0	(2)
Unit value	\$1,946	\$2,371	\$2,490	\$5,464	(2)	(2)	(2)	21.8	5.0	119.4	(2)	(2)
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Spain:												
Quantity	34	8	20	0	0	0	-100.0	-76.7	156.9	-100.0	(2)	(2)
Value	80	60	48	0	0	0	-100.0	-24.4	-20.7	-100.0	(2)	(2)
Unit value	\$2,360	\$7,652	\$2,363	(2)	(2)	(2)	(2)	224.2	-69.1	(2)	(2)	(2)
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (other than Yieh Hsing):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject):												
Quantity	2,230	3,044	636	150	61	35	-98.4	36.5	-79.1	-76.4	-59.5	-41.9
Value	4,464	7,476	1,844	783	276	111	-97.5	67.5	-75.3	-57.5	-64.8	-60.0
Unit value	\$2,002	\$2,456	\$2,898	\$5,205	\$4,528	\$3,122	56.0	22.7	18.0	79.6	-13.0	-31.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Italy (Valbruna):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Japan (Hitachi):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (Yieh Hsing):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All other sources:												
Quantity	29,350	20,789	19,447	19,257	21,191	8,888	-69.7	-29.2	-6.5	-1.0	10.0	-58.1
Value	69,503	61,073	63,277	91,427	95,963	29,236	-57.9	-12.1	3.6	44.5	5.0	-69.5
Unit value	\$2,368	\$2,938	\$3,254	\$4,748	\$4,528	\$3,290	38.9	24.1	10.8	45.9	-4.6	-27.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (nonsubject):												
Quantity	45,377	38,486	30,837	30,411	29,823	14,396	-68.3	-15.2	-19.9	-1.4	-1.9	-51.7
Value	107,256	109,029	96,341	142,371	131,031	43,351	-59.6	1.7	-11.6	47.8	-8.0	-66.9
Unit value	\$2,364	\$2,833	\$3,124	\$4,682	\$4,394	\$3,011	27.4	19.9	10.3	49.8	-6.1	-31.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	47,608	41,531	31,473	30,562	29,884	14,431	-69.7	-12.8	-24.2	-2.9	-2.2	-51.7
Value	111,720	116,505	98,185	143,154	131,307	43,461	-61.1	4.3	-15.7	45.8	-8.3	-66.9
Unit value	\$2,347	\$2,805	\$3,120	\$4,684	\$4,394	\$3,012	28.3	19.5	11.2	50.1	-6.2	-31.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.  
(2) Not applicable/not available.  
(3) Undefined.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics, with additional detail provided by U.S. Customs data.

**Table C-1 Continued**  
**SSWR: Summary data concerning the U.S. market, 20014-09**

\* \* \* \* \*

Table C-1  
SSWR: Summary data concerning the U.S. market, 1998-2003

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data						Period changes					
	1998	1999	2000	2001	2002	2003	1998-2003	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
<b>U.S. consumption quantity:</b>												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Importers' share (1):												
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Spain	***	***	***	***	***	***	***	***	***	***	***	***
Sweden (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Japan (Hitachi)	***	***	***	***	***	***	***	***	***	***	***	***
Sweden (Kantha)	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (Yieh Hsing)	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (nonsubject)	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***	***	***	***
<b>U.S. consumption value:</b>												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Importers' share (1):												
Italy	***	***	***	***	***	***	***	***	***	***	***	***
Japan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Korea	***	***	***	***	***	***	***	***	***	***	***	***
Spain	***	***	***	***	***	***	***	***	***	***	***	***
Sweden (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (subject)	***	***	***	***	***	***	***	***	***	***	***	***
Japan (Hitachi)	***	***	***	***	***	***	***	***	***	***	***	***
Sweden (Kantha)	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (Yieh Hsing)	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (nonsubject)	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***	***	***	***
<b>U.S. imports from:</b>												
<b>Italy:</b>												
Quantity	5,885	6,064	13,598	7,638	7,401	4,526	-20.4	6.7	124.2	-43.8	-3.1	-38.8
Value	11,793	10,562	24,104	14,866	11,619	7,546	-36.0	-10.4	128.2	-38.3	-21.8	-39.1
Unit value	\$2,075	\$1,742	\$1,773	\$1,946	\$1,570	\$1,667	-19.6	-16.0	1.8	9.8	-19.3	6.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Japan (subject):</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Korea:</b>												
Quantity	12,984	10,570	9,068	5,593	4,482	1,437	-88.9	-18.6	-14.3	-38.2	-19.9	-67.9
Value	22,489	14,918	13,869	7,745	5,730	2,128	-80.5	-33.7	-7.0	-44.2	-26.0	-62.9
Unit value	\$1,732	\$1,411	\$1,531	\$1,385	\$1,278	\$1,481	-14.5	-18.5	8.5	-9.6	-7.7	15.8
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Spain:</b>												
Quantity	1,932	4,732	3,881	4,783	5,885	4,158	115.2	144.9	-18.0	23.2	23.0	-29.3
Value	3,809	7,584	6,282	7,573	8,323	6,602	73.3	99.1	-17.2	20.6	9.9	-20.7
Unit value	\$1,972	\$1,603	\$1,618	\$1,583	\$1,414	\$1,588	-19.5	-18.7	1.0	-2.2	-10.7	12.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Sweden (subject):</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Taiwan (subject):</b>												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
<b>Subtotal (subject):</b>												
Quantity	35,445	30,632	35,464	25,794	24,274	14,693	-58.5	-13.6	15.8	-27.3	-5.9	-39.5
Value	68,558	50,049	62,482	44,509	38,004	26,617	-61.2	-27.0	24.8	-28.8	-14.6	-30.0
Unit value	\$1,934	\$1,634	\$1,762	\$1,726	\$1,566	\$1,812	-6.3	-15.5	7.8	-2.1	-9.3	15.7
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1—Continued  
SSWR: Summary data concerning the U.S. market, 1998-2003

(Quantity=short tons, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per short ton; period changes=percent, except where noted)

Item	Reported data						Period changes					
	1998	1999	2000	2001	2002	2003	1998-2003	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003
U.S. imports from:												
Japan (Hitachi):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Sweden (Kanthal):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Taiwan (Yieh Hsing):												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All other sources:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal (nonsubject):												
Quantity	26,673	35,366	49,462	36,493	34,020	20,792	-22.0	32.6	39.9	-26.2	-6.8	-38.9
Value	60,786	63,710	95,518	67,895	61,974	37,185	-38.8	4.8	49.9	-28.9	-8.7	-40.0
Unit value	\$2,279	\$1,801	\$1,931	\$1,860	\$1,822	\$1,788	-21.5	-21.0	7.2	-3.7	-2.1	-1.8
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	62,118	65,999	84,926	62,287	58,294	35,485	-42.9	6.2	28.7	-26.7	-6.4	-39.1
Value	129,343	113,758	158,000	112,403	99,978	63,802	-50.7	-12.0	38.9	-28.9	-11.1	-36.2
Unit value	\$2,082	\$1,724	\$1,860	\$1,805	\$1,715	\$1,798	-13.7	-17.2	7.9	-3.0	-5.0	4.8
Ending inventory quantity	3,315	4,043	7,304	7,053	8,924	5,056	52.5	22.0	80.7	-3.4	26.5	-43.3
U.S. producers:												
Average capacity quantity	***	***	***	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***	***	***	***
U.S. shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Export shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Wages paid (\$1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***	***	***	***
Productivity (tons/1,000 hours)	***	***	***	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***	***	***	***
Net sales:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.  
(2) Not applicable.  
(3) Undefined.

Note 1.—Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Note 2.—In June 2004, Commerce notified the Commission of its determination to revoke the countervailing duty order on Italy, effective September 15, 2003. Accordingly, for the remainder of 2003, subject imports of SSWR from Italy include only SSWR produced by Italian manufacturers other than Valbruna (and its subsidiary Bolzano)—in essence, those of Cogne Acciai. Based on questionnaire responses (1998) and adjusted official import statistics (1999-2003), imports of SSWR from Valbruna and Cogne Acciai are as follows:

	Valbruna	Other (Cogne Acciai)
1998:	*** short tons (\$**)	*** short tons (\$**)
1999:	*** short tons (\$**)	*** short tons (\$**)
2000:	*** short tons (\$**)	*** short tons (\$**)
2001:	*** short tons (\$**)	*** short tons (\$**)
2002:	*** short tons (\$**)	*** short tons (\$**)
2003:	*** short tons (\$**)	*** short tons (\$**)

Due to exports by third parties, imports attributed to Valbruna may be somewhat understated, and those attributed to other manufacturers may be somewhat overstated.

Source: Compiled from data submitted in response to Commission questionnaires and from official Commerce statistics.

**Table A-1**  
**Stainless steel wire rod: Summary data concerning the U.S. market, 1995-97, Jan.-Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*



**Table A-1 Continued**  
**Stainless steel wire rod: Summary data concerning the U.S. market, 1995-97, Jan.-Mar. 1997,**  
**and Jan.-Mar. 1998**

\* \* \* \* \*

**Table A-1 Continued**  
**Stainless steel wire rod: Summary data concerning the U.S. market, 1995-97, Jan.-Mar. 1997,**  
**and Jan.-Mar. 1998**

\* \* \* \* \*

**Figure A-1**  
**Stainless steel Wire rod: U.S. shipments of U.S. producers and U.S. importers from subject and nonsubject sources, 1995-97, Jan.-Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*

**Table A-2**  
**Stainless steel wire rod: Summary data concerning the U.S. commercial market, 1995-97, Jan.-**  
**Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*

**Table A-2 Continued**  
**Stainless steel wire rod: Summary data concerning the U.S. commercial market, 1995-97,**  
**Jan.-Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*

**Table A-2 Continued**  
**Stainless steel wire rod: Summary data concerning the U.S. commercial market, 1995-97,**  
**Jan.-Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*

**Figure A-2**  
**Stainless steel wire rod: U.S. commercial shipments of U.S. producers and U.S. importers from subject and nonsubject sources, 1995-97, Jan.-Mar. 1997, and Jan.-Mar. 1998**

\* \* \* \* \*





**APPENDIX D**

**PURCHASER QUESTIONNAIRE RESPONSES**



As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following three firms as top purchasers of stainless steel wire rod: \*\*\*. Purchaser questionnaires were sent to these three firms and two firms (\*\*\*) provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for stainless steel wire rod that have occurred in the United States or in the market for stainless steel wire rod in Japan, South Korea, and/or Taiwan since January 1, 2016?

<b>Purchaser</b>	<b>Yes / No</b>	<b>Changes that have occurred</b>
***	***	*** .
***	***	*** .

2. Do you anticipate any significant changes in the supply and demand conditions for stainless steel wire rod in the United States or in the market for stainless steel wire rod in Japan, South Korea, and/or Taiwan within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Yes / No</b>	<b>Changes that have occurred</b>
***	***	***
***	***	***