Organic Soybean Meal from India

Investigation Nos. 701-TA-667 and 731-TA-1559 (Final)

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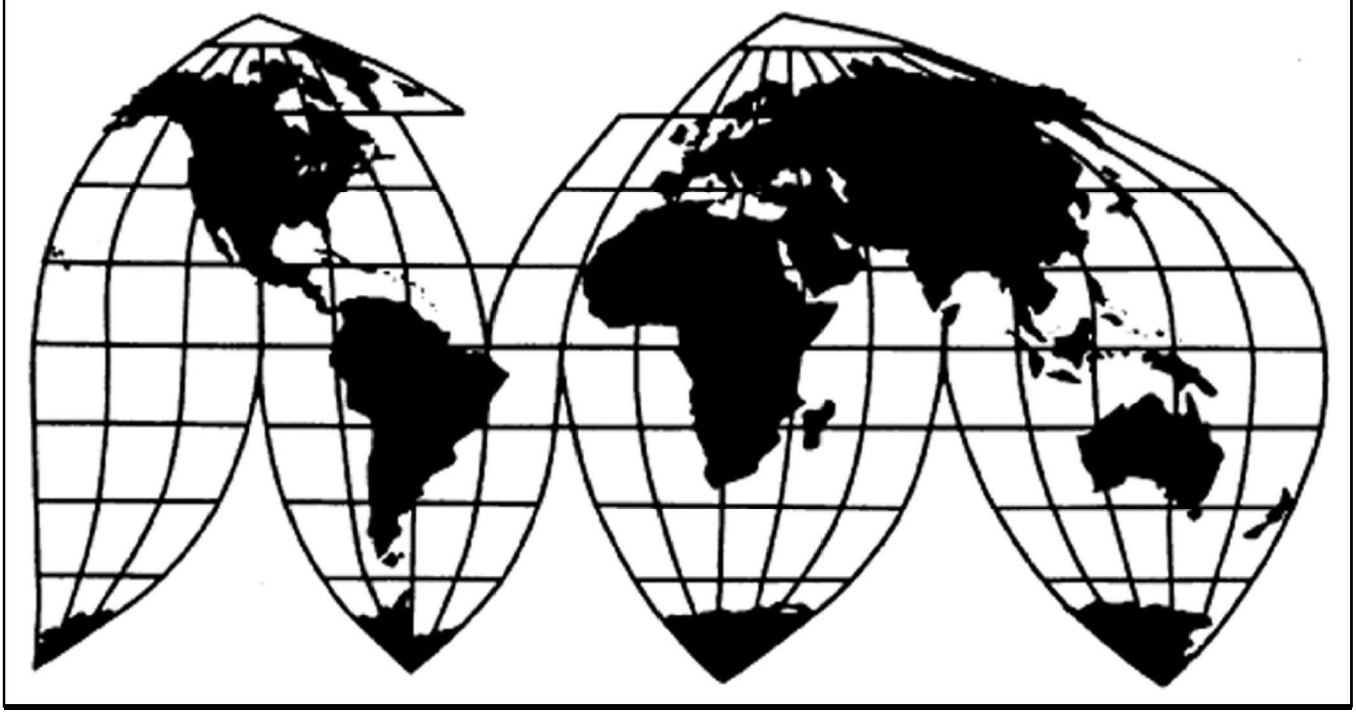
U.S. International Trade Commission



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

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-667 and 731-TA-1559 (Final)

Organic Soybean Meal from India

DETERMINATIONS

On the basis of the record[1] developed in the subject investigations, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that an industry in the United States is materially injured by reason of imports of organic soybean meal from India, provided for in subheadings 1208.10.00 and 2304.00.00 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce ("Commerce") to be sold in the United States at less than fair value ("LTFV"), and to be subsidized by the government of India.[2]

BACKGROUND

The Commission instituted these investigations effective March 31, 2021 following receipt of petitions filed with the Commission and Commerce by the Organic Soybean Processors of America, Washington, DC, American Natural Processors, LLC, Dakota Dunes, South Dakota, Organic Production Services, LLC, Weldon, North Carolina, Professional Proteins Ltd., Washington, Iowa, Sheppard Grain Enterprises, LLC, Phelps, New York, Simmons Grain Co., Salem, Ohio, Super Soy, LLC, Brodhead, Wisconsin, and Tri-State Crush, Syracuse, Indiana. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by Commerce that imports of organic soybean meal from India were subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)) and sold at LTFV within the meaning of 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission's investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the

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

[2] 87 FR 16453 and 87 FR 16458 (March 23, 2022).

Federal Register on November 19, 2021 (86 FR 64956). The Commission conducted its hearing on March 16, 2022. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of organic soybean meal from India found by the U.S. Department of Commerce ("Commerce") to be subsidized by the government of India and sold in the United States at less than fair value ("LTFV").

I. Background

The Organic Soybean Processors of America ("OSPA") and eight U.S. processors of organic soybean meal (collectively, "Petitioners") – American Natural Processors, LLC ("American Natural Processors); Lester Feed & Grain Co. ("Lester"); Organic Production Services LLC; Professional Proteins, Ltd. ("Professional Proteins"); Sheppard Grain Enterprises LLC ("Sheppard Grain"); Simmons Grain Company ("Simmons Feed"); Super Soy LLC ("Super Soy"); and Tri-State Crush LLC ("Tri-State Crush") – filed the petitions in these investigations on March 31, 2021.[1] Representatives for Petitioners submitted testimony and appeared at the hearing accompanied by counsel and submitted prehearing[2] and posthearing briefs[3] and final comments.[4] No respondent entity participated as a party in the final phase of these investigations.[5]

U.S. industry data are based on the questionnaire responses of eight firms accounting for the majority of U.S. production of organic soybean meal ("OSBM") during 2020.[6] U.S. import data are based on questionnaire responses from 11 U.S. importers of OSBM, accounting

[1] Lester initially was a petitioner and supported the petitions, but shortly after their filing dropped its status as a petitioner and later *** on the petitions. Confidential Report ("CR"), INV-UU-033 (Apr. 7, 2022), and Public Report ("PR"), *Organic Soybean Meal from India*, Inv. Nos. 701-TA-667 and 731-TA-1559 (Final), USITC Pub. 5321 (May 2022), at I-1 n.1.

[2] *See* Letter from Daniel D. Ujczo, Thompson Hine LLP, to Lisa R. Barton, Secretary, *Re: Organic Soybean Meal from India: Investigation Nos. 701-TA-667 and 731-TA-1559 (Final): Petitioners' Prehearing Brief* (Mar. 9, 2022) ("Petitioners' Prehearing Brief").

[3] *See* Letter from Daniel D. Ujczo, Thompson Hine LLP, to Lisa R. Barton, Secretary, *Re: Organic Soybean Meal from India: Investigation Nos. 701-TA-667 and 731-TA-1559 (Final): Petitioners' Post-Hearing Brief* (Mar. 23, 2022) ("Petitioners' Posthearing Brief").

[4] *See* Letter from Daniel D. Ujczo, Thompson Hine LLP, to Lisa R. Barton, Secretary, *Re: Organic Soybean Meal from India: Investigation Nos. 701-TA-667 and 731-TA-1559 (Final): Petitioners' Final Comments* (Apr. 13, 2022).

[5] Counsel for Suminter India Organics Pvt. Ltd ("Suminter") and Bergwerff Organic India Pvt. Ltd. ("Bergwerff"), a subject producer and its related exporter of organic soybean meal in India, and counsel for Terra Ingredients, LLC ("Terra"), a U.S. importer of subject merchandise, filed entries of appearance in these investigations, but did not appear at the hearing or file prehearing or posthearing briefs or final comments.

[6] CR/PR at III-1.

for the majority of U.S. imports of OSBM from India in 2020 under Harmonized Tariff Schedule of the United States ("HTSUS") subheadings 1208.10.00 and 2304.00.00.[7] Data concerning the subject industry in India are based on questionnaire responses from nine foreign producers/exporters of OSBM, whose exports to the United States accounted for approximately *** percent of reported U.S. imports of OSBM from India in 2020, and whose production accounted for approximately 15.6 percent of overall production of OSBM in India.[8]

II. Domestic Like Product

A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the "domestic like product" and the "industry."[9] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Tariff Act"), defines the relevant domestic industry as the "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[10] In turn, the Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation."[11]

By statute, the Commission's "domestic like product" analysis begins with the "article subject to an investigation," *i.e.*, the subject merchandise as determined by Commerce.[12] Therefore, Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is "necessarily the starting point of the Commission's like product analysis."[13] The Commission then defines the domestic like product

[7] CR/PR at IV-1. HTSUS subheadings 1208.10.00 and 2304.00.00 are "basket" categories that may contain out-of-scope merchandise. *See id.*

[8] CR/PR at VII-3.

[9] 19 U.S.C. § 1677(4)(A).

[10] 19 U.S.C. § 1677(4)(A).

[11] 19 U.S.C. § 1677(10).

[12] 19 U.S.C. § 1677(10). The Commission must accept Commerce's determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See*, *e.g.*, *USEC, Inc. v. United States*, 34 Fed. App'x 725, 730 (Fed. Cir. 2002) ("The ITC may not modify the class or kind of imported merchandise examined by Commerce."); *Algoma Steel Corp. v. United States,* 688 F. Supp. 639, 644 (Ct. Int'l Trade 1988), *aff'd*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

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

in light of the imported articles Commerce has identified.[14] The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[15] No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.[16] The Commission looks for clear dividing lines among possible like products and disregards minor variations.[17]

B. Product Description

Commerce defined the imported merchandise within the scope of these investigations as:

> . . . certified organic soybean meal. Certified organic soybean meal results from the mechanical pressing of certified organic soybeans into ground products known as soybean cake, soybean chips, or soybean flakes, with or without oil residues. Soybean cake is the product after the extraction of part of the oil from soybeans. Soybean chips and soybean flakes are produced by cracking, heating, and flaking soybeans and reducing the oil content of the conditioned product. ''Certified organic soybean meal'' is certified by the U.S. Department of Agriculture (USDA) National Organic Program (NOP) or equivalently certified to NOP standards or NOP-equivalent standards under an existing organic equivalency or recognition agreement.

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

[15] *See*, *e.g.*, *Cleo*, 501 F.3d at 1299; *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington*, 747 F. Supp. at 749 n.3 ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case'"). The Commission generally considers a number of factors, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

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

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

Certified organic soybean meal subject to this investigation has a protein content of 34 percent or higher.

Organic soybean meal that is otherwise subject to this investigation is included when incorporated in admixtures, including but not limited to prepared animal feeds. Only the organic soybean meal component of such admixture is covered by the scope of this investigation. The products covered by this investigation are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 1208.10.0010 and 2304.00.0000. Certified organic soybean meal may also enter under HTSUS 2309.90.1005, 2309.90.1015, 2309.90.1020, 2309.90.1030, 2309.90.1032, 2309.90.1035, 2309.90.1045, 2309.90.1050, and 2308.00.9890.[18]

Organic soybean meal is a processed (commonly referred to as "crushed") soybean product produced in compliance with the organic standards set forth by the U.S. Department of Agriculture's ("USDA") National Organic Program ("NOP").[19] Organic soybean meal consists of organic soybean cake, soybean chips, or flakes that are crushed from certified organic soybeans.[20] It is used as a key protein component for animal feed sourced by the organic poultry and dairy industries.[21]

C. Domestic Like Product Analysis

In its preliminary determinations, the Commission considered whether to expand the domestic like product definition beyond the scope of the investigations to include non-organic soybean meal, both genetically engineered ("GE") and non-GE soybean meal.[22] The Commission found that a reasonably clear dividing line exists between organic and non-organic soybean meal. Accordingly, the Commission did not expand the definition of the domestic like product beyond the scope, and defined a single domestic like product consisting of organic soybean meal, coextensive with the scope of the investigations.[23]

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[18] *Organic Soybean Meal from India: Final Affirmative Determination of Sales at Less Than Fair Value*, 87 Fed. Reg. 16,458, 16,460 (Mar. 23, 2022) (Commerce Antidumping Duty Investigation); *Organic Soybean Meal from India: Final Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 16,453, 16,454-55 (Mar. 23, 2022) (Commerce Countervailing Duty Investigation). The scope language further explains that "{t}he HTSUS subheadings and specifications are provided for convenience and customs purposes; the written description of the scope is dispositive."

[19] *See* CR/PR at I-8, I-10, I-14.

[20] *See* CR/PR at I-9.

[21] *See* CR/PR at I-9.

[22] *Organic Soybean Meal from India*, Inv. Nos. 701-TA-557 and 731-TA-1559 (Preliminary), USITC Pub. 5198 at 7-10 (May 2021) ("*Preliminary Determinations*").

[23] *Preliminary Determinations*, USITC Pub. 5198 at 10.

The record in the final phase of these investigations does not contain any new information concerning the domestic like product factors warranting a different definition.[24] No party has argued for a definition of the domestic like product that is different from that in the preliminary determinations.[25] Therefore, for the same reasons set forth in the preliminary determinations, we define a single domestic like product consisting of organic soybean meal that is coextensive with the scope of the investigations.

III. Domestic Industry

The domestic industry is defined as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[26] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

These investigations raise two domestic industry issues. The first issue is whether the domestic industry includes organic soybean growers in addition to processors. The second is whether appropriate circumstances exist to exclude any firms from the domestic industry pursuant to the statutory related parties provision.

A. Grower/Processor Provision

In cases involving processed agricultural products, section 771(4)(E) of the Tariff Act authorizes the Commission to include growers of a raw agricultural input within the domestic industry producing the processed agricultural product if:

(a) the processed agricultural product is produced from the raw product through a single continuous line of production,[27] and

[24] *See* CR/PR at I-16.

[25] Petitioners argue that the domestic like product definition found by the Commission in the preliminary determination should remain unchanged for purposes of the final phase of these investigations. *See* Petitioners' Prehearing Brief at 5-9.

[26] 19 U.S.C. § 1677(4)(A).

[27] The statute provides that the processed product shall be considered to be processed from the raw product in a single, continuous line of production if:

(a) the raw agricultural product is substantially or completely devoted to the production of the processed agricultural product; and

(b) the processed agricultural product is produced substantially or completely from the raw product. 19 U.S.C. § 1677(4)(E)(ii).

(b) there is a substantial coincidence of economic interest between the growers and producers of the processed product based upon the relevant economic factors.[28]

In its preliminary determinations, the Commission found that the first prong of the grower/processor provision was not satisfied because organic soybeans are not substantially or completely devoted to the production of organic soybean meal. Accordingly, the Commission found that there was not a single continuous line of production for raw organic soybeans and organic soybean meal, and therefore did not include growers of organic soybeans in the domestic industry.[29]

The record in the final phase of these investigations does not contain any new information concerning the grower/processer provision warranting a different finding.[30] No party has argued that the Commission should include growers of organic soybeans in the domestic industry. Therefore, for the same reasons set forth in the preliminary determinations, we do not include growers of organic soybeans in the domestic industry and define the domestic industry to consist of all U.S. processors of organic soybean meal.

B. Related Parties

We must also consider whether any producers of the domestic like product (*i.e.*, any processors of organic soybeans) should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers. Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[31]

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[28] 19 U.S.C. § 1677(4)(E)(iii).

[29] *Preliminary Determinations*, USITC Pub. 5198 at 11-12.

[30] *See, e.g.,* CR/PR at I-13 (indicating that soybeans have a number of end uses besides as an input into soybean meal, including food for human consumption such as edamame, tempeh, and tofu).

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

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

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

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

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

(Continued...)

Three U.S. processors – ***, ***, and *** – are subject to consideration for exclusion under the related parties provision. *** and *** imported subject merchandise from India during the January 1, 2018 to September 30, 2021 period of investigation ("POI") and *** is ***, a U.S. importer of subject merchandise during the POI.[32] [33] [34] Petitioners assert that

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(…Continued)

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

[32] CR/PR at III-2-3.

[33] U.S. processors *** and *** purchased subject imports from India during the POI. CR/PR at III-19. A domestic producer shall be considered to be a related party if it directly or indirectly controls an exporter, importer, or third party. 19 U.S.C. § 1677(4)(B). A domestic producer that does not itself import subject merchandise or does not share a corporate affiliation with an importer may nonetheless be deemed a related party if, for example, it controls large volumes of subject imports. *See* Uruguay Round Agreements Act Statement of Administrative Action ("SAA"), H.R. Rep. 103-316, vol. I. at 858. The Commission has found such control to exist, for example, when the domestic producer's purchases were responsible for a predominant proportion of an importer's subject imports and the importer's subject imports were substantial. *See, e.g.*, *Iron Construction Castings from Brazil, Canada, and China*, Inv. Nos. 701-TA-248, 731-TA-262-263, 265 (Fourth Review), USITC Pub. 4655 at 11 (Dec. 2016); *Chlorinated Isocyanurates from China and Spain*, Inv. Nos. 731-TA-1082-1083 (Second Review), USITC Pub. 4646 at 12 (Nov. 2016).

*** purchased only *** short tons of subject imports from U.S. processor and importer *** during one year of the POI (2020). CR/PR at Table III-17. Its purchases accounted for only *** percent of *** imports of subject merchandise that year. *Id*. We find that *** does not fall under the related parties provision because its purchases were insufficient to qualify as a related party.

*** purchased *** short tons of subject imports from India from U.S. importer *** in 2018, *** short tons in 2019, *** short tons in 2020, and *** short tons in interim (January – September) 2021. CR/PR at Table III-18. Its purchases accounted for *** percent of *** imports of subject merchandise in 2018, *** percent in 2019, *** percent in 2020, and *** percent in interim 2021. *Id*. *** reported that *** accounted for the largest share of its sales to its top ten customers in 2020. *See* *** U.S. Importer Questionnaire at III-21. *** subject imports as a share of total subject imports were *** percent in 2018, *** percent in 2019, *** precent in 2020, and *** percent in interim 2021. CR/PR at Table III-18. Although *** purchases were responsible for a variable percentage of *** subject imports during the POI (ranging from ***), *** subject imports accounted for no more than *** percent of total subject imports at any point in the POI, and this share declined over the POI. *See id.* Accordingly, we find that *** does not fall under the related parties provision because it did not control sufficiently large volumes of subject imports.

[34] Chair Kearns and Commissioner Karpel question whether, based on the SAA, Congress intended to preclude a finding that a domestic producer controls an importer where the producer purchases a predominant portion of an importer's subject imports but that importer's imports are not "substantial" compared to total subject imports. It is unclear to them whether that latter factor is relevant to the inquiry into "control" required by the statute. They also question whether *** does not purchase a predominant share of *** subject imports or that a share of total subject imports ranging from *** percent to *** percent over the POI should not be considered "substantial."
(Continued...)

appropriate circumstances do not exist to exclude these firms from the domestic industry, and no party has argued otherwise.[35] As explained below, we find that appropriate circumstances do not exist to exclude any of the firms from the domestic industry.

***: *** is the ***, accounting for *** percent of domestic production in 2020, and is a petitioner in these investigations.[36] It falls under the related parties provision because it imported subject organic soybean meal from India in 2019 and 2020. Specifically, *** imported *** short tons of organic soybean meal from India in 2019 (the equivalent of *** percent of its production in 2019) and *** short tons of organic soybean meal from India in 2020 (the equivalent of *** percent of its production in 2020).[37] *** explains that ***.[38]

In view of the fact that *** importation of subject merchandise was small in relation to its production and occurred only in *** as a response to ***, its primary interest appears to have been in domestic production rather than importation during the POI. We therefore find that appropriate circumstances do not exist to exclude *** from the domestic industry as a related party.

***: *** was the *** in 2020, accounting for *** percent of U.S. production in 2020, and is a petitioner in these investigations.[39] It falls under the related parties provision because

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(…Continued)

However, even if they were to find that *** and *** are related parties, Chair Kearns and Commissioner Karpel would find that appropriate circumstances do not exist to exclude *** from the definition of the domestic industry under the related parties provision. They note that *** admits that it ***. *See* CR/PR at VI-1 n.6. It explained that ***," "***". *** U.S. Purchaser Questionnaire Response at III-16(b), III-19. By 2020, *** produced only *** short tons of OSBM while purchasing *** short tons of OSBM from India. CR/PR at Tables III-4, III-18. As a result, *** purchases of subject imports were much greater than its domestic production in 2020. While these facts may suggest appropriate circumstances exist to exclude *** from the domestic industry, excluding its data from the aggregated data would result in "survivor bias," skewing the data and potentially masking the effects of subject imports. Thus, they would not exclude *** from the industry data. Rather, they consider this situation as a condition of competition in this market. Specifically, they note that *** reduced its domestic production due to subject import competition and purchased subject imports to reduce its costs and improve its margins for production of downstream poultry feed. Because *** did not ***. To the extent this improved its operating margins for its poultry operations, its operating margins for OSBM would also improve. Thus, in taking into account the conditions of competition in this market, they take into account that *** improved operating income to net sales ratio over the POI reflects its increasing use of subject imports. *See* CR/PR at Table VI-3; *** U.S. Processor Questionnaire Response at II-2(a), II-3(d); Email from *** to *** (Apr. 30, 2021) (EDIS Doc. # ***).

[35] *See* Petitioners' Posthearing Brief at 2; *see also* Petitioners' Prehearing Brief at 9, Petitioners' Final Comments at 11.

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

[37] CR/PR at Table III-13. *** also purchased *** short tons of organic soybean meal from India in 2020, ***. *Id.* at Tables III-16, III-19.

[38] CR/PR at Table III-14.

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

it imported organic soybean meal from India during the POI. Specifically, the firm's organic soybean meal imports from India were *** short tons in 2018 (the equivalent of *** percent of its production in 2018), *** short tons in 2019 (the equivalent of *** percent of its production in 2019), *** short tons in 2020 (the equivalent of *** percent of its production in 2020), and *** short tons in interim 2021 (the equivalent of *** percent of its production in interim 2021).[40] *** explains that ***.[41]

Although the volume of *** subject imports *** from 2018 to 2020, it explained that the reason it imported subject imports was ***. Moreover, the firm is a petitioner and ***, reflecting a commitment to domestic production.[42] In view of these factors, we find that appropriate circumstances do not exist to exclude *** from the domestic industry under the related parties provision.

***: ***, through its subsidiary ***, produced organic soybean meal domestically in 2018 and 2019 but *** in 2020, before restarting production in interim 2021.[43] *** is subject to the related parties provision because it is also the *** of ***, a U.S. importer of organic soybean meal from India during the POI.[44] *** organic soybean meal imports from India totaled *** short tons in 2018 (the equivalent of *** percent of *** production in 2018), *** short tons in 2019 (the equivalent of *** percent of *** production in 2019), *** short tons in 2020, and *** short tons in interim 2021 (the equivalent of *** percent of *** production in interim 2021).[45] *** supports the petitions.[46]

Although the volume of *** subject imports ***, *** explains that the reason it *** and ***.[47] *** restarted production in interim 2021, when subject import volumes were lower, evincing a continuing commitment to produce organic soybean meal in the United States when market conditions provide a viable opportunity.[48] In light of these factors, and the firm's support for the petitions, we find that appropriate circumstances do not exist to exclude *** from the domestic industry as a related party.

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[40] CR/PR at Table III-12. *** also purchased *** short tons of organic soybean meal from India in 2019 and *** short tons in 2020, ***. *Id.* at Tables III-15, III-19.

[41] CR/PR at Table III-14.

[42] Specifically, *** capital expenditures totaled $*** in 2018, $*** in 2019, $*** in 2020, and $*** in interim 2021. CR/PR at Table VI-8.

[43] *See* *** U.S. Processor Questionnaire Response at II-7, IV-23.

[44] *See* CR/PR at III-2.

[45] CR/PR at Table III-11. In its U.S. processor questionnaire submitted in the preliminary phase of these investigations, *** indicated that it, or one of its subsidiaries, had purchased OSBM from India. *** did not report any such purchases of OSBM from India, however, in its U.S. processor questionnaire submitted in the final phase of these investigations. *See* CR/PR at III-19 n.20.

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

[47] *See* CR/PR at Table III-14 (stating ***; *see also* Table VI-14.

[48] *See* CR/PR at Tables III-11, IV-2.

For the foregoing reasons, and in light of our domestic like product definition, we define a single domestic industry consisting of all domestic processors of organic soybeans.

IV. Material Injury by Reason of Subject Imports

Based on the record in the final phase of these investigations, we find that an industry in the United States is materially injured by reason of imports of OSBM from India that Commerce has found to be subsidized by the government of India and sold in the United States at less than fair value.

A. Legal Standards

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.[49] In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[50] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[51] In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[52] No single factor is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[53]

Although the statute requires the Commission to determine whether the domestic industry is "materially injured or threatened with material injury by reason of" unfairly traded imports,[54] it does not define the phrase "by reason of," indicating that this aspect of the injury analysis is left to the Commission's reasonable exercise of its discretion.[55] In identifying a

[49] 19 U.S.C. §§ 1671d(b), 1673d(b).

[50] 19 U.S.C. § 1677(7)(B). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each {such} factor ... and explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B).

[51] 19 U.S.C. § 1677(7)(A).

[52] 19 U.S.C. § 1677(7)(C)(iii).

[53] 19 U.S.C. § 1677(7)(C)(iii).

[54] 19 U.S.C. §§ 1671d(b), 1673d(b).

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

causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of the record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the "by reason of" standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.[56]

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.[57] In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.[58] Nor does the

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

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

[58] SAA at 851-52 ("{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports."); *Taiwan Semiconductor Industry Ass'n,* 266 F.3d at 1345 ("{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports ... . Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports." (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int'l Trade 2002) ("{t}he Commission is not (Continued...)

"by reason of" standard require that unfairly traded imports be the "principal" cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.[59] It is clear that the existence of injury caused by other factors does not compel a negative determination.[60]

Assessment of whether material injury to the domestic industry is "by reason of" subject imports "does not require the Commission to address the causation issue in any particular way" as long as "the injury to the domestic industry can reasonably be attributed to the subject imports."[61] The Commission ensures that it has "evidence in the record" to "show that the harm occurred 'by reason of' the LTFV imports," and that it is "not attributing injury from other sources to the subject imports."[62] The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed "rigid adherence to a specific formula."[63]

(…Continued)
required to isolate the effects of subject imports from other factors contributing to injury" or make "bright-line distinctions" between the effects of subject imports and other causes.); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that "{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e*., it is not an 'other causal factor,' then there is nothing to further examine regarding attribution to injury"), *citing Gerald Metals,* 132 F.3d at 722 (the statute "does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.").

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

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

[61] *Mittal Steel*, 542 F.3d at 878; *see also id.* at 873 ("While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured 'by reason of' subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology."), *citing United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swiff-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission's causation analysis as comporting with the Court's guidance in *Mittal*.

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

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

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.[64] Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.[65]

B. Conditions of Competition and the Business Cycle[66]

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

1. Demand Considerations

Organic soybean meal is used as an ingredient in animal feed for organic poultry and dairy producers.[67] U.S. demand for organic soybean meal is, therefore, primarily driven by consumer demand for organic poultry and dairy products, which increased during the POI.[68] Chicken slaughters increased from an estimated 13.6 million chickens in the first quarter of 2018 to 14.1 million chickens in the third quarter of 2021, an increase of 4.3 percent.[69] In addition, organic egg layer inventories (another indicator of organic poultry demand) increased from an average of 14.7 million head per week during the first quarter of 2018 to 17.5 million

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

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

[66] Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible. 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B); *see also* 15 C.F.R. § 2013.1 (developing countries for purposes of 19 U.S.C. § 1677(36)). The United States Trade Representative ("USTR") no longer designates India to be a developing country subject to the 4 percent negligibility threshold for countervailing duty investigations. *See* Designations of Developing and Least-Developed Countries Under the Countervailing Duty Law, 85 Fed. Reg. 7613, 7615-16 (USTR Feb. 10, 2020). Based on data submitted in response to the Commission's U.S. importer questionnaire, imports from India subject to the antidumping and countervailing duty investigations accounted for *** percent of total U.S. imports of OSBM in the 12-month period (March 2020 to February 2021) preceding the filing of the petitions. CR/PR at Table IV-3. Consequently, we find that imports of organic soybean meal from India are not negligible for both the antidumping and countervailing duty investigations.

[67] CR/PR at II-1.

[68] *See* CR/PR at II-10. Ten of 17 purchasers reported an increase in demand for end use products for OSBM. *Id.*

[69] CR/PR at II-10, Table II-5, Fig. II-1.

head per week during the fourth quarter of 2021, an overall increase of approximately 18.7 percent.[70] Organic milk sales also increased from 661 million pounds during the first quarter of 2018 to 696 million pounds during the fourth quarter of 2021, an overall increase of 5.3 percent.[71] Consistent with these increases, most responding U.S. processors, importers, and purchasers reported that U.S. demand for organic soybean meal had increased since January 1, 2018.[72]

Apparent U.S. consumption of organic soybean meal increased by *** percent between 2018 and 2020, from *** short tons in 2018 to *** short tons in 2019 and *** short tons in 2020; it was *** percent higher in interim 2021, at *** short tons, than in interim (January – September) 2020, at *** short tons.[73]

2. Supply Considerations

The domestic industry was the largest supplier of organic soybean meal to the U.S. market in 2018 but became the second largest supplier after subject imports in 2019, 2020, and interim 2021. Its share of apparent U.S. consumption declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020, representing an overall decrease of *** percentage points between 2018 and 2020; its share was *** percent in interim 2020 and *** percent in interim 2021.[74] The eight U.S. processors that responded to the Commission's questionnaire reported an annual production capacity of *** short tons in 2018, *** short tons in 2019, and *** short tons in 2020; they reported slightly lower production capacity in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[75] Their capacity utilization declined between 2018 and 2020, from *** percent in 2018 to *** percent in 2019 and *** percent in 2020; it was higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[76]

Subject imports' share of apparent U.S. consumption rose from *** percent in 2018 to *** percent in 2019 and *** percent in 2020, representing an overall increase of ***

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[70] CR/PR at II-10. An egg layer is a hen or pullet (a female chicken that has not yet started to lay eggs) producing or capable of producing table or commercial type shell eggs. *See id.* at II-10 n.18.

[71] CR/PR at II-12, Table II-6, Fig. II-2.

[72] CR/PR at Tables II-4a, II-4b. Specifically, *** of eight responding U.S. processors, all 11 responding U.S. importers, and 12 of 15 responding purchasers indicated that U.S. demand had increased between 2018 and 2019 (before the COVID-19 pandemic), and all eight responding U.S. processors, nine of ten responding importers, and 12 of 15 responding purchasers indicated that U.S. demand had increased since 2020 (after the onset of the COVID-19 pandemic). *See id.*

[73] CR/PR at IV-14, Table IV-9.

[74] CR/PR at IV-15, Table IV-9.

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

[76] CR/PR at Table III-4. According to petitioners, the domestic industry consisting of all processors/crushers has approximately 607,000 short tons of annual capacity, and its production is approximately 213,000 short tons per year. *Id.* at III-1 n.5

percentage points between 2018 and 2020; their share was *** percent in interim 2020 and *** percent in interim 2021.[77] Subject imports were the largest source of supply to the U.S. market in 2019, 2020, and interim 2021. As discussed further below, the COVID-19 pandemic impacted subject import supply conditions by causing temporary Indian port closures and other supply chain issues including reported shortages of imported soybeans, and a decline in subject producers' production operations.[78]

Nonsubject imports were the smallest source of supply to the U.S. organic soybean meal market during the POI. Their share of apparent U.S. consumption increased from *** percent in 2018 to *** percent in 2018, before decreasing to *** percent in 2020, for an overall decrease of *** percentage points between 2018 and 2020; their share was *** percent interim 2020 and *** percent in interim 2021.[79] Sources of nonsubject imports of organic soybean meal between 2018 and 2020 were Argentina, Canada, China, Russia, Turkey, and Uganda.[80]

3. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between the domestic like product and organic soybean meal from India, and that price/cost is an important consideration in purchasing decisions, along with quality and availability/supply.[81]

All responding U.S. processors, most U.S. importers, and 15 of 16 purchasers reported that the domestic like product and subject imports were always or frequently interchangeable.[82] Most responding purchasers reported that the domestic like product always or usually met minimum quality specifications, while all responding purchasers indicated that

[77] CR/PR at IV-15, Table IV-9.

[78] *See* CR/PR at II-7 (most U.S. importers and purchasers reported supply constraints throughout the POI, and most U.S. processors reported supply constraints after March 31, 2021, including issues with the supply of organic soybeans, Indian port closures, and other supply chain issues related to the COVID-19 pandemic); *see also id.* at VII-6 n.10 (six of nine responding foreign producers/exporters indicated that the COVID-19 pandemic had an impact on their operations and ***).

[79] CR/PR at Tables IV-9, C-1.

[80] CR/PR at II-6.

[81] *See* CR/PR at II-15, II-17.

[82] *See* CR/PR at Tables II-15, II-16, II-17. Specifically, *** of eight U.S processors reported that the domestic like product was always interchangeable with subject imports, with the remaining *** U.S. processor reporting that they were frequently interchangeable. Of 11 responding U.S. importers, five reported that the domestic like product was always interchangeable with subject imports, four that they were frequently interchangeable, and two that they were sometimes interchangeable. Of 16 responding purchasers, five reported that the domestic like product was always interchangeable with subject imports, ten that they were frequently interchangeable, and one that they were sometimes interchangeable. *Id.*

subject imports always or usually met minimum quality specifications.[83] Moreover, when asked to compare the domestic like product and subject imports on 16 purchasing factors, most responding purchasers reported that the domestic like product and subject imports were comparable on every factor (including availability, product consistency, product range, protein content, quality meets industry standards, quality exceeds industry standards, and reliability of supply), except delivery time and price.[84]

The record also indicates that price/cost, along with quality and availability/supply, are important factors in purchasing decisions for OSBM. Purchasers cited price/cost most frequently (cited 17 times) as one of the top three factors that they consider in their purchasing decisions, followed by quality (14 times), and availability/supply (ten times).[85] When asked to rate the importance of 16 factors in their purchasing decisions, the factors rated as "very important" by most responding purchasers were price, availability, quality meets industry standards (rated by 18 of 18 responding purchasers); product consistency, protein content, reliability of supply (17 purchasers); delivery time (15 purchasers); and delivery terms (12 purchasers).[86] Moreover, price was responding purchasers' most frequently cited reason for decreasing purchases of the domestic like product and their most frequently cited reason for increasing purchases of subject imports.[87]

Most responding U.S. processors and purchasers reported that differences other than price were never or sometimes significant in comparisons between subject imports and the domestic like product, whereas most U.S. importers reported that nonprice differences were

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[83] *See* CR/PR at Table II-10. Specifically, four responding purchasers reported that the domestic like product always met minimum quality specifications, 11 reported that it usually met minimum quality specifications, and one reported that it did not know. Nine purchasers reported that subject imports always and usually met minimum quality specifications. *Id.*

[84] *See* CR/PR at Table II-12. With respect to delivery time, all 16 purchasers reported that the domestic like product was comparable or superior to subject imports and, with respect to price, ten of 16 purchasers reported that the domestic like product was inferior to, *i.e.*, higher priced than, subject imports. *See id.* Importer *** reported that imports from India typically have longer lead times, varying availability, and higher transportation costs (depending on the location of the U.S. customer) when compared to the domestic like product. *Id.* at II-27. These reported differences may moderate substitutability to some extent for certain purchasers.

[85] *See* CR/PR at Table II-8. Quality was the most frequently cited first most-important factor (cited by ten of 18 responding purchasers), followed by availability/supply (three purchasers), all other factors (three purchasers), and price (two purchasers). *Id.* Price/cost was the most frequently cited second- and third-most important factor. *See id.*

[86] *See* CR/PR at Table II-9.

[87] *See* CR/PR at II-20. Purchasers' cited reasons for decreasing purchases of the domestic like product included price (cited by six responding purchasers), availability (one purchaser), and quality (one purchaser). Reasons for increasing purchases of subject imports included price (cited by four purchasers), increased feed production (three purchasers), availability (one purchaser), and quality (one purchaser). *Id.*

always or frequently significant.[88] While U.S. importers and purchasers identified differences in quality and availability as factors affecting purchasing decisions,[89] most purchasers reported that the quality and availability of the domestic like product were comparable or superior to subject imports.[90]

OSBM is sold in the U.S. market at various protein content levels. The domestic industry's U.S. shipments were concentrated in OSBM with a protein content of 44 to 46 percent,[91] while importers' U.S. shipments of subject imports were concentrated in OSBM with a protein content of more than 46 percent.[92] The record indicates that the industry standard is

[88] CR/PR at Tables II-18, II-19, II-20. Specifically, *** of eight U.S. processors reported that differences other than price were never significant, *** reported that they were sometimes significant, and *** reported that they were always significant. *Id.* at Table II-18. Of 14 responding purchasers, three reported that differences other than price were never significant, six reported that they were sometimes significant, four reported that they were frequently significant, and one reported that they were always significant. *Id.* at Table II-20. Of 11 responding U.S. importers, one reported that differences other than price were never significant, three reported that they were sometimes significant, two reported that they were frequently significant, and five reported that they were always significant. *Id.* at Table II-19.

[89] *See* CR/PR at II-27-28. Certain U.S. importers and purchasers reported that the domestic like product was lower in quality than subject imports, and that there was insufficient availability of domestic supply; these reported differences also may affect certain purchasers' perceived substitutability of OSBM from different sources. *See, e.g.,* CR/PR at II-22 n.29 (in the preliminary phase of these investigations, purchaser *** reported that "U.S. suppliers cannot meet the growing demand and had many supply issues" and that the "{q}uality of the OSBM is also higher than the U.S. product" and purchaser *** reported that the "U.S. does not have enough beans to supply and protein is higher in Indian meal"), II-25-26 (U.S. processor ***, importer ***, and purchaser *** all reported that subject imports have higher quality than the domestic like product); *see also* CR/PR at II-7 n. 11 (noting USDA report published May 2021 indicating that end users are concerned with future supplies of organic soybean meal as imported meal shipments are severely reduced).

[90] Specifically, all responding purchasers (17 of 17) indicated that the domestic like product was comparable or superior to subject imports with respect to quality meeting industry standards. *See id.* at Table II-12. Moreover, most responding purchasers (16 of 17) indicated that the domestic like product was comparable or superior to subject imports with respect to quality exceeding industry standards, with the remaining purchaser indicating that the domestic like product was inferior with respect to this factor. *See id.* Likewise, most purchasers (11 of 17) reported that the availability of the domestic like product was comparable or superior to that of subject imports, with the remaining six purchasers indicating that the domestic like product was inferior with respect to this factor. *See id.*

[91] Organic soybean meal with a protein content of less than 44 percent (known as "full fat" OSBM) accounted for *** percent of U.S. processor's U.S. shipments during the POI, while OSBM with a protein content of 44 to 46 percent accounted for between *** and *** percent of U.S. processors' U.S. shipments, and OSBM with a protein content of greater than 46 percent accounted for *** percent. *See* CR/PR at Table III-9.

[92] Organic soybean meal with a protein content of less than 44 percent accounted for *** percent of U.S. importers' U.S. shipments during the POI, while OSBM with a protein content of 44 to 46 (Continued...)

a protein content of at least 44 percent and that the protein content of OSBM can be changed by removing or not removing soybean hulls in the manufacturing process.[93] Furthermore, the record shows that the domestic like product and subject imports were interchangeable,[94] requiring only a small difference in formulation of the ultimate feed when using OSBM with a protein content of between 44 to 46 percent and OSBM with a protein content of above 46 percent.[95] Most responding purchasers (11 of 17) reported that the protein content of the domestic like product was comparable or superior to that of subject imports.[96]

U.S. processors and importers sold organic soybean meal from inventories and on a produced-to-order basis, with importers reporting longer lead times for both types of sales. Specifically, U.S. processors reported that the majority (*** percent) of their commercial shipments of organic soybean meal in 2020 came from inventory with lead times averaging *** day. The remaining *** percent of their commercial shipments were produced-to-order, with lead times averaging *** days. Importers reported that a majority (*** percent) of their commercial shipments of organic soybean meal in 2020 were produced-to-order, with lead times averaging *** days. The remainder of their commercial shipments came from inventories – *** percent from foreign inventory with lead times averaging *** days and *** percent from U.S. inventory with lead times averaging *** days.[97]

Most U.S. processors and importers reported setting prices using transaction-by-transaction negotiations and short-term contracts.[98] Domestic prices are transparent to a degree as the USDA publishes an average value for spot transactions, a price and delivery period for forward contracts, and general market intelligence on a bi-weekly basis if trade activity is not too limited.[99]

(…Continued)
percent accounted for *** percent of U.S. importers' U.S. shipments, and OSBM with a protein content of greater than 46 percent accounted for between *** and *** percent. *See* CR/PR at Table IV-4.

[93] *See* CR/PR at I-15 n.63. There can be specific end uses (*i.e.*, the nutritional need of the animal being fed) which can potentially impact the level of protein content demanded. *Id.*

[94] *See* CR/PR at Tables II-15, II-16, II-17.

[95] *See* Hr. Tr. at 47-48 (Bennett). Petitioners indicated that end users might be willing to pay a slightly higher price per volume of OSBM with a protein content of 46 percent or higher because they can use less meal to achieve a preferred protein content in their feed mix. *Id.* at II-8.

[96] *See* CR/PR at Table II-12. The remaining six purchasers indicated that the domestic like product was inferior with respect to protein content. *Id.*

[97] CR/PR at II-18.

[98] *See* CR/PR at Tables V-2, V-4. The largest U.S. processor *** reported that ***. *See* *** U.S. Processor Questionnaire Response at IV-3, CR/PR at Table III-1.

[99] *See* CR/PR at V-7, Table V-3. If there are limited numbers of buyers and sellers, prices are not published in order to protect firms' identities. *Id.* at V-7 n.15.

The main raw material input for organic soybean meal production is USDA-certified organic soybeans.[100] U.S. processors reported that the majority of their OSBM production used imported organic soybeans from countries other than India.[101] Average quarterly prices for domestic and imported organic soybeans fluctuated within a relatively tight range during 2018 to 2020, before surging in 2021.[102] Raw material costs ranged between 95.1 and 95.6 percent of the domestic industry's overall cost of goods sold ("COGS") during 2018 to 2020 and were slightly higher in interim 2021, at 95.9 percent, than in interim 2020, at 95.6 percent.[103]

In an agreement with India during part of the POI, the USDA recognized India's Agricultural & Processed Food Products Export Development Authority as a competent authority to accredit certifiers to the USDA's NOP standards within its national borders.[104] The USDA terminated this recognition agreement with India on January 11, 2021, and provided an 18-month transition period (through July 2022) for organic operations in India to become USDA-certified.[105] Half of responding purchasers (nine of 18) indicated that the termination of the USDA's recognition agreement with India and the USDA certification requirement for Indian producers had no impact on their certification of suppliers of OSBM or their ability to source OSBM, while half (nine of 18) reported some impact.[106] ***.[107] A representative for a U.S. processor likewise testified at the hearing that termination of the USDA's recognition agreement had little, if any, impact.[108]

[100] *See* CR/PR at V-1.

[101] *See* CR/PR at III-9, Table III-5.

[102] CR/PR at V-1. The average quarterly price of domestic organic soybeans was $18.44 per bushel in the first quarter of 2018, $19.74 per bushel in the fourth quarter of 2020, and $32.08 per bushel in the fourth quarter of 2021. The average quarterly price of imported organic soybeans was $17.00 per bushel in the first quarter of 2018, $16.97 per bushel in the fourth quarter of 2020, and $25.00 per bushel in the fourth quarter of 2021. *Id.* at Table V-1, Fig. V-1.

[103] *See* CR/PR at Table VI-1.

[104] *See* CR/PR at I-10.

[105] *See* CR/PR at I-10-11. During the transition period, organic operations in India had six months (until July 12, 2021) to apply for re-certification with a USDA-accredited organic certifier in order to be able to continue exporting OSBM during the transition period. *See id.* at I-11. As of February 2022, over 1,600 Indian operations had applied for re-certification and were approved to export organic product during the transition period. *Id.* at I-11 n.30.

[106] *See* CR/PR at II-19.

[107] *See* CR/PR at VII-4 n.8.

[108] S*ee* Hr. Tr. at 61 (Sheppard) ("The termination of the equivalency agreement was phased over time. I believe it was 18 months, six months notice, and a year to be merely registered with USDA authorized approval authorities, and then a full year later to be certified. So, although it did provide some angst in the market as far as … any change does, I didn't see a significant impediment to importing Indian soybean meal…with an 18-month transition period").

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[109]

The volume of subject imports increased from *** short tons in 2018 to *** short tons in 2019 and *** short tons in 2020, for an overall increase of *** percent. While the volume of subject imports in interim 2021 was lower than the volume in interim 2020 (*** short tons in interim 2021 compared to *** short tons in interim 2020), the volume in interim (January – September) 2021 was significantly larger than the volume of subject imports in full-year 2018 (*** short tons) at the beginning of the POI.[110]

The share of apparent U.S. consumption held by subject imports increased from 2018 to 2020 and, although it was lower in interim 2021 than in interim 2020, their share was significantly higher at the end of the POI than at the beginning. Subject import market share increased from *** percent in 2018 to *** percent in 2019 and *** percent in 2020, for an overall increase of *** percentage points; it was *** percent in interim 2020 and *** percent in interim 2021.[111] Subject import market share gains during the POI were almost wholly at the expense of the domestic industry.[112] [113]

Subject imports as a ratio to U.S. production also increased from 2018 to 2020 and finished the POI significantly higher than at the beginning. The ratio of subject imports to U.S. production increased from *** percent in 2018 to *** percent in 2019 and *** percent in 2020,

[109] 19 U.S.C. § 1677(7)(C)(i).

[110] CR/PR at IV-2, Table IV-2. As discussed further below, the volume of subject imports in interim 2021 was impacted by supply chain issues in India caused by the COVID-19 pandemic as well as, toward the end of the interim 2021 period, the filing of the petitions in these investigations. *See infra* at Section IV.E.

[111] CR/PR at IV-15, Table IV-9. Apparent U.S. consumption in these investigations is derived from U.S. shipments of OSBM. U.S. Importers' U.S. shipments of subject imports totaled *** short tons in 2018, *** short tons in 2019, and *** short tons in 2020; they were *** short tons in interim 2020 and *** short tons in interim 2021. CR/PR at Table IV-9.

[112] *See* CR/PR at IV-15, Table IV-9. The domestic industry's market share declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020, for an overall decline of *** percentage points. *Id.* While the domestic industry's market share was higher in interim 2021, at *** percent, than in interim 2020, at *** percent, its share was lower at the end of the POI, at *** percent in interim 2021, than at the beginning of the POI, at *** percent. *Id.*

[113] From 2018 to 2020, subject imports gained market share at the expense of the domestic industry in all three channels of distribution: distributors/brokers, poultry and dairy-related end users, and feed mills and other end users. *See* CR/PR at Tables IV-6, IV-7, and IV-8.

for an overall increase of *** percentage points; the ratio was *** percent in interim 2020 and *** percent in interim 2021.[114]

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

D. Price Effects of the Subject Imports

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

> (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and
>
> (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[115]

As previously discussed, the record in these investigations indicates that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product and that price is an important consideration in purchasing decisions.[116]

The Commission collected quarterly pricing data from U.S. processors and importers concerning the quantity and value of one organic soybean meal product shipped to unrelated customers.[117] *** U.S. processors and nine importers provided usable pricing data.[118] Pricing data reported by these firms accounted for *** of U.S. processors' U.S. commercial shipments and *** percent of reported commercial U.S. shipments of subject imports from India in 2020.[119] Subject imports undersold the domestic like product in all 15 quarterly price comparisons (involving *** short tons of subject merchandise) at margins of underselling ranging from *** percent to *** percent with an average underselling margin of *** percent.[120]

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[114] CR/PR at IV-2.

[115] 19 U.S.C. § 1677(7)(C)(ii).

[116] *See supra* at Section IV.B.3.

[117] CR/PR at V-9-10. The pricing product was certified organic soybean meal having at least a protein content of 44 percent, feed grade. *Id.*

[118] CR/PR at V-10. Not all firms reported pricing for this pricing product for all quarters of the POI.

[119] *See* CR/PR at V-10.

[120] *See* CR/PR at Table V-8. Additionally, the average unit value ("AUV") of U.S. shipments of subject imports for OSBM with less than 44 percent protein content and greater than 46 percent protein (Continued...)

In addition, we observe that of the 18 responding U.S. purchasers, 17 reported that, since 2018, they had purchased subject imports instead of the domestic like product, with 14 purchasers indicating that subject imports were priced lower than the domestic like product.[121] Ten of those purchasers reported that price was a primary reason for their decision to purchase subject imports rather than the domestic like product.[122] The estimated volume of these purchases of subject imports totaled *** short tons, or *** percent of total apparent U.S. consumption over the POI.[123]

Given the moderate-to-high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, the pricing data showing universal underselling, and purchaser responses regarding lost sales, we find the underselling by subject imports to be significant. As subject imports undersold the domestic like product, they captured sales from the domestic industry and gained market share almost wholly at the expense of the domestic industry.

We have also examined the available data on price trends. U.S. processors' prices for the pricing product fluctuated narrowly between 2018 and 2020, before increasing sharply in interim 2021 (January to September), for an overall increase of *** percent.[124] U.S. importers' prices for the same pricing product followed a similar trend, increasing overall by *** percent.[125] These price trends do not indicate that subject imports had a significant depressing effect on domestic prices.

We have also considered whether subject imports suppressed domestic prices to a significant degree. The ratio of COGS to net sales for U.S. processors' non-tolling operations[126]

(…Continued)
content were lower than the AUV of U.S. processors' U.S. shipments for the same products during the entire POI. The AUV of U.S. shipments of subject imports for OSBM with 44 to 46 percent protein content was lower than the AUV of U.S. processors' U.S. shipments for the same product during 2018 to 2020. The AUV of U.S. shipments of subject imports for OSBM with greater than 46 protein content was also lower than U.S. processors' U.S. shipments for OSBM containing 44 percent to 46 percent protein content in 2018, 2019, and interim 2021. *See* CR/PR at Tables III-9, IV-4.

[121] *See* CR/PR at Table V-10.

[122] *See* CR/PR at Table V-10. Purchasers mostly identified quality and availability as the main non-price reasons for purchasing subject imports instead of the domestic like product. *See id.*

[123] *Calculated from* CR/PR at Tables IV-9, V-10.

[124] *See* CR/PR at V-13, Tables V-5, V-6, and Fig. V-2. U.S. processors' prices decreased by *** percent from the first quarter of 2018 to the last quarter of 2020 and increased by *** percent from the first quarter of 2021 to the third quarter of 2021. *Id.* at V-13 n.26.

[125] *See* CR/PR at V-13, Tables V-5, V-6 and Fig. V-2. Prices for subject imports decreased by *** percent from the first quarter of 2018 to the last quarter of 2020 and increased by *** percent from the first quarter of 2021 to the third quarter of 2021. *Id.* at V-13 n.26.

[126] The domestic industry's tolling operations were relatively small compared to its non-tolling operations, accounting for only *** to *** percent of the domestic industry's U.S. shipments throughout (Continued...)

fluctuated but increased overall by 4.7 percentage points from 2018 to 2020, initially decreasing from 94.2 percent in 2018 to 93.9 percent in 2019 and then increasing to 98.9 percent in 2020; the ratio was 1.0 percentage points higher in interim 2021, at 98.8 percent, than in interim 2020, at 97.8 percent.[127] The record indicates that between 2018 and 2020, the AUV of net sales (in dollars per short ton) for the domestic industry's non-tolling operations decreased by 3.0 percent, from $793 in 2018 to $774 in 2019 and $769 in 2020, while average unit COGS (in dollars per short ton) fluctuated but increased overall by 1.7 percent, initially decreasing from $747 in 2018 to $727 in 2019 and then increasing to $760 in 2020. The AUV of net sales was 25.1 percent higher in interim 2021, at $962, than in interim 2020, at $768, while average unit COGS was 26.4 percent higher in interim 2021, at $950, than in interim 2020, at $751.[128] The record reflects that the industry's increasing unit COGS was largely driven by rising unit raw material costs (organic soybeans).[129] As apparent U.S. consumption increased each year of the POI and was higher between interim periods, the domestic industry reasonably could have been expected to pass on increasing raw material costs to purchasers but for the significant and increasing volumes of low-priced subject imports.[130] Given the overall increase in the domestic industry's COGS-to-net sales ratio and the industry's inability to cover its increasing raw material costs during a period of increasing apparent U.S. consumption, we find that subject imports prevented price increases which otherwise would have occurred to a significant degree.

In sum, based on the record of these investigations, we find that subject imports significantly undersold the domestic like product, allowing subject imports to gain sales and market share from the domestic industry. Subject imports also suppressed domestic prices to a significant degree. We consequently find that subject imports had significant price effects.

(…Continued)
the POI. *See* CR/PR at Table II-1. *** U.S. processors (*** and ***) reported operating as tollers during the POI, with one (***) operating only as a toller throughout the entire period. *Id.* at VI-1 n.2.

[127] CR/PR at Table VI-1. The processors engaged in tolling operations reported a decrease in their ratio of cost of tolling services ("COTS") to net sales of *** percentage points from 2018 to 2020, with the ratio decreasing from *** percent in 2018 to *** percent in 2019 and *** percent in 2020; it was *** percentage points higher in interim 2021, at *** percent, than in interim 2020, at *** percent. *Id.* at Table VI-6.

[128] CR/PR at Tables VI-1, VI-2.

[129] Unit raw material costs fluctuated but increased by 2.1 percent overall from 2018 to 2020, decreasing from $715 in 2018 to $694 in 2019, before increasing to $730 in 2020; they were 26.8 percent higher in interim 2021, at $916, than in interim 2020, at $723. CR/PR at Tables VI-1, VI-2.

[130] We note that four purchasers reported that U.S. processors had reduced prices in order to compete with lower priced imports from India, with estimates of the price reductions ranging from *** to *** percent. *See* CR/PR at V-16, Table V-11.

E. Impact of the Subject Imports[131]

Section 771(7)(C)(iii) of the Tariff Act provides that in examining the impact of subject imports, the Commission "shall evaluate all relevant economic factors which have a bearing on the state of the industry."[132] These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, research and development ("R&D"), and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[133]

Even as apparent U.S. consumption increased from 2018 and 2020 by *** percent, the domestic industry's performance indicators declined while the industry lost sales and market share to subject imports and experienced the effects of significant underselling and price suppression. Specifically, from 2018 to 2020, the domestic industry's production and shipments declined, and its employment and financial indicators also deteriorated. By the end of 2020, the industry had sustained substantial operating and net losses.

The domestic industry's capacity increased by *** percent from 2018 to 2020, from *** short tons in 2018 to *** short tons in 2019 and *** short tons in 2020; it was *** percent lower in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[134] The industry's production, however, declined by *** percent between 2018 and 2020, from ***

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[131] The statute instructs the Commission to consider the "magnitude of the dumping margin" in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final determination, Commerce found a dumping margin of 3.07 percent for imports from exporters and producers Bergwerff and Suminter and all others except a dumping margin of 18.80 percent for imports from twelve non-cooperative exporters or producers who received a separate rate based on facts available with an adverse inference. *See Organic Soybean Meal from India: Final Affirmative Determination of Sales at Less Than Fair Value*, 87 Fed. Reg. 16,458, 16,458-59 (Mar. 23, 2022). We take into account in our analysis the fact that Commerce has made a final finding that all subject producers in India are selling subject imports in the United States at less than fair value. In addition to this consideration, our impact analysis has considered other factors affecting domestic prices. Our analysis of the significant underselling and price suppression of subject imports, described in both the price effects discussion and below, is particularly probative to an assessment of the impact of the subject imports.

[132] 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.").

[133] 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act ("TPEA") of 2015, Pub. L. 114-27.

[134] CR/PR at III-5, Table III-4.

short tons in 2018 to *** short tons in 2019 and *** short tons in 2020; it was *** percent higher in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[135] Consequently, the industry's capacity utilization declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020, for an overall decline of *** percentage points; it was *** percentage points higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[136]

The domestic industry's U.S. shipments declined by *** percent between 2018 and 2020, from *** short tons in 2018 to *** short tons in 2019 and *** short tons in 2020; its shipments were *** percent higher in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[137] The domestic industry's market share declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020; it was higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[138] The industry's end-of-period inventories declined from *** short tons in 2018 to *** short tons in 2019, before increasing to *** short tons in 2020; inventories were higher in interim 2021, at *** short tons, than in interim 2020, at *** short tons.[139] Its ratio of end-of-period inventories to total shipments remained at *** percent in 2018 and 2019, before increasing to *** percent in 2020; it was higher in interim 2021, at *** percent, than in interim 2020, at *** percent.[140]

Employment-related indicators for the domestic industry also trended downward. The domestic industry's number of production and related workers ("PRWs"), total hours worked, hours worked per PRW, wages paid, and hourly wages were all lower in 2020 than in 2018.[141] The domestic industry's number of PRWs declined from *** in 2018 to *** in 2019 and *** in 2020; the number was higher in interim 2021, at ***, than in interim 2020, at ***.[142] Total hours worked declined from *** in 2018 to *** in 2019 and *** in 2020; total hours worked were *** in both interim 2020 and interim 2021.[143] Hours worked per PRW declined from *** in 2018 to *** in 2019 and *** in 2020; hours worked per PRW were lower in interim 2021, at ***, than in interim 2020, at ***.[144] Wages paid declined from $*** in 2018 to $*** in 2019

[135] CR/PR at III-5, Table III-4.
[136] CR/PR at III-5, Table III-4.
[137] CR/PR at III-11, Table III-7.
[138] CR/PR at Table IV-9.
[139] CR/PR at Table III-10.
[140] CR/PR at Table III-10.
[141] Productivity was the only employment-related indicator that increased overall, initially decreasing from *** short tons per 1,000 hours in 2018 to *** in 2019, before increasing to *** in 2020; productivity was higher in interim 2021, at *** short tons per 1,000 hours, than in interim 2020, at ***. CR/PR at Table III-20.
[142] CR/PR at Table III-20.
[143] CR/PR at Table III-20.
[144] CR/PR at Table III-20.

and $*** in 2020; wages paid were higher in interim 2021, at $***, than in interim 2020, at $***.[145] Hourly wages declined overall from 2018 to 2020, initially decreasing from $*** per hour in 2018 to $*** per hour in 2019, before increasing to $*** per hour in 2020; hourly wages were higher in interim 2021, at $*** per hour, than in interim 2020, at $*** per hour.[146]

The domestic industry's financial performance also deteriorated. Specifically, the domestic industry's net sales declined between 2018 and 2020, as did its gross profit. Net sales by value for the domestic industry's non-tolling operations declined from $138.4 million in 2018 to $110.6 million in 2019 and $102.4 million in 2020; net sales were higher in interim 2021, at $109.5 million, than in interim 2020, at $80.1 million.[147] Gross profit for the domestic industry's non-tolling operations decreased from $8.0 million in 2018 to $6.7 million in 2019 and $1.2 million in 2020; gross profit was lower in interim 2021, at $1.3 million, than in interim 2020, at $1.8 million.[148] Operating income and net income for the domestic industry's non-tolling operations decreased throughout this time period, turning into losses in 2020.[149] Operating income for the domestic industry's non-tolling operations declined from $*** in 2018 to $*** in 2019 and *** in 2020; operating income was lower in interim 2021, at $***, than in interim 2020, at $***.[150] Net income for the domestic industry's non-tolling operations decreased from $*** in 2018 to $*** in 2019 and *** in 2020; net income was higher in interim 2021, at ***, than in interim 2020, at ***.[151] Similarly, the industry's operating income and net income as a share of net sales and its operating return on assets decreased overall, and turned negative in 2020.[152]

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

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

[147] CR/PR at Table VI-1. Net sales by value for the domestic industry's tolling operations declined from $*** in 2018 to $*** in 2019, before increasing to $*** in 2020; they were higher in interim 2021, at $*** than in interim 2020, at $***. CR/PR at Table VI-6.

[148] CR/PR at Table VI-1. Gross profit for the domestic industry's tolling operations decreased from $*** in 2018 to $*** in 2019, before increasing to $*** in 2020; gross profit was higher in interim 2021, at $***, than in interim 2020, at $***. CR/PR at Table VI-6.

[149] As noted above, the domestic industry's tolling operations were relatively small compared to its non-tolling operations, accounting for only *** to *** percent of the domestic industry's U.S. shipments throughout the POI. *See* CR/PR at Table II-1. Operating income for the domestic industry's tolling operations increased from $*** in 2018 to $*** in 2019 and 2020; operating income was higher in interim 2021, at $***, than in interim 2020, at $***. *Id.* at Table VI-6. Net income for the domestic industry's tolling operations increased from $*** in 2018 to $*** in 2019 and $*** in 2020; net income was higher in interim 2021, at $***, than in interim 2020, at $***. *Id.*

[150] CR/PR at Table VI-1.

[151] CR/PR at Table VI-1.

[152] Operating income as a share of net sales for the domestic industry's non-tolling operations increased from *** percent in 2018 to *** percent in 2019, before decreasing to *** percent in 2020; operating income as a share of net sales was lower in interim 2021, at *** percent, than in interim 2020, at *** percent. CR/PR at Table VI-1. Net income as a share of net sales for the domestic industry's non-

(Continued...)

The domestic industry's capital expenditures increased from $*** in 2018 to $*** in 2019, before decreasing to $*** in 2020; they were lower in interim 2021, at $***, than in interim 2020, at $***.[153] Out of eight responding U.S. processors, seven reported negative effects on investment that they attributed to subject imports and six reported that subject imports also had negative effects on growth and development.[154]

As discussed above, while apparent U.S. consumption increased by *** percent between 2018 and 2020, significant volumes of low-priced subject imports that were substitutable for the domestic like product increased at an even greater rate, taking sales and market share from the domestic industry. These subject imports significantly undersold the domestic like product and suppressed domestic prices to a significant degree. Consequently, the significant and increasing volumes of low-priced subject imports caused the domestic industry's production, U.S. shipments, employment, and financial performance to decline over the full years of the POI.

While the domestic industry's market share, production, and U.S. shipments were higher in interim 2021 compared to interim 2020, and some U.S. processors experienced improved financial performance,[155] this occurred during a period when subject import volumes were lower partly because the COVID-19 pandemic caused temporary Indian port closures and other delays in shipments of subject imports, and, toward the end of the interim period, partly because of the filing of the petitions.[156] Notwithstanding some improvements in interim 2021,

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(…Continued)
tolling operations decreased from *** percent in 2018 to *** percent in 2019 and *** percent in 2020; net income as a share of net sales was higher in interim 2021, at *** percent, than in interim 2020, at *** percent. *Id*. The domestic industry's operating return on assets declined from *** percent in 2018 to *** percent in 2019 and *** percent in 2020. *Id.* at Table VI-11.

[153] CR/PR at Tables VI-8. No domestic processors reported R&D expenses. *Id.* at VI-28. *** reported that ***. *Id.* at VI-28 n.36.

[154] *See* CR/PR at Table VI-13.

[155] *See* CR/PR at Table VI-15 (***, ***, and *** reported improved financial conditions and demand for domestically produced OSBM due to COVID-19 pandemic related port closures in India and other supply chain issues).

[156] *See, e.g.*, U.S. importer questionnaire responses of *** and *** at III-17 (reporting subject import supply constraints since the petitions were filed). According to Petitioners, India experienced two waves of the COVID-19 pandemic in early and late 2020, and supply disruptions in the U.S. market became more apparent during the second wave as U.S. importers drew down their inventories as the impact of the pandemic extended into the interim (January to September) 2021 period. *See* CR/PR at V-4 n.10; *see also* CR/PR at Table VII-7 (the ratio of U.S. importers' inventories to subject imports fluctuated but increased by *** percentage points from *** percent in 2018 to *** percent in 2020, but was *** percentage points lower in interim 2021, at *** percent, than in interim 2020, at *** percent). Petitioners also assert that the impact of the petitions being filed on March 31, 2021 would have been most apparent in mid to late June 2021, after the *** produced-to-order lead time for subject imports, and that it is likely that the reduction in U.S. shipments of subject imports during the third quarter of (Continued...)

the domestic industry remained in worse shape overall than at the beginning of the POI as low-priced subject imports continued to be the predominant source of supply in the U.S. market and continued to cause material injury to the domestic industry.[157] Subject import volume was larger in interim 2021 (although a partial year) than in the full year of 2018, and subject imports' share of apparent U.S. consumption remained much higher in interim 2021 than it was at the beginning of the POI, as subject imports continued to undersell the domestic like product and suppress domestic prices. Based on the foregoing, we find that subject imports had a significant impact.

In our analysis of the impact of subject imports on the domestic industry, we have also considered whether there were other factors that may have had an adverse impact on the industry during the POI to ensure that we are not attributing injury from such other factors to subject imports. In this respect, we examined the role of nonsubject imports, which were the smallest source of supply to the U.S. market throughout the POI. The volume and market share of nonsubject imports declined between 2018 and 2020.[158] Thus, nonsubject imports were not responsible for the domestic industry's loss of *** percentage points of market share between 2018 and 2020.[159] Additionally, as previously discussed, apparent U.S. consumption increased over the POI, increasing by *** percent from 2018 to 2020, and it was *** percent higher in interim 2021 than in interim 2020.[160] Accordingly, changes in consumption trends do not explain the industry's deteriorating condition. Finally, although certain U.S. processors

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(…Continued)
2021 reflects a combination of logistical issues in India caused by the COVID-19 pandemic and the filing of the petitions. *See* Petitioners' Posthearing Brief at Answers to Commissioner Questions at VI.2.B. We note that Commerce published its notice of its preliminary affirmative countervailing duty determination on September 3, 2021 and directed Customs and Border Protection to suspend liquidation of entries of subject merchandise and require cash deposits as of that date. *Organic Soybean Meal from India: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*, 86 Fed. Reg. 49,514, 49,515 (Sept. 3, 2021).

[157] The domestic industry's market share, capacity utilization, unit operating income, unit net income, and operating and net income-to-net sales ratios (for non-tolling operations) were all lower in interim 2021 than they were in 2018. Its COGS-to-net sales ratio was higher in interim 2021 than in 2018. *See* CR/PR at Tables IV-9, III-4, VI-1.

[158] Nonsubject imports initially increased from *** short tons in 2018 to *** short tons in 2019, before declining to *** short tons in 2020; they were higher in interim 2021, at *** short tons, than in interim 2020, at *** short tons. CR/PR at Table IV-2. Their market share decreased overall by *** percentage points from 2018 to 2020, increasing from *** percent in 2018 to *** percent in 2019, before decreasing to *** percent in 2020; their market share was higher in interim 2021, at *** percent, than in interim 2020, at *** percent. CR/PR at Table IV-9.

[159] CR/PR at IV-15, Table IV-9.

[160] CR/PR at IV-14, Table IV-9.

reported issues with a limited supply of organic soybeans to produce OSBM,[161] the available record evidence, including the substantial quantity of confirmed lost sales due to price,[162] does not indicate that such raw material supply constraints explain the magnitude of the domestic industry's market share losses during the POI, nor do such constraints explain the suppression of domestic prices. We, therefore, find that these trends do not explain the domestic industry's loss of market share or declining performance during the POI attributable to subject imports.

We consequently conclude that other causes cannot explain the injury we have attributed to subject imports. We accordingly determine that the domestic industry is materially injured by reason of subject imports.

V. Conclusion

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of subject imports of OSBM from India that are subsidized by the government of India and sold in the United States at less than fair value.

[161] *See* CR/PR at II-7; *see also* V-1 n.6 (noting USDA reports published in 2021 indicating that U.S. processors have increased crop offers to domestic suppliers of organic soybeans and struggled to find organic soybeans for purchase, and that soybean supply constraints have hindered their ability to produce OSBM).

[162] As discussed above, ten of 18 purchasers reported that price was a primary reason for their decision to purchase a total of *** short tons of subject imports rather than the domestic like product since 2018. *See* CR/PR at Table V-10.

Part I: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce ("Commerce") and the U.S. International Trade Commission ("USITC" or "Commission") by Organic Soybean Processors of America, Washington D.C., American Natural Processors, LLC, ("American Natural Processors"), Dakota Dunes, South Dakota, Lester Feed & Grain Co., ("Lester"),[1] Lester, Iowa, Organic Production Services, LLC, ("OPS"), Weldon, North Carolina, Professional Proteins Ltd., ("Professional Proteins"), Washington, Iowa, Sheppard Grain Enterprises, LLC, ("Sheppard Grain"), Phelps, New York, Simmons Grain Co., ("Simmons Feed") Salem, Ohio, Super Soy, LLC, ("Super Soy") Brodhead, Wisconsin, and Tri-State Crush, LLC, ("Tri-State Crush"),Syracuse, Indiana on March 31, 2021, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized and less-than-fair-value ("LTFV") imports of organic soybean meal ("OSBM")[2] from India. The following tabulation provides information relating to the background of these investigations.[3] [4]

[1] *** initially was a petitioner and supported the petition, but shortly after their filing dropped its status as petitioner and later *** on these petitions. ***.

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

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

[4] A list of witnesses that appeared at the Commissions hearing is presented in appendix B of this report.

Table I-1
OSBM: Information relating to the background and schedule of this proceeding

Effective date	Action
March 31, 2021	Petitions filed with Commerce and the Commission; institution of Commission investigations (86 FR 18296, April 8, 2021)
April 20, 2021	Commerce's notice of initiation (CVD: 86 FR 22136, April 27, 2021; AD: 86 FR 22146, April 27, 2021)
May 17, 2021	Commission's preliminary determinations (86 27649, May 21, 2021)
September 3, 2021	Commerce's preliminary CVD determination (86 FR 29514, September 3, 2021)
November 2, 2021	Commerce's preliminary AD determination (86 FR 60443, November 2, 2021): scheduling of final phase of Commission investigations (86 FR 64956, November 19, 2021)
March 16, 2022	Commission's hearing
March 17, 2022	Commerce's final determinations (CVD: 87 FR 16453, March 23, 2022; AD: 87 FR 16458, March 23, 2022)
April 18, 2022	Commission's vote
May 5, 2022	Commission's views and determinations

Statutory criteria

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

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

Section 771(7)(C) of the Act (19 U.S.C. § 1677(7)(C)) further provides that--[5]

> *In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States is significant.. . .In evaluating the effect of imports of such merchandise on prices, the Commission shall*

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

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

In addition, Section 771(7)(J) of the Act (19 U.S.C. § 1677(7)(J)) provides that—[6]

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

Organization of report

Part I of this report presents information on the subject merchandise, subsidy and dumping margins, and domestic like product. Part II of this report presents information on conditions of competition and other relevant economic factors. Part III presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts IV and V present the volume of subject imports and pricing of domestic and imported products, respectively. Part VI presents information on the financial experience of U.S. producers. Part VII presents the statutory requirements and information

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

obtained for use in the Commission's consideration of the question of threat of material injury as well as information regarding nonsubject countries.

Market summary

OSBM is generally used to create animal feed. The leading U.S. producers of OSBM are ***, while leading producers of OSBM outside the United States include *** of India. The leading U.S. importers of OSBM from India and nonsubject countries are ***. U.S. purchasers of OSBM are mostly animal feed end users or distributors (generally for end use in animal feeds); leading purchasers include ***.

Apparent U.S. consumption of OSBM totaled approximately *** in 2020. Currently, at least 8 firms are known to process/crush OSBM in the United States. U.S. producers' U.S. shipments of OSBM totaled *** in 2020 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. importers' U.S. shipments from subject sources totaled *** in 2020 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value. U.S. importers' U.S. shipments from nonsubject sources totaled *** in 2020 and accounted for *** percent of apparent U.S. consumption by quantity and *** percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, tables C-1, C-2, and C-3. Except as noted, U.S. industry data are based on questionnaire responses of eight firms that accounted for the majority of U.S. production of OSBM during 2020. U.S. imports are based on the questionnaire responses of eleven firms that had imported OSBM during 2018-20, January-September 2020, and January-September 2021. These firms accounted for the majority of U.S. imports from India in 2020 under HTS subheadings 1208.10.00 and 2304.00.00, "basket" categories.[7] The data concerning the OSBM industry in India is based on

[7] According to official import statistics, less than one percent of OSBM imports are imported under HTS statistical reporting number 1208.10.0010 during 2020.

the foreign producer/exporter questionnaire responses of nine firms that account for approximately *** percent of U.S. imports of OSBM from India in 2020 and, based on estimations provided by these nine firms, account for approximately 15.6 percent of all production of OSBM in India.[8]

Previous and related investigations

OSBM has not been the subject of any prior countervailing and/or antidumping duty investigations in the United States.

Nature and extent of subsidies and sales at LTFV

Subsidies

On March 23, 2022, Commerce published a notice in the Federal Register of its final determination of countervailable subsidies for producers and exporters of OSBM from India.[9] Table I-2 presents Commerce's findings of subsidization of OSBM in India.

[8] Foreign producer questionnaire responses, sections II-6a and II-6b.
[9] 87 FR 16453, March 23, 2022.

Table I-2
OSBM: Commerce's final subsidy determination with respect to imports from India

Entity	Final countervailable subsidy rate (percent)
Bergwerff Organic India Private Limited	9.57
Shanti Worldwide	283.91
Shri Sumati Oil Industries Pvt. Ltd.	283.91
Navjyot International Pvt. Ltd	283.91
Ish Agritech Pvt. Ltd	283.91
Satguru Organics Pvt. Ltd	283.91
Radiance Overseas	283.91
Swastik Enterprises	283.91
Soni Soya Products Limited	283.91
Raj Foods International	283.91
Vantage Organic Foods Pvt. Ltd	283.91
Shree Bhagwati Oil Mill	283.91
Pragati Organics	283.91
All others	9.57

Source: 87 FR 16453, March 23, 2022.

Sales at LTFV

On March 23, 2022, Commerce published a notice in the Federal Register of its final determination of sales at LTFV with respect to imports from India.[10] Table I-3 presents Commerce's dumping margins with respect to imports of OSBM from India.

[10] 87 FR 16458, March 23, 2022.

Table I-3
OSBM: Commerce's final weighted-average LTFV margins with respect to imports from India

Exporter/producer	Final dumping margin (percent)
Bergwerff Organic Private Limited/Suminter India Organic Private Limited	3.07
Shanti Worldwide	18.80
Shri Sumati Oil Industries Pvt. Ltd	18.80
Navjyot International Pvt. Ltd	18.80
Ish Agritech Pvt. Ltd	18.80
Satguru Organics Pvt. Ltd	18.80
Radiance Overseas	18.80
Swastik Enterprises	18.80
Soni Soya Products Limited	18.80
Raj Foods International	18.80
Vantage Organic Foods Pvt. Ltd	18.80
Shree Bhagwati Oil Mill	18.80
Pragati Organics	18.80
All others	3.07

Source: 87 FR 16458, March 23, 2022.

The subject merchandise

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:[11]

> *The merchandise subject to the investigation is certified organic soybean meal. Certified organic soybean meal results from the mechanical pressing of certified organic soybeans into ground products known as soybean cake, soybean chips, or soybean flakes, with or without oil residues. Soybean cake is the product after the extraction of part of the oil from soybeans. Soybean chips and soybean flakes are produced by cracking, heating, and flaking soybeans and reducing the oil content of the conditioned product. "Certified organic soybean meal" is certified by the U.S. Department of Agriculture (USDA) National Organic Program (NOP) or equivalently certified to NOP standards or NOP-equivalent standards under an existing organic equivalency or recognition agreement.*

[11] 87 FR 16458, March 23, 2022.

Certified organic soybean meal subject to this investigation has a protein content of 34 percent or higher.

Organic soybean meal that is otherwise subject to this investigation is included when incorporated in admixtures, including but not limited to prepared animal feeds. Only the organic soybean meal component of such admixture is covered by the scope of this investigation.

Tariff treatment

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations are imported under subheading 1208.10.00 (statistical reporting number 1208.10.0010) and heading 2304.00.00 of the Harmonized Tariff Schedule of the United States ("HTS").[12] [13] The 2020 general rate of duty is free for HTS subheadings 1208.10.00 and 2304.00.00. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

The product

Description and applications

Soybean meal is a processed soybean product primarily used in animal feed as a source of protein.[14] The vast majority is conventional (e.g., using conventional growing practices and typically grown from genetically engineered (GE) seeds). However, small amounts of certified organic and non-GE (sometimes referred to as non-genetically modified organisms and non-

[12] Depending on the nature of the imported product, OSBM may also be reported under HTS statistical reporting numbers 2309.90.1005, 2309.90.1015, 2309.90.1010, 2309.90.1030, 2309.90.1032, 2309.90.1035, 2309.90.1045, 2309.90.1050, or 2308.00.9890. According to note 1 to chapter 23, "Heading 2309 includes products of a kind used in animal feeding, not elsewhere specified or included, obtained by processing vegetable or animal materials to such an extent that they have lost the essential characteristics of the original material, other than vegetable waste, vegetable residues and byproducts of such processing." Subheading 2309.90.10 covers mixed feeds or mixed feed ingredients, and 2308.00.98 covers miscellaneous vegetable forms of a kind used in animal feeding.

[13] HTS subheading 2309.90.10 has a free general rate while subheading 2308.00.98 has a general rate of 1.4 percent ad valorem. The HTS indicates a general rate of 1.9 percent ad valorem for subheading 1208.10.00 and 0.45 cents/kilogram for subheading 2304.00.00.

[14] See e.g., National Oilseed Processors Association (NOPA), "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/.

GMO) soybean meal–both of which are voluntary certifications and sometimes referred to as identity preserved products[15] –are produced.[16] Organic soybean meal (OSBM) typically contains more than 44 percent protein.[17] Soybean meal, including OSBM, encompasses chips, flakes, and cake which can be ground for feed use.[18] Soybean meal is mixed with other ingredients (e.g., corn, other meals, and vitamins) to create animal feed.[19] Industry wide, 97 percent of soybean meal goes to poultry and livestock feed uses with the remainder going to food and industrial uses.[20] OSBM is used almost exclusively by the organic poultry industry (about 75 percent of OSBM consumption in the United States) and organic dairy industry (about 25 percent).[21]

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[15] See e.g., Eller, Amanda, "Should You Consider Growing Identity Preserved Specialty Crops?," October 15, 2018, https://emergence.fbn.com/profitability/should-you-consider-growing-identity-preserved-crops; U.S. Soybean Export Council (USSEC), "USSEC, USDA Team Up to Talk Sustainability," U.S. Soybean Export Council, January 16, 2017, https://ussec.org/ussec-usda-team-talk-sustainability/; U.S. Department of Agriculture (USDA), "USDA Coexistence Factsheets - Identity Preserved," February 2015, https://www.usda.gov/sites/default/files/documents/coexistence-identity-preserved-factsheet.pdf.

[16] Buyers of certified products are seeking specific attributes (e.g., organic, non-GE, GlobalG.A.P. or fair trade). The requirements for each certification vary. For example, a certified non-GE certified product may be allowed to be grown using conventional growing practices including certain pesticides, which are not allowed under an organic certification. Buyers of certified soybean meal that have been kept segregated throughout the supply chain normally pay a premium. Premiums are reported to vary by attribute, with OSBM commanding a higher premium than non-GE soybean meal. Berry, Renee and Marin Weaver, *Exporting Ecolabels: Is Demand for Certified Sustainable Products Affecting International Trade?* Working Paper ID-052, July 2018; Conference transcript, pp 21, 148-149; Petitioners post-conference brief, Ex 4; Petition pp 10-14.

[17] Petition, p 15. The National Oilseed Producers Association (NOPA), who's members crush conventional soybeans and account for about 95 percent of the U.S. soybean crush, states that the protein content in soybean meal is normally between 44 and 49 percent. NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/.

[18] Petition, pp 22, Ex. I-14, I-19.

[19] Animal feed blends vary by animal and by growth stage. See e.g., Yorktown Organics, "Layer Feed," accessed March 25, 2021, http://www.yorktownorganic.com/layer_feed.php; Yorktown Organics, "Chick Starter," accessed April 1, 2021, http://www.yorktownorganic.com/chick_starter.php; Towers, Lucy, "How to Farm Pigs - Feeding," Hamlet Protein, January 8, 2016, https://www.thepigsite.com/articles/how-to-farm-pigs-feeding.

[20] United Soybean Board, "Soybean Meal," accessed April 1, 2021, https://www.unitedsoybean.org/topics/soybean-meal/; NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/; North Carolina Soybeans Producers Association, "Uses of Soybeans," accessed April 1, 2021, https://ncsoy.org/media-resources/uses-of-soybeans/.

[21] Petition, pp 15-16. By comparison, as of the 2018/19 marketing year, about 65 percent of soybean meal was consumed by the poultry industry (i.e., chicken (both broilers and layers) and turkeys), 23 percent by the swine industry, and almost 9 percent by the dairy industry. Decisions Innovations Solutions and prepared for United Soybean Board, "2019 Soybean Meal Demand Assessment: United

(continued...)

The United States requires that OSBM must be produced in compliance with the USDA's National Organic Program (NOP), or one deemed equivalent, to be considered certified organic.[22] According to the USDA, under an organic equivalency agreement, two countries recognize each other's organic program as being equal. As such, organic products can be sold in either country with just one organic certification.[23] The United States has organic equivalency agreements with seven trading partners including the EU and Canada (for more details on these agreements and trading partners see Part VII: Information on nonsubject countries).

Under the NOP, certification must be obtained from an USDA accredited agent or an agent authorized under an equivalency agreement with another country.[24] While the NOP directly accredits most certifying agents, some are accredited under a recognition agreement. According to the USDA, "{r}ecognition agreements allow a foreign government to accredit certifying agents in that country to the USDA organic standards."[25] The United States currently has organic recognition agreements with Israel and New Zealand.[26] The United States had established an organic recognition agreement with India in 2006, but it was terminated on January 11, 2021. Under the its recognition agreement with India, the United States allowed India's Agricultural and Processed Food Products Export Development Authority (APEDA) to accredit certifying agent in India "to provide USDA organic certification."[27] When USDA announced that the recognition agreement with India had ended, it also established an 18

(…continued)

States," September 2019, 10, https://www.unitedsoybean.org/wp-content/uploads/2019-Soybean-Meal-Demand-Assessment.pdf.

[22] U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS), *How Does USDA Assess Organic Equivalency with Other Countries?*, accessed April 1, 2021 and January 25, 2022,, https://www.ams.usda.gov/services/organic-certification/international-trade/how-does-usda-assess-organic-equivalency-other-countries; USDA, AMS, "International Trade Partners," accessed April 20, 2021 and January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade.

[23] USDA, Agricultural Marketing Service (AMS), "Accredited Certifying Agents," accessed April 12, 2021 and January 25, 2022, https://www.ams.usda.gov/services/organic-certification/certifying-agents;

[24] USDA, Agricultural Marketing Service (AMS), "Accredited Certifying Agents," accessed April 12, 2021 and January 25, 2022, https://www.ams.usda.gov/services/organic-certification/certifying-agents;

[25] USDA, AMS, International Trade Policies: New Zealand, accessed January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/new-zealand.

[26] USDA, AMS, International Trade Polices: Israel and New Zealand accessed April 20, 2021 and January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade

[27] USDA, AMS, International Trade Polices: India, accessed April 20, 2021 and February 11, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/India.

month transition period for Indian organic exports to the United States to "help mitigate the market impact of this change."[28] The important dates in this transition period are:

- July 12, 2021: The date by which the USDA required certified Indian organic operations had to have applied for re-certification in order to be able to continue exporting OSBM (or other certified organic products) during the transition period. The Indian entity was also required to "maintain their certifications under the recognition agreement" to ship OSMB during the transition period.
- July 12, 2022: After this date, all Indian soybean meal will need to be certified by an USDA-accredited organic certifier to be exported as OSBM to the United States.

The ability to receive organic certification in India is not confined to the transition period connected to the end of the recognition agreement with India. According to USDA, Indian entities who did not apply for recertification by July 12, 2021, or who are newly seeking USDA organic certification, can apply at any time to become certified by a USDA-accredited certifier. However, these new applicants may not ship OSBM to the United States until they obtain USDA organic certification.[29] As of February 11, 2022, the USDA's Organic Integrity Database (OID) lists, 151 operations in India as having an USDA organic certification covering soybean meal.[30]

Soybean meal is produced from soybeans which are a type of oilseed. (As the name implies, oilseeds yield oil). In the case of in-scope OSBM, the soybeans used by processors must be USDA certified organic.[31] Among other things this means that the use of specific substances

[28] USDA, AMS, International Trade Polices: India, accessed April 20, 2021 and February 11, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/India.

[29] USDA, AMS, International Trade Polices: India, accessed April 20, 2021 and February 11, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/India.

[30] As of February 2022, over 1,600 Indian operations had applied for re-certification and were approved to export organic product during the transition period. The share of these operators who are APEDA certified for soybean meal is not known. These operators are designated as "Applied; APEDA certified" in the USDA's Organic Integrity Database (OID). USDA, AMS, Organic Integrity Database: India: Certified: Soybean meal, accessed February 11, 2022, https://organic.ams.usda.gov/integrity/.

[31] The organic certification offered by USDA is a voluntary certification. Globally, there are a number of voluntary organic certification standards issued including those established by U.S. trading partners. The United States does not recognize the organic standards of other trading partners unless an equivalency agreement has been established with them (see Part VII for more details). Barring equivalency, it is not uncommon for parties in another country to obtain USDA organic certification established in order to export organic products to the United States. Petition, p 6, 10-14; USDA, AMS, "How Does USDA Assess Organic Equivalency with Other Countries?," accessed April 1, 2021, https://www.ams.usda.gov/services/organic-certification/international-trade/how-does-usda-assess-organic-equivalency-other-countries; USDA, AMS, "International Trade Policies: India," accessed March 31, 2021, https://www.ams.usda.gov/services/organic-certification/international-trade/India.

(e.g., fertilizers or pesticides) are explicitly allowed or prohibited during cultivation and the plants cannot be grown from GE seeds (sometimes referred to as genetically modified organisms or GMOs).[32] The vast majority (about 94 percent) of soybean planted acres in the United States are of GE soybeans.[33] GE soybeans are not approved for cultivation in India.[34]

Soybeans are a field crop production of which is highly concentrated globally. The top two producing countries–Brazil and the United States–accounted for about 68 percent of global production during 2017/18–2019/20.[35] In that period, India, the sixth largest producer, accounted for about 3 percent of global soybean production. Organic soybeans make up a very small subset of global soybean production. By one estimate, as of 2018, less that 2 percent of global production (about 9.4 million metric tons ("mt")/10.4 million short tons) met what authors dubbed a voluntary sustainability standard ("VSS"): certified organic or one of two non-GE standards.[36] Of this VSS production, authors estimated only about 1.5 million mt (1.7 million short tons; about 15 percent of VSS production) was certified organic.[37]

According to Petitioners' estimates, India has become the world's largest organic soybean producer.[38] In 2017, India planted 4.4 million acres which produced 485,199 mt (534,840 short tons) of organic soybean 2017.[39] Organic soybeans are a very small share of total

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[32] U.S. organic legal requirements including production and handling are established under 7 C.F.R. §§ 205. See also, Petition, pp 10-14; McEvoy, Miles (National Organic Program Deputy Administrator), "Organic 101: Can GMOs Be Used in Organic Products?," USDA, *Organic 101* (blog), February 21, 2017, https://www.usda.gov/media/blog/2013/05/17/organic-101-can-gmos-be-used-organic-products.

[33] The share of soybean acres planted with GE seeds has been about 94 percent since 2014, although in 2021 it rose to 95 percent. Non-GE soybeans does not denote organic product. As stated above, to be considered organic product, soybeans must be certified to have been grown in compliance with organic criteria, and, for OSBM, to have been handled and processed (commonly referred to as "crushed") in compliance with organic criteria. USDA, NASS, Quick Stats: Soybeans: Biotech, https://quickstats.nass.usda.gov/, accessed April 2, 2021 and February 9, 2022.

[34] USDA, FAS, *Agricultural Biotechnology Annual -2021-2021*, Global Agricultural Information Network (GAIN) report no. IN2021-0121, November 1, 2021, pp 5-6, https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Agricultural%20Biotechnology%20Annual_New%20Delhi_India_10-20-2021

[35] Production based on metric tons. USDA, PSD Online: Soybean production, accessed April 2, 2021.

[36] Voora, Vivek, Cristina Larrea, and Steffany Bermúdez, "Global Market Report: Soybeans," Sustainable Commodities Marketplace Series 2019 (International Institute for Sustainable Development; State of Sustainability Initiatives, October 2020), pp 1, 3.

[37] Voora, Larrea, and Bermúdez, "Global Market Report: Soybeans," October 2020, pp 1, 3.

[38] These estimates are from, Agromeris, a company hired by Petitioner to provide research and data on OSBM production and trade. Petition, Ex. I-3.

[39] Petition, Ex. I-3.

U.S. soybean production, less than one percent of total production.[40] In 2019, just over 170 thousand acres were harvested to produce 156,721 mt (172,755 short ton) of organic soybeans.[41] [42] Iowa was the largest organic producing state accounting for about 13 percent of harvested acres and 15 percent of quantity based on mt in 2019.[43] Some of these organic soybeans are grown under contract while some are available for purchase on the open market.[44]

Soybeans have a number of end uses including feed and edible oil as well as use in food for human consumption (e.g., edamame, tempeh, and tofu). End use is one of the major factors which dictates what cultivars, or plant varieties, are planted. Different cultivars are available for feed and food end uses.[45] Feed grade organic soybeans normally range in protein content from 38 percent to 44 percent with higher protein content going to higher grade feed.[46] Food grade

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[40] Conference transcript, p. 64; USDA, ERS, "U.S. Organic Corn and Soybean Acreage Increases but Remains Less Than 1 Percent of Total," updated August 27, 2021, https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=101938.

[41] USDA, NASS, "2019 Organic Survey," Special Studies, 2017 Census of Agriculture, October 2020, Table 13, https://www.nass.usda.gov/Publications/AgCensus/2017/Online_Resources/Organics/ORGANICS.pdf; U.S. Soybean Export Council (USSEC), "Conversion Table," U.S. Soybean Export Council, October 6, 2015, https://ussec.org/resources/conversion-table/. USDA publishes organic crop data based on surveys which are not conducted every year. The previous survey covered 2016 when 124,591 acres were estimated to be used to produce organic soybeans. USDA, NASS, "Acreage," June 30, 2017, 15, https://downloads.usda.library.cornell.edu/usda-esmis/files/j098zb09z/9306t159c/mg74qp76z/Acre-06-30-2017.pdf; Agricultural Marketing Resource Center, "Organic Soy," November 2017, https://www.agmrc.org/commodities-products/grains-oilseeds/organic-soy.

[42] During 2017/18–19/20, total U.S. soybean production averaged about 112 million mt (123 million short tons) annually. USDA, PSD Online: Soybean production, accessed April 2, 2021.

[43] USDA, NASS, "2019 Organic Survey," Table 13; U.S. Soybean Export Council (USSEC), "Conversion Table." Soybeans, the majority of which are conventional, are produced in over half of all U.S. states, although production is concentrated in the mid-west and along the Mississippi river. In 2020, the top five largest soybean producing states were Illinois (about 12 percent of harvest acres), Iowa (11 percent), Minnesota (9 percent), North Dakota (7 percent), and Indiana (7 percent). USDA, NASS, "Acreage," June 30, 2020, p 15, https://www.nass.usda.gov/Publications/Todays_Reports/reports/acrg0620.pdf.

[44] Conference transcript, p 132; Cargill, "Bell & Evans Finances Transition of 50,000 U.S. Acres to Certified Organic in 5 Years Through Cargill, Rodale Institute Partnership," accessed April 28, 2021, https://www.cargill.com/2021/bell-evans-finances-transition-of-50,000-u.s.

[45] See e.g., Hartman, Glen, Michelle Pawlowski, Theresa Herman, and Darin Eastburn, "Organically Grown Soybean Production in the USA: Constraints and Management of Pathogens and Insect Pests," *Agronomy*, 6, 2016, pp 2-3, https://doi.org/10.3390/agronomy6010016.

[46] Petition, p 14.

organic soybeans normally have a 44 percent or higher protein content.[47] Whether the soybeans will be grown using conventional methods or under a VSS also impacts which cultivars are grown as does government approval (or lack-thereof) of GE cultivars.

To produce meal, feed grade soybeans are processed (commonly referred to as "crushed") into meal and oil. Globally most soybeans are crushed (about 87 percent during 2017/18–2019/20) versus consumed as whole beans.[48] While soybeans can be crushed close to where they are grown, they can also be shipped and crushed anywhere. (For example, China produced about 5 percent of soybeans globally but accounted for 30 percent of soybean meal production during 2017/18–2019/20.[49]) The United States is the second largest soybean meal producer globally and accounted for about 19 percent of global production during 2017/18–2019/20: India, the sixth largest producer, for about 3 percent.[50] However, with regards to OSBM, India appears to be the larger producer. Petitioners estimate Indian output of OSBM was 384,912 mt (424,293 short tons) as of 2018.[51] Petitioners estimate that OSBM is unlikely to account for more than 1 percent of the U.S. meal market.[52]

Manufacturing processes

The soybean crushing process is a multi-step process intended to produce meal and oil. A major difference between organic and non-organic soybean crushing is that the manner of separating oils is restricted in OSBM production. While there can be variations to the manufacturing process, the general crushing process is as follows.[53] After harvest, soybeans are

[47] Petition, p 14.

[48] USDA, FAS, "Oilseeds: World Markets and Trade," World Agricultural Outlook Board, February 2021, 16, https://apps.fas.usda.gov/PSDOnline/Circulars/2021/02/Oilseeds.pdf.

[49] Production based on metric tons. USDA, PSD Online: Soybean production, accessed April 2, 2021; USDA, PSD Online: Soybean Meal production, accessed April 2, 2021.

[50] The United States accounted for about 19 percent of global production during 2015/16–2019/20; India for about 3 percent. Production based on metric tons. USDA, PSD Online: Soybean Meal production 2015/17–2019/20, accessed April 2, 2021.

[51] Petition, Ex. I-3; Petitioners post-conference brief, p 25.

[52] Conference transcript, p 64.

[53] Petition, p. 16-18, Ex I-19; U.S. Soy, "Behind the Crush," September 1, 2019, https://ussoy.org/behind-the-crush/; NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/; van Eys, J E, "Manual of Quality Analyses For Soybean Products in the Feed Industry." (U.S. Soybean Export Council, n.d.), pp B-1–B-2, https://ussec.org/wp-content/uploads/2015/10/Manual-of-Quality-Analyses.pdf.

graded and then cleaned before being dried.[54] The soybeans are cleaned again and then go through a cracking process (also called grinding) intended to break the soybean in to several pieces after which the hulls can be removed.[55]

Next the oil is separated from the solids which are ground into meal.[56] For OSBM this is generally done by a mechanical extruding-expelling process.[57] Under USDA organic rules, OSBM processors cannot use solvents mixtures (a process referred to as extracting) to remove oils.[58] Solvent based extracting– which involves conditioning (heating) and flattening the bean into flakes before putting them in a solvent mixtures—is the standard way to separate the oil from the flakes for conventional soybean meal.[59] To make OSBM, the soybeans are first extruded, which cooks the soybeans to release oil.[60] Some OSBM processors will sell the extruded product as full fat meal (i.e., OSBM where oil has not been pressed out and that has a protein content around 38 percent).[61] Most extruded soybeans, however, are then mechanically expelled

[54] Most soybeans are dried either by traditional storing during which the beans are dried or hot dehulling which uses flash drying. U.S. Soy, "Behind the Crush," September 1, 2019, https://ussoy.org/behind-the-crush/.

[55] The hull is the outer cover of a seed. Some U.S. organic soybean meal processors do not dehull the soybean during the crushing process although reportedly the practice is common among Indian processors. Removing the hull is an additional process requiring specialty equipment. Staff field trip report, Simmons Grain Company, February 7, 2022; Doud, John, "Soybean Dehulling: When To Do It & Why" Insta-Pro, January 28, 2016, https://www.insta-pro.com/en/blog/nutritionandtechnologies/de-hulling-soybeans-when-to-do-it-why/; Hearing transcript, pp 42, 44 (Bennett), p 46 (Luke), p. 63 (Sheppard); Kansas State University, Soybean Hulls, January 2000, https://bookstore.ksre.ksu.edu/pubs/mf2438.pdf, pp 2-3.

[56] De-fatted flakes can also enter a different manufacturing process to produce other soy products such as soy protein isolates. U.S. Soy, "Behind the Crush," September 1, 2019, https://ussoy.org/behind-the-crush/; NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/; van Eys, "Manual of Quality Analyses for Soybean Products," pp B-1–B-2; Petition, Ex. I-14 and I-19; Staff field trip report, Simmons Grain Company, February 7, 2022.

[57] Petition, p 17, Exhibit I-19; U.S. Soy, "Behind the Crush," September 1, 2019, https://ussoy.org/behind-the-crush/; NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/; van Eys, "Manual of Quality Analyses for Soybean Products," pp B-1-B-2.

[58] Petition, Ex. I-3.

[59] If produced by extracting, the solvent is removed in a process known as desolventizing. The resulting de-fatted flakes are then toasted and dried. NOPA, "Oilseed Processing," October 2015, https://www.nopa.org/oilseed-processing/; van Eys, "Manual of Quality Analyses for Soybean Products," pp B-1–B-2; Petition, Ex. I-14.

[60] Petition, p 17, Ex. I-19.

[61] Conference transcript, pp 41-42, 148-149.

(sometimes referred to as pressing) a process which produces cake and oil.[62] After the crushing process, if hulls were removed, they can be added back into the OSBM. The inclusion (or not) of hulls impacts the protein level of the OSBM.[63] As a result of using mechanical extrusion-expelling, oil content in OSBM ranges from 5 to 7 percent (vs. less than 1 percent in soybean meal produced by solvent-based extracting) and normally has a protein content of 44 to 48 percent.[64]

Domestic like product issues

No issues with respect to domestic like product have been raised in these investigations. The petitioner proposes one domestic like product that is coextensive with the proposed scope of these investigations. Respondents did not contest the petitioners one like product definition. For purposes of the preliminary investigations, the Commission defined a single domestic like product consisting of OSBM, coextensive with the scope of the investigations.[65]

In these final phase investigations, there have been no requests for data or other information necessary for the analysis of the domestic like product. The petitioner proposes a single domestic like product consisting of organic soybean meal, coextensive with the scope.[66]

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[62] Petition, p 17, Ex. I-19; van Eys, "Manual of Quality Analyses for Soybean Products," p B-1.

[63] For example, according to Feedipedia, high-protein soybean meal (47-49 percent protein) will not have hulls. Soybean meal with hulls (whole or in pieces) generally has a protein content of less than 47 percent although its protein content can reach 48 percent. (For commercial sales, of soybean meal, the industry standard is a protein content of at least 44 percent.) Hulls are a source of fiber as well as certain nutrients. Research indicates that one factor influencing the amount of hulls in meal is end use since hull content can be higher for cattle (dairy and beef) than for poultry and swine because of their different nutritional needs. However, research also indicates that there are uses for both high-protein soybean meal and soybean meal with hulls for all types of animals. Kansas State University, *Soybean Hulls*, January 2000, https://bookstore.ksre.ksu.edu/pubs/mf2438.pdf, pp 2-5; Heuzé , Tran, and Kaushik, "Soybean meal," Feedipedia, a program by INRAE, CIRAD, AFZ, and FAO, https://feedipedia.org/node/674, last updated on March 4, 2020; Heuzé, Thiollet, Tran, Lessire , Lebas, "Soybean hulls," Feedipedia, a program by INRAE, CIRAD, AFZ, and FAO, https://feedipedia.org/node/719, last updated on February 6, 2017USEEC, Chapter Two: Quality Standards for U.S. Soybeans and Soy Products, August 2012, pp 2-6, 2-9–2-10; Hearing transcript, pp 41–43, 45 (Bennett), p 46 (Luke; Li); Boyes, Soybean Hulls, Ohio State University Extension, no date.

[64] Petition, Ex. I-3; Conference transcript, p71-73.

[65] Organic Soybean Meal from India: Inv. Nos. 701-TA-667 and 731-TA-1574 (Preliminary), USITC Publication 5198, May 2021, p. I-12.

[66] Petitioners posthearing brief, p. 3.

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

U.S. market characteristics

OSBM is the key protein component of animal feed used by certified organic poultry and dairy producers. The product can consist of organic soybean cake, chips, or flakes that result from the processing or "crushing" of feed-grade organic soybeans.[1] The U.S. OSBM market is segmented into three categories: 1) OSBM processed in the United States from U.S.-grown organic soybeans; 2) OSBM processed in the United States from imported organic soybeans (or a mix of U.S. and imported organic soybeans); and 3) imported OSBM.[2]

Apparent U.S. consumption of OSBM increased during 2018-20. Overall, apparent U.S. consumption in 2020 was *** percent higher than in 2018.[3]

*** U.S. processors and 7 of 11 responding importers reported that there had not been significant changes in the product range, product mix, or marketing of OSBM since January 1, 2018. *** U.S. processors and four importers did report significant changes, noting that U.S. processors are marketing U.S.-crushed OSBM derived from imported soybeans, an increase in commodity brokers marketing imported product, and improved quality.

[1] Petitions Vol. I, pp. 1, 14.

[2] Petitions Vol. I, p. 29.

[3] Apparent consumption was *** percent higher in the interim period of January-September 2021 compared to the same period in 2020.

U.S. purchasers

The Commission received 18 usable questionnaire responses from firms that purchased OSBM during 2018-20.[4] [5] [6] Eleven responding purchasers are end users of OSBM that formulate, blend, and consume their own feed ("end users"), seven are feed mills and other end users that formulate and blend feed for sale to livestock operators or other end users ("feed mills/other end users"), and four are distributors.[7] In general, responding U.S. purchasers were located in California, the Rocky Mountain region, the Midwest, and Northeast United States. The responding purchasers represented firms in the agricultural industry. Large purchasers of OSBM include ***.

Channels of distribution

U.S. processors and importers sold mainly to end users and feed mills/other end users, as shown in table II-1.[8]

[4] The following firms provided purchaser questionnaire responses: ***.

[5] Of the 18 responding purchasers, 12 purchased domestic OSBM, 17 purchased imports of the subject merchandise from India, and 10 purchased imports of OSBM from other sources.

[6] Sixteen purchasers indicated they had marketing/pricing knowledge of domestic product, 16 of Indian product, and 8 of nonsubject countries. Nonsubject countries reported include Argentina, Canada, China, Turkey, Uganda, and Black Sea region countries.

[7] Two distributors reported competition for sales to customers with the manufacturers or importers from which they purchase OSBM. Distributors reported selling OSBM to feed mills and poultry farms.

[8] The majority of OSBM is delivered by truck in bulk shipments and imports arrive in twenty-foot containers of approximately twenty-two metric tons (22.2 short tons). OSBM cannot be comingled with other products during transportation to ensure organic integrity.

Table II-1
OSBM: Share of U.S. producers' and importers' U.S. shipments by channel of distribution within source, by period

Shares in percent

Source	Channel	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
United States	Distributors	***	***	***	***	***
United States	End users	***	***	***	***	***
United States	Feed mills/other end users	***	***	***	***	***
United States	Tollee	***	***	***	***	***
India	Distributors	***	***	***	***	***
India	End users	***	***	***	***	***
India	Feed mills/other end users	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***
Nonsubject sources	Feed mills/other end users	***	***	***	***	***
All import sources	Distributors	***	***	***	***	***
All import sources	End users	***	***	***	***	***
All import sources	Feed mills/other end users	***	***	***	***	***

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

Geographic distribution

U.S. processors reported selling OSBM to the Northwest, Midwest, Southeast, Central Southwest, and Pacific Coast regions in the United States (table II-2). Importers reported selling to all regions in the contiguous United States. For U.S. processors, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

Table II-2
OSBM: Count of U.S. processors' and U.S. importers' geographic markets

Count in number of firms reporting

Region	U.S. processors	India
Northeast	***	9
Midwest	***	8
Southeast	***	5
Central Southwest	***	3
Mountains	***	4
Pacific Coast	***	7
Other	***	0
All regions (except Other)	***	3
Reporting firms	6	10

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

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

Supply and demand considerations

U.S. supply

Table II-3 provides a summary of the supply factors regarding OSBM from U.S. processors and from India. Both U.S. and Indian processors reported increasing capacity, however, U.S. processors reported a decrease in capacity utilization while Indian processors reported an increase.

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

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

Factor	Measure	United States	India
Capacity 2018	Quantity	***	***
Capacity 2020	Quantity	***	***
Capacity utilization 2018	Share	***	***
Capacity utilization 2020	Share	***	***
Ending inventories 2018	Share	***	***
Ending inventories 2020	Share	***	***
Home market 2020	Share	***	***
Non-US export markets 2020	Share	***	***
Ability to shift production	Count	***	***

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

Note: Responding U.S. processors accounted for the majority of U.S. production of OSBM in 2020. Responding foreign processor/exporter firms accounted for approximately *** of reported U.S. imports of OSBM from India during 2020. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary data and data sources."

Note: Capacity utilization is measured as a ratio of production to capacity, ending inventories is measured as a ratio to total shipments, home market 2020 and non-U.S. export market 2020 shipments are measured as a share of total shipments.

Domestic production

Domestic processors have excess capacity and primarily supply the domestic market. Based on available information, U.S. processors of OSBM have the ability to respond to changes in demand with moderate changes in the quantity of shipments of U.S.-produced OSBM to the U.S. market. The main contributing factors to this degree of responsiveness of supply are limited inventories, a lack of ability to shift shipments from alternate markets, and the limited availability of domestically grown organic soybeans. However, there is availability of unused capacity, and some ability to shift production to or from alternative products.

Domestic capacity increased while production decreased leading to a decline in capacity utilization during 2018-20. The *** of inventories remained stable over the period. There were *** export shipments during 2018-20. U.S. processors reported that they can produce non-GMO conventional soybean meal on the same equipment used to produce OSBM. Reported factors affecting U.S. processors' ability to shift production include the time and cost to clean and flush equipment when switching from conventional to organic products, the time and cost to get certified from a USDA-National Organic Program ("USDA-NOP") authority, and one to two days of lost production in reconfiguring equipment for a different oil seed. A

commonly reported production constraint was the limited availability of domestically grown organic soybeans.[9]

Subject imports from India

Based on available information, processors of OSBM from India have the ability to respond to changes in demand with small-to-moderate changes in the quantity of shipments of OSBM to the U.S. market.[10] The main contributing factors to this degree of responsiveness of supply are *** to shift to or from alternate products and *** inventories. However, there is *** capacity and *** ability to shift shipments from alternate markets.

Indian processors' capacity, production, capacity utilization, and inventories increased during 2018-20. Indian processors ship approximately *** of their OSBM production to non-U.S. markets, including Canada, Ecuador, Europe, Israel, Japan, South Korea, the United Kingdom, and Vietnam. Responding foreign processors reported they cannot switch production to other products.

Imports from nonsubject sources

Nonsubject imports accounted for *** percent by quantity of total U.S. imports in 2020, down from *** percent in 2018 and *** percent in 2019. Sources of nonsubject imports during 2018-20 were Argentina, Canada, China, Russia, Turkey, and Uganda.

[9] U.S. processor *** reported that since the summer of 2020, it had to allocate or ration supplies due to a limited supply of organic soybeans to produce OSBM. ***. U.S. processor *** reported, "U.S. availability of {organic soybeans} to produce OSBM has become a constraint." U.S. processor *** reported Pipeline Foods not fulfilling raw organic soybean contracts from March 2021 until harvest of 2021 due to bankruptcy. ***.

[10] Petitioners suggest that processors of OSBM from India have the ability to respond to changes in demand with large changes in the quantity of shipments of OSBM to the U.S. market, due to the large amount of available capacity and Indian producers' focus on the U.S. market, considering that several large Indian producers did not submit a questionnaire in the final phase of these investigations. Petitioners' prehearing brief, p. 70.

Supply constraints

*** U.S. processors, 10 of 11 importers, and 10 of 18 purchasers reported that they had experienced supply constraints between January 1, 2018, and March 31, 2021. U.S. processors reported issues with the limited supply of organic soybeans to produce OSBM. Importers and purchasers reported supply constraints from India stemming from logistics issues due to the COVID-19 pandemic.

*** U.S. processors, 10 of 11 importers, and 15 of 17 responding purchasers reported that they had experienced supply constraints after the petitions were filed on March 31, 2021. U.S. processors reported issues with the supply of organic soybeans, transportation issues due to the COVID-19 pandemic, and port closures in India. Importers and purchasers also reported supply chain issues due to the COVID-19 pandemic.[11]

New suppliers

Fifteen of 18 purchasers indicated that no new suppliers entered the U.S. market since January 1, 2018. For the three purchasers that indicated new suppliers, the suppliers were new to the responding purchasers, not new to the market.

U.S. demand

Based on available information, the overall demand for OSBM is likely to experience small changes in response to changes in price. The main contributing factors are the limited availability of viable substitute products and the moderate cost share of OSBM in animal feed products.

[11] The USDA published a report in May 2021 that indicated that end users are concerned with future supplies of organic soybean meal as imported meal shipments are severely reduced. USDA National Organic Grain and Feedstuffs Report, Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, May 19, 2021, https://mymarketnews.ams.usda.gov/viewReport/2919. Petitioners asserted that these USDA reports refer only to domestic-produced organic soybeans, not global imports of soybeans, however, they acknowledge that a prior USDA report from March 10, 2021 refers to supply concerns regarding organic soybeans and OSBM from India. Petitioners' posthearing brief, Exhibit 1, Petitioners' Answers to Commissioner Questions, pp. 7-10.

End uses and cost share

U.S. demand for OSBM depends on the demand for U.S.-produced downstream products. End uses reported by firms include animal feed for organic poultry, livestock, and hogs.

OSBM accounts for a moderate share of the cost of poultry, livestock, and hog feed. Reported cost shares were as much as 60 percent OSBM for poultry broiler and egg layer feed,[12] 30 percent OSBM for livestock feed, and 45 percent OSBM for hog feed. Petitioners asserted that end users might be willing to pay a slightly higher price per volume of OSBM with a protein content of 46 percent or higher because they can use less meal to achieve a preferred protein content in their feed mix.[13] [14]

Business cycles

*** responding firms (*** U.S. processors, 5 of 11 importers, and 10 of 18 purchasers) indicated that the market was not subject to business cycles or conditions of competition while *** U.S. processors, 6 importers, and 8 purchasers indicated that the market was subject to business cycles or conditions of competition. Specifically, organic soybeans are harvested in the fall in the northern hemisphere and prices for OSBM can move with the crop cycle. U.S. processor *** reported that the most distinctive condition of competition is the price disparity between domestic and imported OSBM. Importer *** reported the lengthy process to shift from conventional to organic soybean farming and the insufficient supply of U.S. organic soybeans to meet demand.

Demand trends

Most firms reported an increase in U.S. demand for OSBM since January 1, 2018 (tables II-4a and II-4b).

[12] The ratio depends on the life cycle and/or the production cycle of the bird and can vary depending on the stage of development. Hearing transcript, p. 30 (Bennett).

[13] Petitioners' posthearing brief, Exhibit 1, Petitioners' Answers to Commissioner Questions, p. 24.

[14] *See* also Petitioners' posthearing brief, Exhibit 7, Feed Formulations.

Table II-4a
OSBM: Count of firms' responses regarding overall domestic and foreign demand between 2018-19, by firm type

Count in number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. processors	***	***	***	***
Domestic demand	Importers	11	0	0	0
Domestic demand	Purchasers	12	1	0	2
Foreign demand	U.S. processors	***	***	***	***
Foreign demand	Importers	5	0	0	0
Foreign demand	Purchasers	4	1	0	1

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

Table II-4b
OSBM: Count of firms' responses regarding overall domestic and foreign demand since 2020, by firm type

Count in number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. processors	***	***	***	***
Domestic demand	Importers	9	0	1	0
Domestic demand	Purchasers	12	1	0	2
Foreign demand	U.S. processors	***	***	***	***
Foreign demand	Importers	4	0	0	0
Foreign demand	Purchasers	4	0	1	1

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

When describing demand in the United States between 2018-19 (before the COVID-19 pandemic), several U.S. processors, importers, and purchasers reported that the organic protein market has grown each year. U.S. processors *** reported that competitively priced Indian product increased overall demand and that OSBM from India dominated the market. Importer *** reported the increase in U.S. market demand for OSBM has far exceeded domestic supply of organic soybeans to crush. Importer *** reported that U.S. consumers are more health conscious, resulting in increased demand for OSBM. U.S. processor *** reported that world demand for organic protein for livestock feed has also increased annually.

When describing demand since 2020 (after the onset of the COVID-19 pandemic), U.S. processors *** reported demand for U.S.-produced OSBM increased due to port issues in India.[15] Importer *** reported that if supply shortages of organic soybeans and OSBM continue, demand will decline due to a shift from organic products to conventional products.

Ten of 17 purchasers reported an increase in demand for end use products. Most purchasers reported an increase in the number of livestock to feed when describing demand for final products that incorporate OSBM. Purchaser *** reported that demand for final products is directly proportional to demand for OSBM because meal is a fixed percentage in its feed production.

U.S. demand for OSBM is driven predominantly by consumer demand in the organic poultry sector and organic dairy production.[16] As shown in figure II-1 and table II-5, organic chicken slaughter in the United States generally increased during 2018-21.[17] Chicken slaughter was estimated at 13.6 million chickens in the first quarter of 2018 and increased 4.3 percent to 14.1 million chickens in the third quarter of 2021. Another indicator of poultry demand is organic egg layer inventories,[18] which averaged 14.7 million head per week during the first quarter of 2018 and generally increased to 17.5 million head per week during the fourth quarter 2021, an overall increase of approximately 18.7 percent.[19]

[15] When asked if petitioners had experienced increased interest from purchasers since the petitions were filed, Sheppard Grain and Simmons Feed stated that demand for U.S.-produced OSBM had increased. Hearing transcript, pp. 50-51 (Sheppard, Cook). *See* also, Petitioners' posthearing brief, Exhibit 8, Returning Customer Documentation.

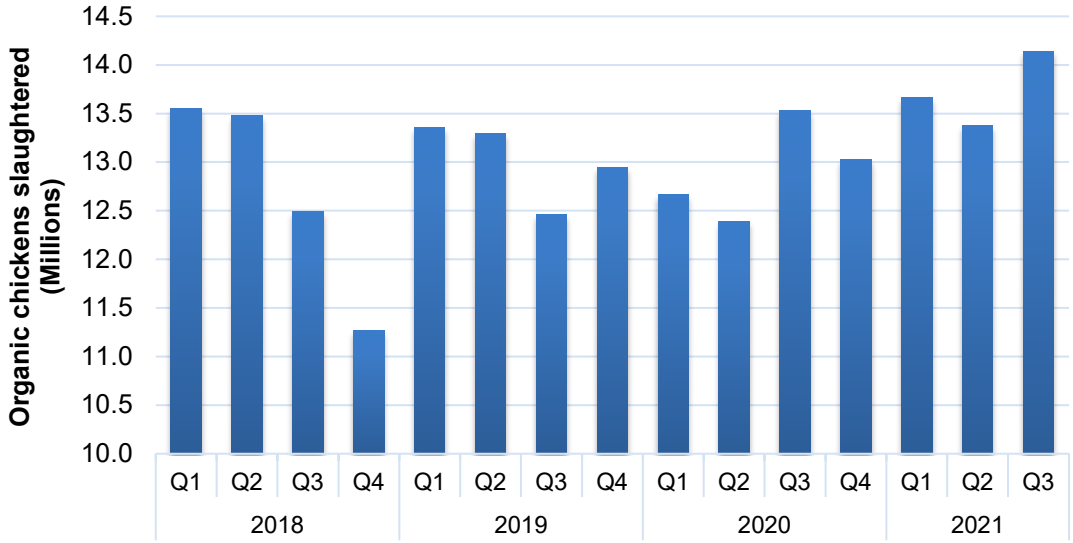
[16] Approximately 75 percent for poultry and 25 percent for dairy. Petitions Vol. I, pp. 15-16.

[17] An increase in organic chicken slaughter indicates higher consumer demand for chicken. This higher demand for chickens leads to increased demand for chicken feed.

[18] An egg layer is a hen or pullet (a female chicken that has not yet started to lay eggs) producing table or commercial type shell eggs. https://www.ams.usda.gov/market-news/livestock-poultry-and-grain-poultry-and-egg-terms#L.

[19] Weekly USDA Certified Organic Poultry and Eggs (Mon), Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2759.

Figure II-1
OSBM: Number of organic chickens slaughtered in the United States, by quarter



Source: Weekly USDA Certified Organic Poultry and Eggs (Mon), Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2759.

Note: Weekly data were not reported for one week in the third quarter of 2018 and two weeks in the fourth quarter of 2018, likely understating totals. Data were unavailable for three consecutive weeks in October 2021, making the total for the fourth quarter 2021 noticeably understated and not included in the figure.

Table II-5
OSBM: Number of organic chickens slaughtered in the United States, by quarter

Quantity in millions

Period	Number of organic chickens slaughtered
2018 Q1	13.6
2018 Q2	13.5
2018 Q3	12.5
2018 Q4	11.3
2019 Q1	13.4
2019 Q2	13.3
2019 Q3	12.5
2019 Q4	12.9
2020 Q1	12.7
2020 Q2	12.4
2020 Q3	13.5
2020 Q4	13.0
2021 Q1	13.7
2021 Q2	13.4
2021 Q3	14.1

Source: Weekly USDA Certified Organic Poultry and Eggs (Mon), Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2759.

Note: Weekly data was not reported for one week in the third quarter of 2018 and two weeks in the fourth quarter of 2018, likely understating totals. Data was unavailable for three consecutive weeks in October 2021, making the total for the fourth quarter 2021 noticeably understated and not included in the figure.

USDA certified organic milk sales in the United States generally increased during 2018-21 (figure II-2 and table II-6).[20] Overall, organic milk sales increased 5.3 percent from the first quarter 2018 to the fourth quarter 2021.

[20] Increased demand for organic milk indicates an increase in the number of organic milk cows in the United States, creating higher demand for OSBM.

Figure II-2
OSBM: Organic milk sales in the United States, by quarter

Source: Monthly USDA Estimated Fluid Milk Products Sales Report, Agricultural Marketing Service, https://www.ams.usda.gov/resources/marketing-order-statistics/estimated-fluid-milk-sales.

Table II-6
OSBM: Organic milk sales in the United States, by quarter

Quantity in millions of pounds

Period	Million pounds
2018 Q1	661
2018 Q2	632
2018 Q3	636
2018 Q4	665
2019 Q1	641
2019 Q2	621
2019 Q3	659
2019 Q4	683
2020 Q1	703
2020 Q2	741
2020 Q3	711
2020 Q4	725
2021 Q1	737
2021 Q2	693
2021 Q3	676
2021 Q4	696

Source: Monthly USDA Estimated Fluid Milk Products Sales Report, Agricultural Marketing Service, https://www.ams.usda.gov/resources/marketing-order-statistics/estimated-fluid-milk-sales.

Substitute products

The availability and viability of substitutes for OSBM are limited. *** responding U.S. processors reported that there are no substitutes while 6 of 10 importers[21] and 11 of 18 purchasers reported that there are substitutes.

Six importers and seven purchasers reported canola meal as a substitute for poultry and dairy feed; most importers (4 of 6) reported that changes in the price of canola meal affected the price of OSBM while most purchasers (5 of 7) reported it did not. Importer *** reported that organic canola meal can be used as a substitute but explained that OSBM is the preferred source of protein in most cases. Importer *** also reported organic canola meal but noted that very little is available in the United States and it is not a reliable substitute. Purchaser *** reported that prices for canola meal and OSBM move in tandem.

Five importers and five purchasers reported sunflower meal as a substitute for OSBM; most importers (3 of 5) reported that changes in the price of sunflower meal affected the price of OSBM while most purchasers (3 of 5) reported that they did not. Importer *** reported that sunflower meal has too much fiber to be a complete substitute. Importer *** reported that volume for sunflower meal is extremely limited.

Two importers and two purchasers reported flax meal as a substitute. One importer and two purchasers reported sesame meal as a substitute. Other substitutes reported are:

- rapeseed meal (one importer)
- rice protein (one importer)
- wheat (one importer)
- alfalfa (one purchaser)
- peas (one purchaser)
- roasted soybeans (one purchaser).

Importer *** reported that rapeseed meal is not a great substitute because the volume is low and the product quality is inconsistent. The same importer *** also reported that some of its customers had increased the share of wheat in their feed ratios because wheat has more protein than other grains, but allows for its customers to decrease the amount of soy used. Importer *** reported that very little rice protein is available in the United States and that current shipping costs and logistics prevent it from being a meaningful substitute. Purchaser *** reported that as prices for OSBM go up it can use peas as a lower-cost substitute.

[21] ***.

Substitutability issues

This section assesses the degree to which U.S.-produced OSBM and imports of OSBM from India can be substituted for one another by examining the importance of certain purchasing factors and the comparability of OSBM from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate-to-high degree of substitutability between domestically produced OSBM and OSBM imported from India.[22] Factors contributing to this level of substitutability include little preference for a particular country of origin or processors, similarities between domestically produced OSBM and OSBM imported from India across multiple purchase factors, and interchangeability between domestic and Indian OSBM. Factors reducing substitutability include quality differences, reported limited availability of domestic and Indian product, different lead times between domestic and Indian OSBM, and significant factors other than price that firms consider, including protein content.

Factors affecting purchasing decisions

Purchaser decisions based on source

As shown in table II-7, a plurality of purchasers never make purchasing decisions based on the processor or country of origin. Of the purchasers that reported that they always, usually, or sometimes make decisions based on the manufacturer or country, most firms cited quality, price, and reliability. Other reasons cited include Foreign Supplier Verification Program ("FSVP") approval and needing to know the history and practices of the processor. Purchaser *** reported that the protein level of OSBM depends on the country.

A majority of purchasers' customers never make purchasing decisions based on the processor or country. Of the purchasers that reported that their customers always, usually, or sometimes make decisions based on the manufacturer or country, *** cited reliability, quality, and product integrity. *** reported that its customers prefer a product made from domestic grains.

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

Table II-7
OSBM: Count of purchasers' responses regarding frequency of purchasing decisions based on processor and country of origin

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Processor	3	4	5	6
Customer	Processor	0	2	2	10
Purchaser	Country	3	5	4	6
Customer	Country	0	3	2	9

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

Availability of specific product types

Twelve of 15 responding purchasers reported that all types of OSBM are available from all country sources. Of the three that reported certain types of OSBM are only available from certain country sources, purchaser *** reported that the protein level of OSBM is determined by where in the world it is sourced. Purchaser *** reported that OSBM with a protein content greater than 46 percent is only available from India, although several processors stated that they are able to produce OSBM with this high of protein content.[23]

Importance of purchasing domestic product

All 16 responding purchasers reported that none their purchases required purchasing U.S.-produced product.[24]

[23] Professional Proteins stated that no purchaser had ever requested a 46 percent OSBM but it could get "pretty close" to 46 percent with its current processing equipment. Hearing transcript, p. 45 (Bennett). Tri-State Crush stated that it guarantees 46 percent protein on its OSBM. Hearing transcript, p. 46 (Luke). Sheppard Grain stated that it can produce OSBM with a protein content of 46 percent and greater. Hearing transcript, p. 47 (Sheppard). Tri-State Crush, Professional Proteins, Sheppard Grain, and Simmons Feed stated that they had never had to turn down a request from a purchaser for OSBM with a protein content of 46 percent or above. Hearing transcript, pp. 46-47 (Luke, Bennett, Sheppard, Cook).

Sheppard Grain further declared, "While SGE is capable to produce OSBM with protein content of 46% or higher, SGE may decline requests to produce such OSBM based on market value, production schedules, or other business and contractual reasons. Specifically, while our company made every effort to sell our products during the POI to mitigate our injury, we are committed to satisfying our existing customers' needs. In rare occasions, SGE may decline a customer who previously refused a contractual shipment offer but returned for spot shipments when their subject imports were not delivered due to logistical difficulties caused by COVID-19 or other disruptions. SGE was struggling to survive from lost market share of OSBM to subject imports. We did not have excess cash or competitive incentive to inventory organic soybeans beyond committed OSBM sales." Petitioners' posthearing brief, Exhibit 5, Declaration of John Sheppard, p. 2.

[24] As previously mentioned, one purchaser's customers want a product made from domestic grains.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for OSBM were price/cost (17 firms), quality (14 firms), and availability/supply (10 firms), as shown in table II-8. Quality was the most frequently cited first-most important factor (cited by 10 firms), followed by availability/supply (3 firms); price/cost was the most frequently reported second- and third-most important factor (9 firms and 6 firms, respectively).

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

Factor	First	Second	Third	Total
Price / Cost	2	9	6	17
Quality	10	2	3	14
Availability / Supply	3	4	3	10
All other factors	3	3	5	NA

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

Note: Other factors include organic integrity (2 firms), supplier reliability (2), lead time/delivery service (2), supplier relationship, history using a supplier, supplier's ability to perform, supplier trustworthiness, and sustainability (one each).

The majority of purchasers (9 of 17 responding) reported that they only sometimes purchase the lowest-priced product; 7 reported they usually do and 1 reported it never does.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 16 factors in their purchasing decisions (table II-9). The factors rated as very important by more than half of responding purchasers were availability, price, quality meets industry standards (18 each); product consistency, protein content, reliability of supply (17 each); delivery time (15); and delivery terms (12).

Table II-9
OSBM: Count of purchasers' responses regarding importance of purchase factors, by factor

Factor	Very important	Somewhat important	Not important
Availability	18	0	0
Delivery terms	12	5	1
Delivery time	15	2	0
Discounts offered	2	10	6
Minimum quantity requirements	3	4	11
Packaging	1	9	8
Payment terms	1	15	2
Price	18	0	0
Product consistency	17	1	0
Product range	3	6	8
Protein content	17	1	0
Quality meets industry standards	18	0	0
Quality exceeds industry standards	7	9	2
Reliability of supply	17	0	0
Technical support/service	0	12	6
U.S. transportation costs	7	9	2

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

Lead times

U.S. processors reported that *** percent of their commercial shipments of OSBM were sold from inventory, with lead times averaging ***. The remaining *** percent of their commercial shipments were produced-to-order, with lead times averaging ***. U.S. importers reported that *** percent of their commercial shipments were produced-to-order, with lead times averaging ***. The remaining commercial shipments came from inventories; *** percent from foreign inventory with lead times averaging *** and *** percent from U.S. inventory with lead times averaging ***.[25]

[25] Lead times reported in questionnaires submitted by U.S. processors and importers were for the year 2020. Petitioners reported lead times of approximately 3 months for the delivery of subject imports of OSBM from production in India to the U.S. market during 2020-21. Petitioners' posthearing brief, Exhibit 1, Petitioners' Answers to Commissioner Questions, p. 30.

Supplier certification

Fifteen of 17 responding purchasers require their suppliers to become certified or qualified to sell OSBM to their firm. Purchasers reported that the time to qualify a new supplier ranged from one day to one year; several purchasers reported between one and two weeks. Purchaser *** reported that there is no set number of days to qualify and that the supplier must be certified and have a reputable history. The firm reported that samples are requested and tested before making a purchase and the first purchase is only for a small amount. Purchaser *** reported that the time to qualify a new supplier varies. The firm has a certifying agency that reviews a vendor packet, references, and organic certificates as well as conducts a site visit before shipment of the product. Most other purchasers reported that the supplier must possess a current organic certification. One purchaser (***) reported that domestic supplier *** had failed in its attempt to qualify OSBM due to poor quality.

Purchasers were asked if the January 11, 2021 termination of USDA's recognition agreement with India for certification of organic products and its requirement that Indian producers become USDA certified by July 2022 impacted their certification of suppliers of organic soybean meal or impacted their ability to source organic soybean meal. Half of purchasers responded that the USDA recognition agreement and USDA certification requirement did have an impact and half responded it did not (9 each). Of the purchasers responding that there was an impact, *** reported that there is a very limited supply of OSBM. Purchaser *** reported that its suppliers are struggling to find good sources in India. Purchaser *** reported it has had several suppliers drop off resulting from the termination of the recognition. Purchaser *** reported that "Indian suppliers have not sorted this out yet and offers have been declined".

Minimum quality specifications

As can be seen from table II-10, a majority of responding purchasers (11) reported that domestically produced product usually met minimum quality specifications. All 18 purchasers reported that Indian OSBM always or usually met minimum quality specifications.

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

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	4	11	0	0	1
India	9	9	0	0	0
All other sources	2	3	2	0	4

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

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

Most responding purchasers reported that the quality of OSBM is determined by its protein content. Other reported measures of quality include moisture content, potassium hydroxide ("KOH") solubility, consistency, smell, lack of foreign material, urease enzyme level, fat, and fiber.[26] Petitioners asserted that the "quality" of OSBM is the processors' ability to ensure that such factors are consistently spread throughout the meal.[27]

Changes in purchasing patterns

Responding purchasers purchased *** percent of their 2018 purchases from U.S. processors, *** percent from India, *** percent from nonsubject countries, and *** percent from "unknown source" countries. During 2020, responding purchasers purchased *** percent from U.S. processors, *** percent from India, *** percent from nonsubject countries, and *** percent from "unknown source" countries. Purchasers were asked about changes in their purchasing patterns from different sources since 2018 (table II-11). Reasons reported for decreasing purchases of domestic OSBM included price (6 firms), availability (1 firm), and quality (1 firm). Reasons reported for increasing purchases of Indian OSBM included price (4 firms), increased feed production (3 firms),[28] availability (1 firm), and quality (1 firm).

[26] The quality characteristics of OSBM need to be marketable in that the processed meal is palatable for a particular livestock. Hearing transcript, pp. 58-59 (Sheppard).

[27] Petitioners' posthearing brief, Exhibit 1, Petitioners' Answers to Commissioner Questions, p. 5.

[28] Purchaser *** expanded approved suppliers due to overall feed production.

Table II-11
OSBM: Count of purchasers' responses regarding changes in purchase patterns from U.S., subject, and nonsubject countries

Source of purchases	Decreased	Increased	Constant	Fluctuated	Did not purchase
United States	8	3	1	1	3
India	3	11	2	2	0
All other sources	2	1	2	1	4
Sources unknown	1	3	1	0	3

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

Eleven of 18 responding purchasers reported that they had changed suppliers since January 1, 2018. Purchaser *** reported that, when possible, it prefers to not purchase from petitioners because of the market disruption and increased cost the petitions and these investigations created. Purchaser *** added suppliers Delong, S&G, and Quality Roasting to find more supply. Purchaser *** added importers SureSource and Western Grain for competitive pricing. Purchaser *** reported that supplier Pipeline Foods and U.S. processor Organic Production Services stopped selling OSBM. Purchaser *** added new suppliers to "spread the loads, decrease its price, and increase redundancy". Purchaser *** added new suppliers due to a lack of supply from India. Purchaser *** buying from any supplier that had competitive prices and good supply chain infrastructure. Purchaser *** listed quality and price for adding new suppliers. Purchaser *** added new suppliers due to availability and market volatility. Purchaser *** listed integrity and pricing for adding new suppliers.

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

Purchasers were asked a number of questions comparing OSBM produced in the United States, India, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 16 factors for which they were asked to rate the importance. Most purchasers reported that U.S. OSBM and OSBM imported from India were comparable on every factor except delivery time (8 purchasers each reported that U.S.-processed OSBM was comparable or superior to OSBM from India) and price (10 purchasers reported that U.S.-processed OSBM was inferior and higher priced than OSBM from India) (table II-12). Six purchasers each reported that U.S.-processed OSBM was inferior to OSBM imported from India

on availability and protein content.[29] Responding purchasers reported that availability, price, quality meets industry standards, product consistency, protein content, reliability of supply, delivery time, and delivery terms were very important factors in their purchasing decisions (table II-9).

Table II-12
OSBM: Count of purchasers' responses comparing U.S.-produced and imported subject OSBM, by factor and country pair

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs India	4	7	6
Delivery terms	U.S. vs India	2	14	0
Delivery time	U.S. vs India	8	8	0
Discounts offered	U.S. vs India	0	12	1
Minimum quantity requirements	U.S. vs India	1	13	2
Packaging	U.S. vs India	1	14	1
Payment terms	U.S. vs India	0	16	0
Price	U.S. vs India	1	5	10
Product consistency	U.S. vs India	0	15	1
Product range	U.S. vs India	0	13	1
Protein content	U.S. vs India	1	10	6
Quality meets industry standards	U.S. vs India	1	16	0
Quality exceeds industry standards	U.S. vs India	1	15	1
Reliability of supply	U.S. vs India	5	8	4
Technical support/service	U.S. vs India	2	13	0
U.S. transportation costs	U.S. vs India	4	10	1

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

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

[29] In the preliminary phase of these investigations, purchaser *** reported "We noticed, U.S. suppliers cannot meet the growing demand and had many supply issues. We believe as producers, we need a consistent supply and a reasonable price. Quality of the OSBM is also higher than the U.S. product. We noticed 48% or higher crude protein all the time, whereas U.S. products were 46% or lower." Purchaser *** reported "U.S. does not have enough beans to supply and protein is higher in Indian meal."

Most purchasers reported that U.S. OSBM and OSBM imported from nonsubject countries were comparable on every factor except protein content (5 purchasers reported that U.S.-processed OSBM was superior) (table II-13).

Table II-13
OSBM: Count of purchasers' responses comparing U.S.-produced and imported nonsubject OSBM, by factor and country pair

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

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

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

Similarly, most purchasers reported that OSBM imported from India and OSBM imported from nonsubject countries were comparable on every factor except protein content (5 purchasers reported that Indian OSBM was superior) (table II-14).

Table II-14
OSBM: Count of purchasers' responses comparing imported subject OSBM and imported nonsubject OSBM, by factor and country pair

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

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

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

Comparison of U.S.-produced and imported OSBM

In order to determine whether U.S.-produced OSBM can generally be used in the same applications as imports from India, U.S. processors, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables II-15 to II-17, *** U.S. processors and most importers reported that OSBM from the United States and India can always or frequently be used in the same applications; most purchasers reported that OSBM produced in both countries can frequently be used in the same applications.

Table II-15
OSBM: Count of U.S. processors reporting the interchangeability between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	***	***	***	***
United States vs. Other	***	***	***	***
India vs. Other	***	***	***	***

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

Table II-16
OSBM: Count of importers reporting the interchangeability between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	5	4	2	0
United States vs. Other	1	3	5	0
India vs. Other	2	2	4	0

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

Table II-17
OSBM: Count of purchasers reporting the interchangeability between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	5	10	1	0
United States vs. Other	2	6	3	0
India vs. Other	1	5	2	0

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

U.S. processor *** reported that OSBM from the Black Sea region, South America, China, and Africa have lower protein than OSBM from the United States and India. Regarding interchangeability between OSBM produced in India compared to other nonsubject countries, U.S. processor *** reported that Indian OSBM has higher protein levels and it would require formula adjustments to use OSBM from other countries.

Importer *** reported that the quality of the product (protein content) determines the interchangeability. Importer *** reported that some U.S. processors suffered poor sales due to poor quality, Indian OSBM typically has higher quality, Chinese OSBM has lower quality, and South American and eastern European OSBM have "medium" quality. Importer *** reported that Indian OSBM is a better value than that from the Black Sea, China, or South America because of its higher quality relative to price. Importer *** reported that interchangeability between the United States and other nonsubject countries is frequent because of the USDA National Organic Program ("USDA-NOP"), which has reciprocal agreements allowing OSBM produced in nonsubject countries to be acceptable for use under its rules. Importer *** reported that if Indian soybeans are crushed domestically, the product may be interchangeable because the protein content will be similar and end users may formulate their feed blend to varying protein levels. Importer *** reported that Indian OSBM (using Indian soybeans) is generally higher in protein than U.S.-crushed OSBM (using U.S., Chinese, Argentinian, and/or Black Sea region origin soybeans). Purchaser *** reported U.S. OSBM varies by the U.S. processor and is not quite as high quality as Indian OSBM.

In addition, U.S. processors, importers, and purchasers were asked to assess how often differences other than price were significant in sales of OSBM from the United States, India, or nonsubject countries. As seen in tables II-18 and II-19, most U.S. processors reported that factors other than price were sometimes or never significant in sales of OSBM from the United States versus India while most importers reported that factors other than price were always or frequently significant. Most purchasers reported that factors other than price were frequently or sometimes significant in sales of OSBM from the United States versus India (table II-20).

Table II-18
OSBM: Count of U.S. processors reporting the significance of differences other than price between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	***	***	***	***
United States vs. Other	***	***	***	***
India vs. Other	***	***	***	***

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

Table II-19
OSBM: Count of importers reporting the significance of differences between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	5	2	3	1
United States vs. Other	2	3	3	0
India vs. Other	1	2	2	1

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

Table II-20
OSBM: Count of purchasers reporting the significance of differences between OSBM produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
United States vs. India	1	4	6	3
United States vs. Other	0	4	5	1
India vs. Other	0	3	3	0

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

U.S. processor *** due to higher protein levels. U.S. processor *** reported that supply disruptions from India are common due to the extended transportation network. Importer *** reported that organic soybeans from India are consistent in size and moisture whereas domestic soybeans have different moisture levels, size, and foreign material, making it difficult to ration for livestock.[30] Importer *** reported the most important factors other than price are product quality (protein content), availability, and transportation network (which has been constrained by ocean freight and the recent increases in rates).[31] Importer *** reports that availability from countries other than India is frequently limited. Importer *** reported that imports from India typically have longer lead times, varying availability, and higher transportation costs (depending upon the location of the U.S. customer) when compared to the U.S. product. Purchaser ***

[30] See Part V "Raw material costs" for more information on raw organic soybeans.
[31] See Part V "Transportation costs to the U.S. market" for more information on shipping rates.

reported that U.S. OSBM quality is slightly less than Indian OSBM but has transportation network advantages.

Elasticity estimates

This section discusses elasticity estimates. Petitioners did not provide comments on these estimates in their prehearing or posthearing briefs.

U.S. supply elasticity

The domestic supply elasticity for OSBM measures the sensitivity of the quantity supplied by U.S. processors to changes in the U.S. market price of OSBM. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which processors can alter capacity, processors' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced OSBM. Analysis of these factors above indicates that the U.S. industry has the ability to somewhat increase or decrease shipments to the U.S. market; an estimate in the range of 3 to 6 is suggested.

U.S. demand elasticity

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

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[32] Product differentiation, in turn, depends upon such factors as quality (e.g., protein content, nutritional elements, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced OSBM and imported OSBM is likely to be in the range of 3 to 7. Factors contributing to the higher-end level of substitutability include little preference for particular country of origin or processors, similarities between domestically produced OSBM and OSBM imported from India across multiple purchase factors, and

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

interchangeability between domestic and Indian OSBM. Factors reducing substitutability include quality differences, reported limited availability of domestic and Indian product, different lead times between domestic and Indian OSBM, and significant factors other than price that firms consider, including protein content.

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

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

U.S. processors

The Commission issued a U.S. processor questionnaire to 15 firms based on information contained in the petition, and through staff research. Eight firms provided usable data on their operations.[1] [2] [3] [4] Staff believes that these responses represent the majority of U.S. production of OSBM during 2020.[5]

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

[1] Staff received U.S. processor questionnaire responses from two additional firms; Heartland Organic ("Heartland") and Lester that were incomplete or not useable. Additionally, Staff received a declaration letter from Organic Production Services, LLC ("OPS") regarding its U.S. processors' questionnaire.

[2] Heartland submitted a partial questionnaire response ***.

[3] Lester provided a partial questionnaire, but it had indicated that it had ***. Based on the useable U.S. processor questionnaire responses, ***.

[4] OPS did not complete the U.S. processors questionnaire, but it did submit a declaration that indicated that it ***. Declaration of Organic Production Services, LLC, February 11, 2022.

[5] The petitioners indicated that the domestic industry of processors/crushers has approximately 551,000 metric tons (607,000 short tons) of annual capacity, and that its production is approximately 193,000 metric tons (213,000 short tons) per year. Conference transcript, pp. 67-69 (Ujczo) and Petition, p. 7 and exh. I-3, p. 25. Based on the useable questionnaire responses of the eight responding processors and the partial responses of ***, staff believes that the estimated *** short tons of processing capacity and production of *** short tons constitute the majority of capacity and production of OSBM in the United States during 2020.

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

Table III-1
OSBM: U.S. processors, their positions on the petition, production locations, and shares of reported production, 2020

Shares in percent

Firm	Position on petition	Production location(s)	Share of production
American Natural Processors	Petitioner	Cherokee, Iowa	***
Modesto	***	Planada, CA	***
Professional Proteins	Petitioner	Washington, IA	***
Sheppard Grain	Petitioner	Phelps, NY	***
Simmons Feed	Petitioner	Salem, OH	***
Super Soy	Petitioner	Brodhead, WI	***
Tri-State Crush	Petitioner	Nappanee, IN	***
Yorktown Organics	***	Tampico IL	***
All firms	Various	Various	***

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

Table III-2 presents information on U.S. processors' ownership and related firms. Of the *** responding processors, there were *** related firms.

Table III-2
OSBM: U.S. processors' ownership, and related firms

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

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

As indicated in table III-2, no U.S. processors are related to foreign processors of the subject merchandise. One firm, *** is the owner of co-subsidiaries, U.S. processor *** and U.S. importer of the subject merchandise, ***.[6] In addition, as discussed in greater detail below, three U.S. processors (***

[6] ***.

***) directly imported the subject merchandise and four U.S. processors purchased the subject merchandise from U.S. importers.

Table III-3 presents U.S. processors' reported changes in operations since January 1, 2018. All eight responding U.S. processors reported prolonged shutdowns or curtailments.[7] In addition, on July 17, 2018, Tri-State Crush and the Redwood Group, LLC, a "supply chain solutions and merchandising company" announced the formation of a strategic relationship. The Redwood Group will procure organic soybeans and non-GMO soybean for Tri-Crush and market their meal and oil.

[7] ***.

Table III-3
OSBM: U.S. processors' reported changes in operations, since January 1, 2018

Item	Firm name and narrative response on changes in operations
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Prolonged shutdowns or curtailments	***
Other	***
Other	***

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

U.S. production, capacity, and capacity utilization

Table III-4 and figure III-1 present U.S. processors' production, capacity, and capacity utilization. Total capacity increased by *** percent during 2018-20, and was lower by *** percent during January-September 2021 ("interim 2021") than during January-September 2020 ("interim 2020"). Total production decreased by *** percent from 2018-20, but was higher by *** percent during interim 2021 than in interim 2020. Capacity utilization decreased by *** percentage points from 2018 to 2020, but it was higher by *** percentage points during interim 2021 than during interim 2020. ***.[8] [9] The remaining firms reported declines in production in each year, with the exception of ***, which increased production slightly in 2019. During 2018-20, *** had the largest percentage declines in production (*** percent, respectively).[10] From 2018 to 2020, ***.[11] [12] During interim 2021, *** responding processors *** had higher production of OSBM than during interim 2020.[13]

[8] ***. ***. *** U.S processor questionnaires, sections II-3c and II-3d.

[9] American Natural Processors indicated that ***. American Natural Processors, U.S. processor questionnaire, section II-5.

[10] ***.

[11] ***.

Additionally, according to its website, Simmons Feed has a processing capacity of 2.5 million bushels per year, which equates to approximately 74,000 short tons of annual capacity for OSBM. http://www.simmonsgrain.com/organic-products/.

[12] At the Commission's preliminary conference, the petitioners indicated that there were 37 bushels of organic soybeans per metric ton and the domestic industry has the processing capacity of about 30 million bushels, annually. Conference transcript, pp. 66-67. 40-45 bushels of organic soybeans are equivalent to one short ton. It takes 1.2 short tons of organic soybeans to produce one short ton of OSBM.

[13] At the Commission's hearing, the petitioners indicated that domestic production recovered somewhat between interim periods, but that its annualized 2021 production was still below 2018 levels. Hearing transcript, p. 37 (Dougan).

Table III-4
OSBM: U.S processors' capacity, by firm and period

Capacity

Capacity in short tons

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Natural Processors	***	***	***	***	***
Modesto	***	***	***	***	***
Professional Proteins	***	***	***	***	***
Sheppard Grain	***	***	***	***	***
Simmons Feed	***	***	***	***	***
Super Soy	***	***	***	***	***
Tri-State Crush	***	***	***	***	***
Yorktown Organics	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table III-4 Continued
OSBM: U.S. processor's production, by firm and period

Production

Production in short tons

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Natural Processors	***	***	***	***	***
Modesto	***	***	***	***	***
Professional Proteins	***	***	***	***	***
Sheppard Grain	***	***	***	***	***
Simmons Feed	***	***	***	***	***
Super Soy	***	***	***	***	***
Tri-State Crush	***	***	***	***	***
Yorktown Organics	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

Table III-4 Continued
OSBM: U.S. processors' capacity utilization, by firm and period

Capacity utilization

Ratio in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Natural Processors	***	***	***	***	***
Modesto	***	***	***	***	***
Professional Proteins	***	***	***	***	***
Sheppard Grain	***	***	***	***	***
Simmons Feed	***	***	***	***	***
Super Soy	***	***	***	***	***
Tri-State Crush	***	***	***	***	***
Yorktown Organics	***	***	***	***	***
All firms	***	***	***	***	***

Note: Capacity utilization ratio represents the ratio of U.S. processor's production to production capacity.
Table continued

Table III-4 Continued
OSBM: U.S. processors' share of production, by firm and period

Share of production

Share in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Natural Processors	***	***	***	***	***
Modesto	***	***	***	***	***
Professional Proteins	***	***	***	***	***
Sheppard Grain	***	***	***	***	***
Simmons Feed	***	***	***	***	***
Super Soy	***	***	***	***	***
Tri-State Crush	***	***	***	***	***
Yorktown Organics	***	***	***	***	***
All firms	***	***	***	***	***

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

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

Figure III-1
OSBM: U.S. processors' production, capacity, and capacity utilization, by period

* * * * * * *

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

Table III-5 presents U.S. processors' production by soybean input source during 2018-20, January-September 2020, and January-September 2021. During 2018-20, interim 2020, and interim 2021, imported beans from countries other than India were the largest source of soybean input for U.S. processors, accounting for at least *** percent during each period. Imported soybeans from India accounted for at least *** percent of soybean inputs for U.S. processors in each period. During 2018-20, seven of the eight responding firms purchased domestically sourced soybeans for their OSBM production. ***. ***. Imported soybeans from all other sources *** during 2018-20 and in interim 2020 and interim 2021. *** were the only firms to source imported soybeans from sources other than India for OSBM production. ***.[14] [15]

[14] Simmons Feeds, ***, stated that due to the shortage of U.S. produced soybeans, it imported from several sources, including South America, the Black Sea region, and India. This also enabled it to hedge against impact to its supply of soybeans, such as bad weather, poor harvests, pests, or other calamities. Conference transcript, pp. 21-22 (Cook).

[15] ***. *** U.S. processor questionnaire responses, section II-7.

Table III-5
OSBM: U.S. processors' production by soybean input source and period

Quantity in short tons; shares in percent

Production using	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Purchased domestic beans	Quantity	***	***	***	***	***
India beans	Quantity	***	***	***	***	***
All other imported beans	Quantity	***	***	***	***	***
Mixed or unknown beans	Quantity	***	***	***	***	***
All sources of beans	Quantity	***	***	***	***	***
Purchased domestic beans	Share	***	***	***	***	***
India beans	Share	***	***	***	***	***
All other imported beans	Share	***	***	***	***	***
Mixed or unknown beans	Share	***	***	***	***	***
All sources of beans	Share	***	***	***	***	***

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

Alternative products

As shown in table III-6, *** percent of the product produced on the equipment used to produce OSBM during 2018-20 and during interim 2020 and interim 2021, by U.S. processors was OSBM. The overall capacity utilization rate decreased by *** percentage points during 2018-20, but was higher by *** percentage points during interim 2021 than in interim 2020. Total production on the same machinery decreased by *** percent during 2018-20 (while OSBM production decreased by *** percent), but was higher during interim 2021 than in interim 2020 by *** percent. During 2018-20, overall capacity increased by *** percent, and was higher during interim 2021 than in interim 2020 by *** percent. Three firms (***) reported that they processed both OSBM and non GMO conventional soybean meal on the equipment used to produce OSBM.[16]

[16] No firms reported producing GE conventional soybean meal or products other than soybean meal on the same equipment as OSBM. ***.

Table III-6
OSBM: U.S. processors' overall capacity and production on the same equipment as subject production, by period

Quantity in short tons ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Overall capacity	Quantity	***	***	***	***	***
Production: OSBM	Quantity	***	***	***	***	***
Production: Non GMO conventional soybean meal	Quantity	***	***	***	***	***
Production: Total	Quantity	***	***	***	***	***
Overall capacity utilization	Ratio	***	***	***	***	***
Production: OSBM	Share	***	***	***	***	***
Production: Non GMO conventional soybean meal	Share	***	***	***	***	***
Production: Total	Share	***	***	***	***	***

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

U.S. processors' U.S. shipments and exports

Table III-7 presents U.S. processors' U.S. shipments, export shipments, and total shipments during 2018-20, January-September 2020, and January-September 2021. From 2018 to 2020, the quantity of U.S. shipments decreased by *** percent, but was higher during interim 2021 than in interim 2020 by *** percent. During 2018-20, the value of U.S. shipments decreased by *** percent, but was higher during interim 2021 than in interim 2020 by *** percent. The unit values for U.S. shipments decreased by *** percent during 2018-20, but were higher by *** percent during interim 2021 than in interim 2020. U.S. shipments for all but *** declined between 2018-20, and were higher in interim 2021 than in interim 2020 for all U.S. processors except ***. *** accounted for *** percent of all U.S. shipments during 2020.

Table III-7
OSBM: U.S. processors' shipments, by destination and period

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

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	***	***	***	***	***
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	***	***	***	***	***

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

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

Table III-8 presents U.S. processors' U.S. shipments by type. Only *** reported toll production that was returned to the tollee. *** reported internal consumption during the period for which data were collected, while ***, only did so during 2018-19. One firm, ***, accounted for ***.

Table III-8
OSBM: U.S. processors' U.S. shipments, by type and period

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

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Commercial U.S. shipments	Quantity	***	***	***	***	***
Internal consumption	Quantity	***	***	***	***	***
Toll production returned to tollee	Quantity	***	***	***	***	***
U.S. shipments	Quantity	***	***	***	***	***
Commercial U.S. shipments	Value	***	***	***	***	***
Internal consumption	Value	***	***	***	***	***
Toll production returned to tollee	Value	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Commercial U.S. shipments	Unit value	***	***	***	***	***
Internal consumption	Unit value	***	***	***	***	***
Toll production returned to tollee	Unit value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***	***	***
Internal consumption	Share of quantity	***	***	***	***	***
Toll production returned to tollee	Share of quantity	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Commercial U.S. shipments	Share of value	***	***	***	***	***
Internal consumption	Share of value	***	***	***	***	***
Toll production returned to tollee	Share of value	***	***	***	***	***
U.S. shipments	Share of value	***	***	***	***	***

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

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

Table III-9 presents U.S. processors' U.S. shipments (excluding the tollees) by protein content. Less than 44 percent protein content is considered "full fat" OSBM, which accounted for *** percent of all U.S. shipments by protein content during 2018-20 and during interim 2020 and 2021. U.S. processors' U.S. shipments of OSBM with protein content between 44-46 percent accounted for at least *** percent of all U.S. processors' U.S. shipments, while U.S. processors' U.S. shipments greater than 46 percent protein content accounted for no less than *** percent of U.S. shipments, but no greater than *** percent of U.S. shipments during 2018-20, and during interim 2020 and interim 2021. *** were the only firms to report U.S. shipments with a protein content greater than 46 percent, while *** were the only firms to report U.S. shipments considered full fat or less than 44 percent protein content.

The average unit values of U.S. shipments of all three protein contents were lower in 2020 than in 2018, but were higher in interim 2021 than in interim 2020. The average unit values of OSBM with protein content greater than 46 percent were the highest in each full year period, followed by OSBM with protein content less than 44 percent.

Table III-9
OSBM: U.S. processors' U.S. shipments (excluding tollee), by protein content and period

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

Protein content	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Less than 44 percent (full fat)	Quantity	***	***	***	***	***
44 to 46 percent	Quantity	***	***	***	***	***
Greater than 46 percent	Quantity	***	***	***	***	***
All protein content 44 percent and greater	Quantity	***	***	***	***	***
All protein content	Quantity	***	***	***	***	***
Less than 44 percent (full fat)	Value	***	***	***	***	***
44 to 46 percent	Value	***	***	***	***	***
Greater than 46 percent	Value	***	***	***	***	***
All protein content 44 percent and greater	Value	***	***	***	***	***
All protein content	Value	***	***	***	***	***
Less than 44 percent (full fat)	Unit value	***	***	***	***	***
44 to 46 percent	Unit value	***	***	***	***	***
Greater than 46 percent	Unit value	***	***	***	***	***
All protein content 44 percent and greater	Unit value	***	***	***	***	***
All protein content	Unit value	***	***	***	***	***
Less than 44 percent (full fat)	Share of quantity	***	***	***	***	***
44 to 46 percent	Share of quantity	***	***	***	***	***
Greater than 46 percent	Share of quantity	***	***	***	***	***
All protein content 44 percent and greater	Share of quantity	***	***	***	***	***
All protein content	Share of quantity	***	***	***	***	***
Less than 44 percent (full fat)	Share of value	***	***	***	***	***
44 to 46 percent	Share of value	***	***	***	***	***
Greater than 46 percent	Share of value	***	***	***	***	***
All protein content 44 percent and greater	Share of value	***	***	***	***	***
All protein content	Share of value	***	***	***	***	***

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

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

U.S. processors' inventories

Table III-10 presents U.S. processors' end-of-period inventories and the ratio of these inventories to U.S. processors' production, U.S. shipments, and total shipments**.** These data show that U.S. processors' inventories fluctuated but decreased by *** percent during 2018-2020, but were higher by *** percent during interim 2021 than in interim 2020.[17]

Table III-10
OSBM: U.S. processors' inventories and their ratio to select items, by period

Quantity in short tons; ratio in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

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

U.S. processors' imports from subject sources

U.S. processors' imports of OSBM are presented in tables III-11 through III-14.[18] Three firms (***) imported OSBM from India during 2018-20, and during interim 2021.[19]

[17] Five of the eight responding processors indicated that they had end-of-period inventories during 2020, including ***.

[18] ***. ***. *** U.S. processors questionnaire, section II-12.

[19] *** are included in table III-14, but did not complete the U.S. processor's questionnaire. ***. ***. ***.

Table III-11
OSBM: * U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from India	Quantity	***	***	***	***	***
Imports from India to U.S. production	Ratio	***	***	***	***	***

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

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

Table III-12
OSBM: * U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from India	Quantity	***	***	***	***	***
Imports from India to U.S. production	Ratio	***	***	***	***	***

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

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

Table III-13
OSBM: * U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from India	Quantity	***	***	***	***	***
Imports from India to U.S. production	Ratio	***	***	***	***	***

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

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

Table III-14
OSBM: U.S. processors' reasons for importing

Item	Narrative response on reasons for importing
*** reason for importing	***
*** reason for importing	***
*** reason for importing	***
*** reason for importing	***
*** reason for importing	***
*** reason for importing	***

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

U.S. processors' purchases of imports from subject sources

U.S. processors' purchases of imports from subject sources are presented in tables III-15 through III-19. Four firms (***) purchased OSBM that was imported from India during 2018-20, and during interim 2020 and interim 2021.[20]

Table III-15
OSBM: *'s purchases of imports from subject sources, by source, importer of record, and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
*** U.S. purchases of imports from India (imported by ***)	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India	Quantity	***	***	***	***	***
*** purchases of imports from India to U.S. importer *** U.S. imports from India	Ratio	***	***	***	***	***
Overall U.S. imports from India	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India to overall U.S. imports from India	Ratio	***	***	***	***	***

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

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

[20] In the preliminary phase investigations, ***.

Table III-16
OSBM: *'s purchases of imports from subject sources, by source, importer of record, and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
*** U.S. purchases of imports from India (imported by ***)	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India	Quantity	***	***	***	***	***
*** purchases of imports from India to U.S. importer *** U.S. imports from India	Ratio	***	***	***	***	***
Overall U.S. imports from India	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India to overall U.S. imports from India	Ratio	***	***	***	***	***

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

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

Table III-17
OSBM: *'s purchases of imports from subject sources, by source, importer of record, and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
*** U.S. purchases of imports from India (imported by ***)	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India	Quantity	***	***	***	***	***
*** purchases of imports from India to U.S. importer *** U.S. imports from India	Ratio	***	***	***	***	***
Overall U.S. imports from India	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India to overall U.S. imports from India	Ratio	***	***	***	***	***

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

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

Table III-18
OSBM: *'s purchases of imports from subject sources, by source, importer of record, and period**

Quantity in short tons; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
*** U.S. purchases of imports from India (imported by ***)	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India	Quantity	***	***	***	***	***
*** purchases of imports from India to U.S. importer *** U.S. imports from India	Ratio	***	***	***	***	***
Overall U.S. imports from India	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from India to overall U.S. imports from India	Ratio	***	***	***	***	***

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

Table III-19
OSBM: U.S. processors' reasons for purchasing, by firm

Item	Narrative response on reasons for purchasing
***'s reason(s) for purchasing	***
***'s reason(s) for purchasing	***
***'s reason(s) for purchasing	***
***'s reason(s) for purchasing	***

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

U.S. employment, wages, and productivity

Table III-20 shows U.S. processors' employment-related data. During 2018-20, PRW's decreased by *** percent, but were higher by *** percent during interim 2021 than in interim 2020.[21] The total hours worked and wages paid decreased by *** percent and *** percent, respectively during 2018-20. Wages paid were higher during interim 2021 than in interim 2020 by *** percent, while hours worked ***. Dollars per hour decreased by *** from 2018-20, and were lower during interim 2021 than during interim 2020 by ***. Productivity increased by *** percent from 2018 to 2020, and was higher by *** percent in interim 2021 than in interim 2020. Unit labor costs decreased by *** percent during 2018-20, and were lower in interim 2021 than in interim 2020 by *** percent.

Table III-20
OSBM: U.S. processors' employment related information, by period

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***
Unit labor costs (dollars per short ton)	***	***	***	***	***

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

[21] At the Commission's hearing, Simmons Feed indicated that it had 17 employees, while Professional Proteins indicated that it had three employees. Combined, these two firms account for ***. Hearing transcript, pp. 10 and 26 (Cook and Bennett).

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

U.S. importers

The Commission issued importer questionnaires to 12 firms believed to be importers of subject OSBM, as well as to all U.S. producers of OSBM.[1] Usable questionnaire responses were received from 11 companies, representing the majority[2] of U.S. imports from India in 2020 under HTS subheadings 1208.10.00 and 2304.00.00, "basket" categories. Table IV-1 lists all responding U.S. importers of OSBM from India and other sources, their locations, and their shares of U.S. imports, in 2020.

Table IV-1
OSBM: U.S. importers, their headquarters, and share of imports within each source, 2020

Share in percent

Firm	Headquarters	India	Nonsubject sources	All import sources
All Star	Oak Brook, IL	***	***	***
Bushman	Fort Atkinson, IA	***	***	***
Caprock	Santa Fe, NM	***	***	***
Field Farms	Petrolia, ON	***	***	***
Modesto	Empire, CA	***	***	***
Perdue	Salisbury, MD	***	***	***
Sheppard Grain	Phelps, NY	***	***	***
Simmons Feed	Salem, OH	***	***	***
SureSource	Wilmington, DE	***	***	***
Terra	Minneapolis, MN	***	***	***
Western Grain	Kirkland, QC	***	***	***
All firms	Various	***	***	***

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

[1] The Commission issued questionnaires to those firms identified in the petition, along with firms that, based on a review of data provided by a compilation of the mailing list of possible U.S. importers.

[2] Out of an estimated size of the entire U.S. market provided by both the petitioners and foreign producers of approximately 600,000 to 700,000 metric tons per year (approximately 650,000 to 750,000 short tons), the responding importers reported *** short tons of OSBM imported from all sources during 2020. Conference transcript, p. 17 (Golblitz), and *** preliminary phase foreign producer questionnaire response, section II-10.

U.S. imports

Figure IV-1 and table IV-2 present data for U.S. imports of OSBM from India and all other sources. Subject imports from India accounted for *** percent of total imports of OSBM by quantity and *** percent by value in 2020. During 2018-20, subject imports from India increased by *** percent, based on quantity, and by *** percent, based on value. During January-September 2020 ("interim 2020") and January-September 2021 ("interim 2021"), subject imports of OSBM were lower by *** percent based on quantity, and *** percent, based on value. While the vast majority (***) of the increase in U.S. imports from India was accounted for by ***, all firms except *** had higher U.S. imports from India in 2020 compared to 2018, but *** of importers had lower imports of OSBM from India in interim 2021 than in interim 2020. The ratio of subject imports to U.S. production increased from *** percent in 2018, to *** percent of U.S. production in 2020. The average unit value (dollars per short ton) of subject imports from India decreased by *** percent during 2018-20, but were higher by *** percent during interim 2021 than in interim 2020.

In contrast to U.S. imports from India, which increased in each full year and were lower in interim 2021 than in interim 2020, U.S. imports from nonsubject sources increased in 2019 (by *** percent in terms of quantity) and then declined in 2020 (by *** percent) but were higher in interim 2021 than in interim 2020. Nonsubject imports as a share of quantity and value of total imports both decreased by *** percentage points during 2018-20, but were higher during interim 2021 than in interim 2020 by *** percentage points and *** percentage points, respectively.[3] Eight of the 11 responding firms reported U.S. imports from nonsubject sources during 2018-20, and five responding firms indicated that they had imported OSBM from nonsubject sources during interim 2021. Three firms (***) increased imports from nonsubject sources in 2019, while four firms ceased

[3] Nonsubject imports of OSBM were comprised of the following; during 2019, ***. *** U.S. importer questionnaire responses, section II-6a.

importing (***) imported OSBM from nonsubject sources in interim 2021. The average unit value for imports from nonsubject sources increased by *** percent from 2018-20, and was higher by *** percent during interim 2021 than in interim 2020.[4]

[4] ***. *** U.S. importer questionnaire response, section II-6a.

Table IV-2
OSBM: U.S. imports by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short ton; shares in percent; ratios to U.S. production

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
India	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
India	Unit value	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***
India	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	***	***	***	***	***
India	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	***	***	***	***	***
India	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

Table continued

Table IV-2 Continued
OSBM: Share of U.S. imports by source and period

%Δ in percent change

Source	Measure	2018-20	2018-19	2019-20	Jan-Sep 2020-21
India	%Δ Quantity	▲***	▲***	▲***	▼***
Nonsubject sources	%Δ Quantity	▼***	▲***	▼***	▲***
All import sources	%Δ Quantity	▲***	▲***	▲***	▼***
India	%Δ Value	▲***	▲***	▲***	▼***
Nonsubject sources	%Δ Value	▼***	▲***	▼***	▲***
All import sources	%Δ Value	▲***	▲***	▲***	▼***
India	%Δ Unit value	▼***	▼***	▲***	▲***
Nonsubject sources	%Δ Unit value	▲***	▼***	▲***	▲***
All import sources	%Δ Unit value	▼***	▼***	▲***	▲***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Figure IV-1
OSBM U.S. import quantities and average unit values, by source and period

* * * * * * *

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

Negligibility

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

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

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

for *** percent of total imports of OSBM by quantity during March 2020 through February 2021. Table IV-3 presents U.S. imports during the twelve-month period preceding the petition.

Table IV-3
OSBM: U.S. imports in the twelve-month period preceding the filing of the petition, March 2020 through February 2021

Quantity in short tons; share in percent

Source of imports	Quantity	Share of quantity
India	***	***
Nonsubject sources	***	***
All import sources	***	***

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

U.S. importers' U.S. shipments by protein type

Tables IV-4 and IV-5 present data for U.S. importers' U.S. shipments of OSBM, by protein content, from India and all other sources, while figure IV-2 presents U.S. producers' and U.S. importers' U.S. shipments by source and percent of protein content during 2020. During 2018-20, interim 2020, and interim 2021, U.S. importers' U.S. shipments from India consisted of *** OSBM with a protein content greater than 46 percent, based on quantity and value. Less than 44 percent protein content ("full fat") accounted for *** of both subject and nonsubject U.S. importers' U.S. shipments between January 1, 2018 and September 30, 2021.

During 2018 and 2019, U.S. importers' U.S. shipments from nonsubject sources consisted of *** OSBM with a protein content between 44 to 46 percent, based on quantity and value. During 2020, U.S. importers' U.S. shipments from nonsubject sources consisted of *** percent OSBM with a protein content greater than 46 percent and were the majority of U.S. importers' U.S. shipments in both interim 2020 and interim 2021.[7]

Figure IV-2 presents U.S. producers' and U.S. importers' U.S. shipments by source and percent of protein content during 2020. The *** of U.S. shipments of both full fat (less than 44 percent) and 44 to 46 percent protein content were from U.S. producers, while the *** of U.S. shipments with a protein content greater than 46 percent were from U.S. importers.

[7] This shift was a result of, as noted earlier in part IV, ***.

Table IV-4
OSBM: U.S. importers' U.S. shipments of imports from India, by protein content type and period

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

Protein content	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Less than 44 percent (full fat)	Quantity	***	***	***	***	***
44 to 46 percent	Quantity	***	***	***	***	***
Greater than 46 percent	Quantity	***	***	***	***	***
All protein content 44 percent and greater	Quantity	***	***	***	***	***
All protein content	Quantity	***	***	***	***	***
Less than 44 percent (full fat)	Value	***	***	***	***	***
44 to 46 percent	Value	***	***	***	***	***
Greater than 46 percent	Value	***	***	***	***	***
All protein content 44 percent and greater	Value	***	***	***	***	***
All protein content	Value	***	***	***	***	***
Less than 44 percent (full fat)	Unit value	***	***	***	***	***
44 to 46 percent	Unit value	***	***	***	***	***
Greater than 46 percent	Unit value	***	***	***	***	***
All protein content 44 percent and greater	Unit value	***	***	***	***	***
All protein content	Unit value	***	***	***	***	***
Less than 44 percent (full fat)	Share of quantity	***	***	***	***	***
44 to 46 percent	Share of quantity	***	***	***	***	***
Greater than 46 percent	Share of quantity	***	***	***	***	***
All protein content 44 percent and greater	Share of quantity	***	***	***	***	***
All protein content	Share of quantity	***	***	***	***	***
Less than 44 percent (full fat)	Share of value	***	***	***	***	***
44 to 46 percent	Share of value	***	***	***	***	***
Greater than 46 percent	Share of value	***	***	***	***	***
All protein content 44 percent and greater	Share of value	***	***	***	***	***
All protein content	Share of value	***	***	***	***	***

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

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

Table IV-5
OSBM: U.S. importers' U.S. shipments of imports from nonsubject sources, by protein content type and period

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

Protein content	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Less than 44 percent (full fat)	Quantity	***	***	***	***	***
44 to 46 percent	Quantity	***	***	***	***	***
Greater than 46 percent	Quantity	***	***	***	***	***
All protein content 44 percent and greater	Quantity	***	***	***	***	***
All protein content	Quantity	***	***	***	***	***
Less than 44 percent (full fat)	Value	***	***	***	***	***
44 to 46 percent	Value	***	***	***	***	***
Greater than 46 percent	Value	***	***	***	***	***
All protein content 44 percent and greater	Value	***	***	***	***	***
All protein content	Value	***	***	***	***	***
Less than 44 percent (full fat)	Unit value	***	***	***	***	***
44 to 46 percent	Unit value	***	***	***	***	***
Greater than 46 percent	Unit value	***	***	***	***	***
All protein content 44 percent and greater	Unit value	***	***	***	***	***
All protein content	Unit value	***	***	***	***	***
Less than 44 percent (full fat)	Share of quantity	***	***	***	***	***
44 to 46 percent	Share of quantity	***	***	***	***	***
Greater than 46 percent	Share of quantity	***	***	***	***	***
All protein content 44 percent and greater	Share of quantity	***	***	***	***	***
All protein content	Share of quantity	***	***	***	***	***
Less than 44 percent (full fat)	Share of value	***	***	***	***	***
44 to 46 percent	Share of value	***	***	***	***	***
Greater than 46 percent	Share of value	***	***	***	***	***
All protein content 44 percent and greater	Share of value	***	***	***	***	***
All protein content	Share of value	***	***	***	***	***

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

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

Figure IV-2
OSBM: U.S. producers' and U.S. importers' U.S. shipments by source and percent of protein content, 2020

* * * * * * *

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

U.S. shipments by channel of distribution

Tables IV-6 (distributors/brokers), IV-7 (poultry and dairy-related end users), and IV-8 (feed mills and other end users) present data for U.S. producers' and U.S. importers' U.S. shipments of OSBM, by channel distribution during 2018-20, and January-September 2020, January-September 2021.

Table IV-6 presents data for U.S. producers' and U.S. importers' U.S. shipments to distributors/brokers that have no organic soybean processing assets. During 2018-20, U.S. producers' U.S. shipments and U.S. importers' U.S. shipments from India that went to distributors/brokers increased in quantity. Between 2018 and 2020, U.S. producers' share of U.S. shipments to distributors/brokers was lower, while U.S. importers' share of U.S. shipments (from both subject and nonsubject sources) to distributors/brokers was higher, but during the interim periods, U.S. producers' share was higher while U.S. importers' share of U.S. shipments from subject sources were lower. U.S. producers' share declined during 2018-20, while U.S. importers' (subject) U.S. shipments increased, thus taking share from both U.S. producers and U.S. importers from nonsubject sources. U.S. producers' U.S. shipments to distributors/brokers

as a share of quantity decreased by *** percentage points, but were higher by *** percentage points during interim 2021 than during interim 2020. U.S. importers' U.S. shipments to distributors/brokers from India, as a share of quantity increased by *** percentage points during 2018-20, but were lower by *** percentage points during interim 2021 than during interim 2020. U.S. importers' U.S shipments to distributors/brokers from all import sources increased by *** percentage points during 2018-20, but were lower by *** percentage points during interim 2021 than during interim 2020.

Table IV-6
OSBM: U.S. producers' and U.S. importers' U.S. shipments to distributors/brokers that have no organic soybean processing assets

Quality in short tons; shares and ratios in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Shares represent market shares within this channel of distribution or share of total imports from all sources as presented in this table. Ratios represent the relative proportion of overall apparent consumption regardless of channel of distribution.

Table IV-7 presents data for U.S. producers' and U.S. importers' U.S. shipments to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed. During 2018-20, U.S. producers' U.S. shipments that went to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed decreased in quantity. Between 2018 and 2020, U.S. producers' share of U.S. shipments to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed was lower, while U.S. importers' share of U.S. shipments (from both subject and nonsubject sources) was higher. During the interim

periods, U.S. producers' share was still lower while U.S. importers' share of U.S. shipments from subject sources was also lower, and U.S. importers' share of U.S. shipments from nonsubject sources was higher. U.S. producers' U.S. shipments to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed as a share of quantity decreased by *** percentage points, and were lower by *** percentage points during interim 2021 than during interim 2020. U.S. importers' U.S. shipments from India to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed as a share of quantity increased by *** percentage points during 2018-20, but were lower by *** percentage points during interim 2021 than during interim 2020. U.S. importers' U.S shipments to poultry, dairy, eggs, and pork end users that formulate, blend, and consume their own feed from all import sources increased by *** percentage points during 2018-20, and were higher by *** percentage points during interim 2021 than during interim 2020.

Table IV-7
OSBM: U.S. producers' and U.S. importers' U.S. shipments to poultry, dairy, eggs, pork, end users that formulate, blend, and consume their own feed

Quality in short tons; shares and ratios in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Shares represent market shares within this channel of distribution or share of total imports from all sources as presented in this table. Ratios represent the relative proportion of overall apparent consumption regardless of channel of distribution.

Table IV-8 presents data for U.S. producers' and U.S. importers' U.S. shipments to feed mills/other end users that formulate and blend feed for sale to livestock operators and end

users. Between 2018 and 2020, U.S. producers' share of U.S. shipments to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users was lower, while U.S. importers' share of U.S. shipments (from both subject and nonsubject sources) to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users was higher. During the interim periods, U.S. producers' share was higher, while U.S. importers' share of U.S. shipments from subject sources was lower. During 2018-20, U.S. producers' U.S. shipments that went to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users decreased in quantity. U.S. producers' U.S. shipments to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users as a share of quantity decreased by *** percentage points, but were higher by *** percentage points during interim 2021 than during interim 2020. U.S. importers' U.S. shipments from India to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users as a share of quantity increased by *** percentage points during 2018-20, and were higher during interim 2021 than during interim 2020. U.S. importers' U.S shipments to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users from all import sources increased by *** percentage points during 2018-20, but were lower by *** percentage points during interim 2021 than during interim 2020.

Table IV-8
OSBM: U.S. producers' and U.S. importers' U.S. shipments to feed mills/other end users that formulate and blend feed for sale to livestock operators and end users

Quality in short tons; shares and ratios in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Shares represent market shares within this channel of distribution or share of total imports from all sources as presented in this table. Ratios represent the relative proportion of overall apparent consumption regardless of channel of distribution.

Apparent U.S. consumption and market shares

Quantity

Figure IV-2 and Table IV-9 present data on apparent U.S. consumption for OSBM during 2018-20, January-September 2020, and January-September 2021, based on quantity. From 2018 to 2020, apparent U.S. consumption increased by *** percent, and was higher during interim 2021 than in interim 2020 by *** percent. This increase in apparent consumption was due to the increased quantity of U.S. shipments of subject imports which was greater than the decline in U.S. producer's U.S. shipments. During 2018-20, U.S. producers' U.S. shipments decreased by *** percent, but were higher during interim 2021 than in interim 2020 by *** percent. From 2018 to 2020, U.S. importers' U.S. shipments from subject sources increased by *** percent, but were lower during interim 2021 than in interim 2020 by *** percent. From 2018 to 2020, U.S. importers' U.S. shipments from nonsubject sources fluctuated but decreased by *** percent, but were higher during interim 2021 than in interim 2020 by *** percent.

The share of apparent U.S. consumption held by U.S. importers' U.S. shipments from India increased by *** percentage points from 2018 to 2020, but was lower during interim 2021 than in interim 2020 by *** percentage points. U.S. producers' market share decreased by *** percentage points during 2018-20, but was higher by *** percentage points during interim 2021 than in interim 2020.

Table IV-9
OSBM: Apparent U.S. consumption and market shares based on quantity, by source and period

Quantity in short tons; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

Figure IV-2
OSBM: Apparent U.S. consumption based on quantity, by source and period

* * * * * * *

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

Value

Figure IV-3 and Table IV-10 present data on apparent U.S. consumption for OSBM during 2018-20, January-September 2020, and January-September 2021, based on value. From 2018 to 2020, apparent U.S. consumption, based on value, increased by *** percent, but was higher during interim 2021 than in interim 2020 by *** percent. During 2018-20, the value of U.S. producers' U.S. shipments decreased by *** percent, but was higher during interim 2021 than in interim 2020 by *** percent. From 2018 to 2020, the value of U.S. importers' U.S. shipments from subject sources increased by *** percent, and was higher during interim 2021 than in interim 2020 by *** percent. From 2018 to 2020, the value of U.S. importers' U.S. shipments from nonsubject sources fluctuated but decreased by *** percent, but was higher during interim 2021 than in interim 2020 by *** percent.

The share of apparent U.S. consumption, by value, held by U.S. importers' U.S. shipments from India increased by *** percentage points from 2018 to 2020, but was lower during interim 2021 than in interim 2020 by *** percentage points. U.S. producers' market share, based on value, decreased by *** percentage points during 2018-20, but was higher by *** percentage points during interim 2021 than in interim 2020.

Table IV-10
OSBM: Apparent U.S. consumption and market shares based on value, by source and period

Value in 1,000 dollars; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Value	***	***	***	***	***
India	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
U.S. producers	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

Figure IV-3
OSBM: Apparent U.S. consumption based on value, by source and period

* * * * * * *

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

Part V: Pricing data

Factors affecting prices

Raw material costs

The main raw material input for OSBM production is USDA-certified organic soybeans. The United States is a net importer of organic soybeans. In 2016, organic soybean production in the United States was approximately 4.6 million bushels and approximately 13.8 million bushels were imported; in 2019, U.S. organic soybean production was 5.8 million bushels, and 9.9 million bushels were imported.[1] [2]

U.S. processors reported that the majority of their OSBM production used imported organic soybeans.[3] Average quarterly prices for domestic and imported organic soybeans fluctuated within a relatively tight range during 2018-20 but surged during 2021 (figure V-1 and table V-1).[4] The average quarterly price for domestic, USDA-certified organic soybeans was a period-low of $18.44 per bushel in the first quarter of 2018 and increased 74.0 percent to a period-high of $32.08 per bushel in the fourth quarter 2021.[5] [6] Domestic soybean prices increased by 7.1 percent during January 2018-December 2020 and increased by 51.7 percent during January-December 2021. Prices for imported organic soybeans increased by 47.0

[1] Reasons attributed to import competition include a reluctance among U.S. farmers to transition to organic due to challenges such as achieving high yields, mitigating weeds, undergoing the USDA organic certification process, the relative ease of growing organic soybeans in other countries for reasons such as cheap labor or land, and lower chances of commingling or contamination if conventional soybeans are not grown on a large scale. Skorbiansky, Molinares, Ferreira, and McConnell, Special Article: U.S. Organic Corn and Soybean Markets, Feed Outlook, FDS-21h, U.S. Department of Agriculture, Economic Research Service, August 16, 2021.

[2] By comparison, conventional soybean production in the United States was approximately 3.6 billion bushels in 2019. USDA, National Agricultural Statistics Service.

[3] For more information, please see Table III-5 in Part III.

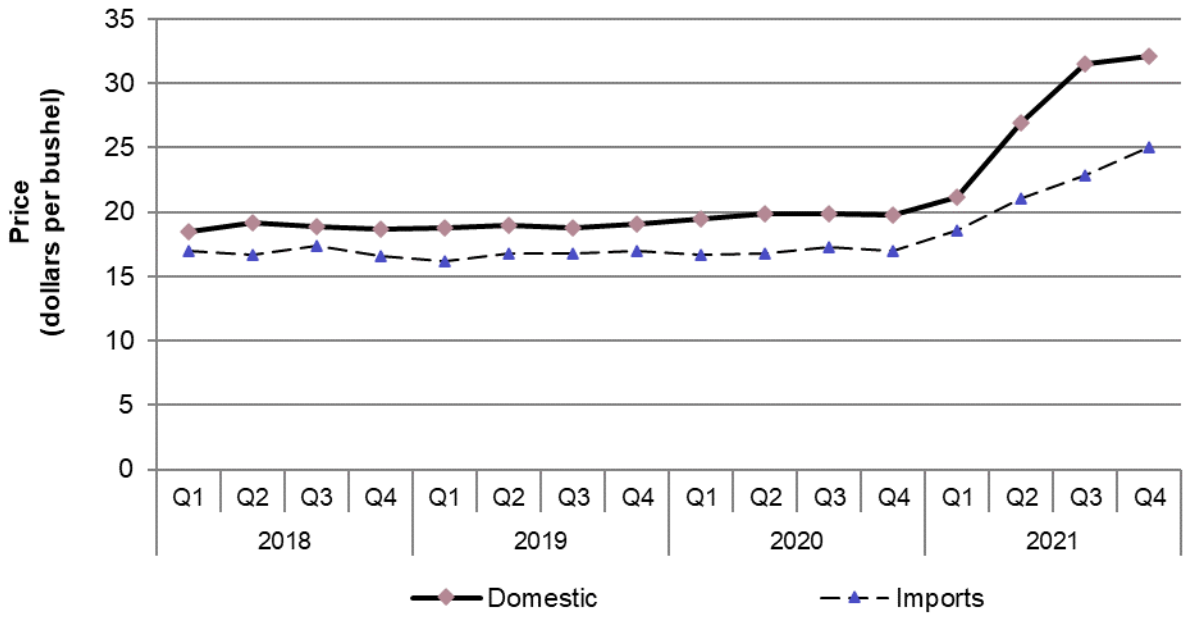
[4] The average quarterly unit value for all imports was calculated from the sum of all quantities and values for each country where imports of organic soybeans were reported. The largest sources by quantity and value during 2018-21 were Argentina, Canada, India, Russia, and Ukraine.

[5] The increase in organic soybean prices in the United States during 2021 has been attributed to the decline in the volume of organic soybean meal imports from India during this period. https://agrisecure.com/imports-have-an-impact-on-organic-crop-prices-heres-why/

[6] The USDA reported in 2021 that U.S. processors have increased new crop offers (contracts) to U.S. growers as incentive to plant soybeans to meet current demand; crushers are struggling to find organic soybeans available for purchase; and that the supply constraints are hindering the ability to produce domestic organic soybean meal. USDA National Organic Grain and Feedstuffs Report, Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, March 24, July 28, August 11, 2021, https://mymarketnews.ams.usda.gov/viewReport/2919.

percent from $17.00 per bushel in the first quarter of 2018 to $25.00 per bushel in the fourth quarter of 2021. Prices for imported organic soybeans decreased by 0.2 percent during January 2018-December 2020 and increased by 34.7 percent during January-December 2021.

Figure V-1
Organic soybeans: Average delivered prices for domestic and imported organic soybeans, quarterly[7]



Sources: Domestic: USDA National Organic Grain and Feedstuffs Report, Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2919; Imported: USDA, Foreign Agricultural Service, Global Agricultural Trade System, https://apps.fas.usda.gov/GATS/default.aspx.

Note: Domestic prices are for feed-grade soybeans while import prices are for a mix of feed- and food-grade soybeans.

[7] In the preliminary phase of these investigations, figure V-1 presented average prices for farm gate feed grade organic soybeans on an f.o.b. spot basis during 2018-20.

Table V-1
Organic soybeans: Average delivered prices for domestic and imported organic soybeans, by quarter

Price in dollars per bushel

Period	Domestic	Imported
2018 Q1	18.44	17.00
2018 Q2	19.15	16.66
2018 Q3	18.92	17.36
2018 Q4	18.72	16.58
2019 Q1	18.74	16.23
2019 Q2	19.00	16.75
2019 Q3	18.82	16.78
2019 Q4	19.05	16.96
2020 Q1	19.44	16.71
2020 Q2	19.89	16.74
2020 Q3	19.92	17.24
2020 Q4	19.74	16.97
2021 Q1	21.14	18.56
2021 Q2	26.91	21.09
2021 Q3	31.55	22.85
2021 Q4	32.08	25.00

Sources: Domestic: USDA National Organic Grain and Feedstuffs Report, Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2919; Imported: USDA, Foreign Agricultural Service, Global Agricultural Trade System, https://apps.fas.usda.gov/GATS/default.aspx.

Note: Domestic prices are for feed grade soybeans while import prices are for a mix of feed and food grade soybeans.

Raw materials (organic soybeans) as a share of the total cost of goods sold ("COGS") reported by U.S. processors was *** percent in 2018, *** percent in 2019, and *** percent in 2020.[8] Organic soybeans as a share of total COGS was *** percent during January-September 2020 and *** percent during January-September 2021.

*** responding U.S. processors and 8 of 11 responding importers reported that domestic organic soybean prices have increased since January 1, 2018. Several U.S. processors reported that the increase in organic soybean prices during 2021 is the cause of the increase in OSBM prices during this period. U.S. processor *** reported that market prices in 2021 reflect persistent global shipping disruptions and organic integrity issues

[8] In 2020, domestic organic soybeans were *** percent of total organic soybeans purchased, organic soybeans from India were *** percent, organic soybeans from other import sources were *** percent, and organic soybeans from unknown or mixed sources were *** percent. For more information, please see table III-5 in Part III.

in India.[9] Importers *** reported that its selling price for OSBM depends directly on the price of organic soybeans. Importer *** reported that prices for soybeans have doubled since 2018 due to the lack of Indian supply to the United States.

*** reporting U.S. processors and 7 of 10 reporting importers reported that Indian organic soybean prices have increased since January 1, 2018. U.S. processor *** reported that the increase in Indian organic soybean prices is due to shipping interruptions and increased shipping costs related to the COVID-19 pandemic.[10] U.S. processor *** reported that world demand has increased the value of all organic soybeans. Importer *** reported that very few soybeans from India can enter the United States. Importer *** reported that prices for organic soybeans were relatively stable from 2018 to 2020, then increased after the petitions were filed and consequently increased the price of OSBM.

Eleven of 18 purchasers reported that they were familiar with the prices for raw organic soybeans used in the production of OSBM. Seven purchasers reported that information on domestic organic soybean prices had affected their negotiations or contracts to purchase OSBM since 2018. Eight purchasers reported that Indian organic soybean prices had affected their OSBM purchases. Purchaser *** reported that it looks at the price of raw soybeans and the correlation to meal and oil prices when pricing meal. Purchaser *** reported that if the spread between raw soybeans and meal grows, the firm "negotiates harder." Purchaser *** reported that if it can buy OSBM cheaper than ***. Purchaser *** reported that for every $1 change per bushel of raw organic soybeans moves the OSBM price by $41 per short ton.

[9] The market acquired a large amount of organic soybeans during the fourth quarter of 2020, causing price increases of soybeans during 2021 as soybean demand was still prevalent but soybean supply decreased due to shipping disruptions. Hearing transcript, p. 56 (Sheppard).

[10] Petitioners asserted that India experienced two waves of the COVID-19 pandemic during 2020, initially in the spring and then in the late summer/fall, that affected the OSBM market. Initially, there were large amounts of inventories of Indian OSBM during 2020, but the supply disruptions were more apparent as importers drew down inventories during 2021. Hearing transcript, pp. 79-83 (Sheppard, Li, Duggan, Ujczo).

Transportation costs to the U.S. market

Transportation costs for OSBM shipped from India to the United States averaged 11.7 percent during 2018, 12.3 percent during 2019, and 11.0 percent during 2020. These estimates were derived from official import data and represent the transportation and other charges on imports.[11]

U.S. inland transportation costs

*** responding U.S. processors and 9 of 10 responding importers reported that they typically arrange transportation to their customers. Nine of 10 responding importers reported that when they sell OSBM imported from India, it is typically shipped from their storage facility. U.S. processors reported that their U.S. inland transportation costs ranged from 2 to 15 percent while importers reported costs of less than 1 to 12 percent.

Several U.S. processors and importers reported that transportation costs vary by distance; the farther the customer is from the crush facility, the greater the transportation cost. Importer *** reported that rates can be between $70 and $180 per short ton. Importer *** reported that the method of transportation can impact costs as hopper trucks are more expensive than using rail cars. Importer *** reported that transportation costs are lower near the coasts because the end users are closer to the port.

[11] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2018, 2019, and 2020 and then dividing by the customs value based on the HTS statistical reporting numbers 1208.10.0010 and 2304.00.0000. Both HTS reporting numbers include other products and/or conventional soybean meal.

Pricing practices

Pricing methods

Most U.S. processors and importers reported setting prices using transaction-by-transaction negotiations and contracts (table V-2).[12] U.S. processor *** reported that when it knows the price of organic soybeans it can calculate the OSBM price. Importer *** reported that contracts are based on market prices.[13]

Table V-2
OSBM: Count of U.S. processors' and importers' reported price setting methods

Method	U.S. processors	U.S. importers
Transaction-by-transaction	***	5
Contract	***	10
Set price list	***	0
Other	***	0
Responding firms	7	10

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

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

[12] ***.

[13] Petitioners provided price quotes received from Indian producers and exporters in Petitioners' posthearing brief, Exhibit 12, Pricing Exhibits.

Domestic prices for OSBM are transparent to a certain degree.[14] The USDA publishes an average value for spot transactions, a price and delivery period for forward contracts, and general market intelligence on a bi-weekly basis if trade activity is not too limited.[15] Table V-3 shows average quarterly U.S. dealer f.o.b. prices of OSBM for spot transactions and forward contracts during 2018-21.[16]

Table V-3
OSBM: Average spot and forward prices of domestic OSBM, by quarter

Price in dollars per short ton

Period	Spot transaction price	Forward contract price
2018 Q1	843	---
2018 Q2	856	770
2018 Q3	846	840
2018 Q4	857	840
2019 Q1	858	---
2019 Q2	866	---
2019 Q3	---	---
2019 Q4	---	---
2020 Q1	---	---
2020 Q2	845	865
2020 Q3	---	---
2020 Q4	---	860
2021 Q1	---	---
2021 Q2	1,180	---
2021 Q3	1,517	---
2021 Q4	1,587	1,603

Source: USDA National Organic Grain and Feedstuffs Report, Agricultural Marketing Service, USDA Livestock, Poultry & Grain Market News, https://mymarketnews.ams.usda.gov/viewReport/2919.

[14] Petitioners asserted that prices paid for organic soybean purchases and received for OSBM sales by U.S. processors are widely known within the industry. Petitioners' posthearing brief, Exhibit 1, Petitioners' Answers to Commissioner Questions, p. 17.

[15] If trade activity is limited (i.e., few buyers and/or sellers), market prices are not published to protect firm identities.

[16] Forward contracts were typically reported for contracts of less than one year. The average quarterly price for forward contracts was greater than the average quarterly price for spot transactions during the second quarter of 2020 and the fourth quarter of 2021, indicating the possible expectation of future supply disruptions, albeit based on limited data. For more information on supply disruptions, see "Supply constraints" in Part II.

U.S. processors and importers reported selling most of their OSBM under short-term contracts, although U.S. processors also had appreciable sales made through annual contracts and importers had considerable sales through long-term contracts (table V-4).

Table V-4
OSBM: U.S. processors' and importers' shares of U.S. commercial shipments by type of sale, 2020

Share in percent

Item	U.S. processors	Subject U.S. importers
Long-term contracts	***	13.8
Annual contract	***	4.3
Short-term contracts	***	73.7
Spot sales	***	8.2
Total	100.0	100.0

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

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

*** U.S. processors reported using short-term contracts to set prices, with typical durations averaging 90 days. *** firms did not allow for price renegotiation and *** had a fixed price and quantity provision. *** U.S. processors reported using annual contracts that did not allow for price renegotiation and had a fixed price and quantity provision. One firm (***) indexed short-term and annual contracts to the actual cost of raw soybeans during the contract period.

Nine importers reported using short-term contracts, with durations ranging from 20 to 150 days. All nine firms did not allow for price renegotiation and had a fixed price and quantity provision. Two importers reported using long-term contracts, with durations ranging from 365 to 390 days. Both firms did not allow for price renegotiation and had a fixed price and quantity provision. No contracts reported by importers were indexed to raw material prices.

Two purchasers reported that they purchase product daily, 8 purchase weekly, 4 purchase monthly, 1 quarterly,[17] and 1 annually;[18] and two purchasers reported that their purchase frequency varies. Twelve of 18 responding purchasers reported that purchasing frequency had not changed since 2018. Most purchasers contact 1 to 6 suppliers before making a purchase. Thirteen of 17 responding purchasers reported that their purchases of OSBM usually involve negotiations with the supplier. *** purchasers reported that they generally negotiate delivery terms, price, quality (protein content), and supplier reliability. Purchaser

[17] Purchaser *** reported that it buys higher volumes (500 to 1,000 short tons) per order because it can't buy 100 short tons on the open market anymore due to shipping and availability issues.

[18] Purchaser *** reported that domestic crushers are only offering quarterly contracts.

*** reported using trade publications, such as Mercaris and The Jacobsen that publish current values, to help determine its prices. Four purchasers reported that they do not quote competing prices during negotiations and one purchaser reported that it does.

Sales terms and discounts

U.S. processors mostly quote prices on an f.o.b. basis while importers reported quoting prices on a delivered basis.[19] *** responding U.S. processors and 7 of 9 responding importers reported offering no discounts.

Price leadership

Eleven purchasers reported that there were no price leaders in the OSBM market. Of the firms that reported price leaders, purchaser *** reported Caprock for the lowest price for required specifications and delivery time. Purchaser *** reported Perdue and SureSource as leaders that were not the lowest in price but rather supply a quality product which exceeds minimum specifications. Purchaser *** reported Sheppard Grain as a price leader as it has had an undue influence on local market prices.[20] Purchaser *** reported Bergwerff Organic India as the supplier tends to be the highest priced but is reliable and provides a quality product. Purchaser *** reported Bushman Organics because it offered both domestic and Indian OSBM. *** also reported Western Grain Trading as a price leader because it negotiated container rates and storage agreements to provide a steady and reliable supply of Indian OSBM.

Price data

The Commission requested U.S. processors and importers to provide quarterly data for the total quantity and f.o.b. value of the following OSBM product shipped to unrelated U.S. customers during January 2018-September 2021.

[19] Reported f.o.b. locations by U.S. processors include ***.

[20] Sheppard Grain stated that if its OSBM is not being sold, it is priced too high; and if it is selling quickly, it is priced too low. The firm seeks to be in a profitable range of pricing while being competitive to move volumes of OSBM. Hearing transcript, pp. 94-95 (Sheppard).

Product 1.--Certified OSBM having at least a protein content of 44 percent, feed grade.[21]

*** U.S. processors and nine importers provided usable pricing data for sales of the requested product, although not all firms reported pricing for the product for all quarters.[22] [23] Pricing data reported by these firms accounted for *** of U.S. processors' commercial U.S. shipments of OSBM and *** percent of commercial U.S. shipments of subject imports from India in 2020.[24] Price data for product 1 is presented in table V-5 and figure V-2.[25]

Table V-5
OSBM: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter

Price in dollars per short ton, quantity in short tons, margin in percent.

Period	US price	US quantity	India price	India quantity	India margin
2018 Q1	***	***	***	***	***
2018 Q2	***	***	***	***	***
2018 Q3	***	***	***	***	***
2018 Q4	***	***	***	***	***
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***

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

[21] For a unit value comparison of OSBM with a protein content less than 44 percent, 44 to 46 percent, and greater than 46 percent, please see table III-9 in Part III and table IV-4 in Part IV.

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

[23] ***.

[24] Pricing coverage is based on U.S. shipments reported in questionnaires.

[25] Appendix E presents price data excluding U.S. processor(s) *** for related party consideration.

Note: Product 1: Certified OSBM having at least a protein content of 44 percent, feed grade.

Figure V-2
OSBM: Weighted-average prices and quantities of domestic and imported product 1, by quarter

Price of product 1

* * * * * * *

Volume of product 1

* * * * * * *

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

Note: Product 1: Certified OSBM having at least a protein content of 44 percent, feed grade.

Price trends

In general, prices increased during January 2018-September 2021. Table V-6 summarizes the price trends by country. As shown in the table, domestic prices increased *** percent and Indian prices increased *** percent during January 2018-September 2021.[26]

Table V-6
OSBM: Summary of price data, by product and source, January 2018-September 2021

Quantity in short tons, price in dollars per short ton

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Change over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	India	***	***	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter 2018 to the third quarter in 2021.

Indexed prices of U.S. processors' and importers' price data shows that prices were relatively stable during 2018-20 and increased during 2021 (figures V-3 and V-4 and table V-7).

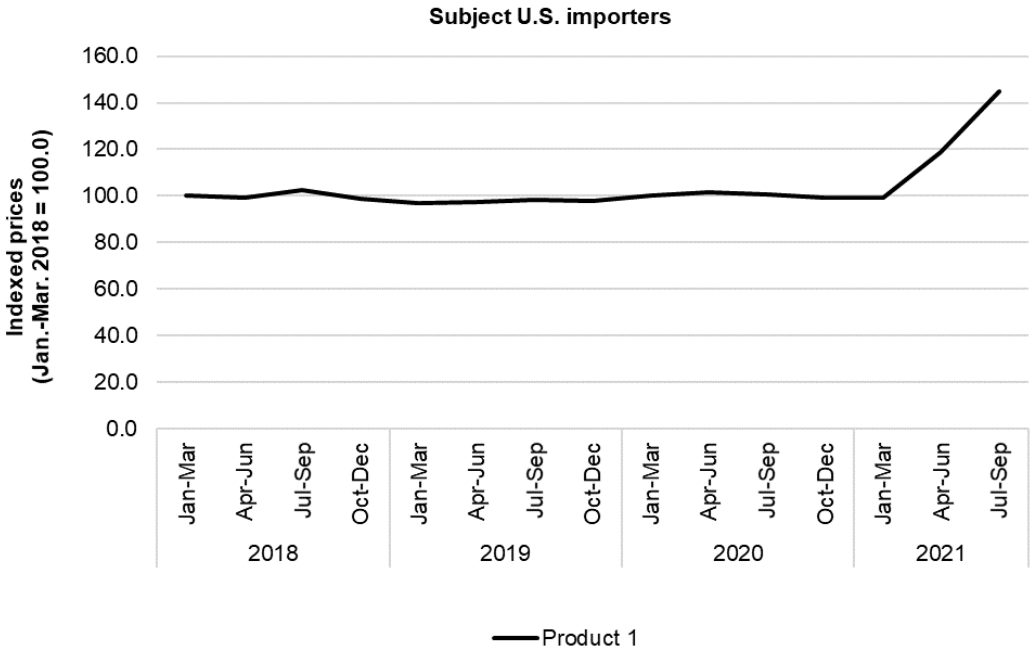
[26] Domestic prices decreased *** percent during January 2018-December 2020 and increased *** percent during January-September 2021. Indian prices decreased *** percent during January 2018-December 2020 and increased *** percent during January-September 2021.

Figure V-3
OSBM: Indexed U.S. processor prices, January 2018 through September 2021

* * * * * * *

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

Figure V-4
OSBM: Indexed U.S. importer prices, January 2018 through September 2021



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

Table V-7
OSBM: Indexed U.S. processors and importers prices, by quarter

Indexed prices in percent

Period	U.S. processor	Importer
2018 Q1	***	100.0
2018 Q2	***	99.3
2018 Q3	***	102.4
2018 Q4	***	98.6
2019 Q1	***	96.9
2019 Q2	***	97.4
2019 Q3	***	98.5
2019 Q4	***	97.8
2020 Q1	***	100.1
2020 Q2	***	101.4
2020 Q3	***	100.6
2020 Q4	***	99.0
2021 Q1	***	99.4
2021 Q2	***	119.0
2021 Q3	***	144.8

Source: Compiled from data submitted in response to Commission questionnaires, data in table presented in figure V-3 and figure V-4.

Price comparisons

As shown in table V-8, prices for product imported from India were below those for U.S.-produced product in all 15 instances (*** short tons); margins of underselling ranged from *** to *** percent.

Table V-8
OSBM: Instances of underselling and overselling and the range and average of margins, by product

Quantity in short tons; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Minimum margin	Maximum margin
Product 1	Underselling	15	***	***	***	***
Product 1	Overselling	---	---	---	---	---

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

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

Lost sales and lost revenue

In the preliminary phase of these investigations, the Commission requested that U.S. processors of OSBM report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of OSBM from India during 2018-20. Eight U.S. processors submitted lost sales and lost revenue allegations and identified 35 firms with which they lost sales or revenue. Allegations include ***. The reported lost sales and lost revenue from these firms were from U.S. purchasers' contract negotiations of OSBM produced in India during 2018-20.

In the final phase of these investigations, of the seven responding U.S. processors, five reported that they had to either reduce prices or roll back announced price increases, and all seven firms reported that they had lost sales.

Staff contacted 41 purchasers and received responses from 18 purchasers.[27] Responding purchasers reported purchasing approximately *** short tons of OSBM during 2018-20 (table V-9).

Of the 18 responding purchasers, 17 reported that, since 2018, they had purchased imported OSBM from India instead of U.S.-produced product. Fourteen of these purchasers reported that subject import prices were lower than U.S.-produced product, and 10 of these purchasers reported that price was a primary reason for the decision to purchase imported product rather than U.S.-produced product.[28] Ten purchasers estimated the quantity of OSBM from India purchased instead of domestic product; total quantity reported was *** short tons (table V-10). Purchasers identified availability, quality, and supplier diversity as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the 18 responding purchasers, 4 reported that U.S. processors had reduced prices in order to compete with lower-priced imports from India; 6 reported that U.S. processors had not reduced prices and 8 reported that they did not know (table V-11). The reported estimated price reduction ranged from *** percent.

[27] Six purchasers submitted lost sales lost revenue survey responses in the preliminary phase but did not submit purchaser questionnaire responses in the final phase.

[28] Purchaser *** responded "yes" and "no" regarding whether price was the primary reason for purchasing subject imports rather than domestic product, however its explanation for price not being the primary reason states ***. The firm ***.

Table V-9
OSBM: Purchasers' reported purchases and imports, by firm and source

Quantity in short tons, share in percent

Firm	Domestic quantity	Subject quantity	All other quantity	Change in domestic share	Change in subject share
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	***	***	***	***	***

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

Note: The all other category includes unknown sources. Changes in shares represent the share of the firm's total purchases of domestic and/or subject country imports between first and last years and are presented in percentage points. Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

Table V-10
OSBM: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

Firm	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Narrative on reasons for purchasing imports
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--17; No--1	Yes--14; No--3	Yes--10; No--7	***	NA

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

Table V-11
OSBM: Purchasers' responses to U.S. processor price reductions, by firm

Firm	Processors lowered prices	Price reduction	Narrative on processor price reductions
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
***	***	***	***
All firms	Yes--4; No--6	***	NA

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

Part VI: Financial experience of U.S. processors

Background[1]

Eight U.S. processors (American Natural Processors, Modesto, Professional Proteins, Sheppard Grain, Simmons Feed, Super Soy, Tri-State Crush, and Yorktown Organics) provided usable financial results on their OSBM operations on a calendar year basis.[2] [3] [4] [5] Revenue primarily reflects commercial sales, but also includes a small amount of internal consumption reported by ***.[6] Non-commercial sales are included but not presented separately in this section of the report.

Staff conducted a verification of *** U.S. producer questionnaire. The verification adjustments were incorporated into this report.[7]

[1] The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), costs of tolling services ("COTS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), return on assets ("ROA"), period of investigation ("POI"), January to September 2020 ("interim 2020"), and January to September 2021 ("interim 2021").

[2] *** companies (***) reported tolling operations, with one (***) operating only as a toller throughout the period examined.

[3] As of 2021, three U.S processors *** are no longer processing OSBM and provided unusable questionnaire responses. See part III of this report for more information on these companies.

[4] ***.

[5] Six responding U.S. processors (***) provided their financial data on the basis of GAAP accounting for approximately 95 percent of total sales volume during the period for which data were collected. Two reported their financial results on basis other than GAAP (***) and (***).

[6] The internal consumption reported by *** accounted for *** percent of total net sales quantity in 2018, *** in 2019, *** percent in 2020, *** percent in interim 2020, and *** percent in interim 2021. Internal consumption was *** total net sales.

*** accounted for over ***. *** U.S. processor questionnaire, II-2a and III-5.

[7] Verification resulted in ***. *** verification report, March 30, 2022.

Operations on OSBM

Table VI-1 presents aggregated data on U.S. processors' non-tolling operations in relation to OSBM, while table VI-2 presents corresponding changes in non-tolling AUVs data between periods. Table VI-3 presents selected company-specific financial data for non-tolling and tolling operations. Figure VI-1 presents each responding non-tolling firm's share of the total reported net sales quantity in 2020.

Figure VI-1
OSBM: Share of net sales quantity in 2020, by firm

* * * * * * *

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

Table VI-1
OSBM: Results of non-toll operations of U.S. processors, by item and period

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Quantity	174,498	142,924	133,209	104,199	113,868
Total net sales	Value	138,406	110,581	102,436	80,071	109,498
Raw materials: Beans purchased from domestic growers	Value	***	***	***	***	***
Raw materials: Beans from India	Value	***	***	***	***	***
Raw materials: Beans from other import sources	Value	***	***	***	***	***
Raw materials: Beans from unknown or mixed sources	Value	***	***	***	***	***
Raw materials: All beans	Value	124,805	99,210	97,265	75,301	104,314
Energy costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
Less by-product revenue	Value	***	***	***	***	***
COGS	Value	130,393	103,870	101,263	78,295	108,179
Gross profit or (loss)	Value	8,013	6,711	1,173	1,776	1,319
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Interest expense	Value	***	***	***	***	***
Other expense/income, net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***

Table continued.

Table VI-1 Continued
OSBM: Results of non-toll operations of U.S. processors, by item and period

Ratios and shares in percent; share of COGS reflects COGS before byproduct offset

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Raw materials: Beans purchased from domestic growers	Ratio to NS	***	***	***	***	***
Raw materials: Beans from India	Ratio to NS	***	***	***	***	***
Raw materials: Beans from other import sources	Ratio to NS	***	***	***	***	***
Raw materials: Beans from unknown or mixed sources	Ratio to NS	***	***	***	***	***
Raw materials: All beans	Ratio to NS	90.2	89.7	95.0	94.0	95.3
Energy costs	Ratio to NS	***	***	***	***	***
Direct labor costs	Ratio to NS	***	***	***	***	***
Other factory costs	Ratio to NS	***	***	***	***	***
Less by-product revenue	Ratio to NS	***	***	***	***	***
COGS	Ratio to NS	94.2	93.9	98.9	97.8	98.8
Gross profit	Ratio to NS	5.8	6.1	1.1	2.2	1.2
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***
Raw materials: Beans purchased from domestic growers	Share of COGS	***	***	***	***	***
Raw materials: Beans from India	Share of COGS	***	***	***	***	***
Raw materials: Beans from other import sources	Share of COGS	***	***	***	***	***
Raw materials: Beans from unknown or mixed sources	Share of COGS	***	***	***	***	***
Raw materials: All beans	Share of COGS	95.6	95.1	95.5	95.6	95.9
Energy costs	Share of COGS	***	***	***	***	***
Direct labor costs	Share of COGS	***	***	***	***	***
Other factory costs	Share of COGS	***	***	***	***	***
COGS	Share of COGS	***	***	***	***	***

Table continued.

Table VI-1 Continued
OSBM: Results of non-toll operations of U.S. processors, by item and period

Unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Unit value	793	774	769	768	962
Raw materials: All beans	Unit value	715	694	730	723	916
Energy costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
Less by-product revenue	Unit value	***	***	***	***	***
Cost of goods sold	Unit value	747	727	760	751	950
Gross profit or (loss)	Unit value	46	47	9	17	12
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	2	2	4	3	3
Net losses	Count	2	3	4	3	4
Data	Count	7	7	6	6	7

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

Table VI-2
OSBM: Changes in non-toll AUVs between comparison periods

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼(3.0)	▼(2.5)	▼(0.6)	▲25.1
Raw materials: All beans	▲2.1	▼(2.9)	▲5.2	▲26.8
Energy costs	▼***	▼***	▼***	▲***
Direct labor costs	▲***	▲***	▼***	▲***
Other factory costs	▲***	▲***	▲***	▲***
Less by-product revenue	***	***	***	***
COGS	▲1.7	▼(2.7)	▲4.6	▲26.4

Table continued.

Table VI-2 Continued
OSBM: Changes in non-toll AUVs between comparison periods

Changes in dollars per short ton

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼(24)	▼(19)	▼(5)	▲193
Raw materials: Beans	▲15	▼(21)	▲36	▲193
Energy costs	▼***	▼***	▼***	▲***
Direct labor costs	▲***	▲***	▼***	▲***
Other factory costs	▲***	▲***	▲***	▲***
Less by-product revenue	▼***	▼***	▼***	▼***
COGS	▲13	▼(20)	▲33	▲199
Gross profit or (loss)	▼(37)	▲1	▼(38)	▼(5)
SG&A expense	▼***	▼***	▲***	▲***
Operating income or (loss)	▼***	▲***	▼***	▼***
Net income or (loss)	▼***	▼***	▼***	▲***

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

Table VI-3
OSBM: Firm-by-firm total net sales quantity, by period

Net sales quantity

Quantity in short tons

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	174,498	142,924	133,209	104,199	113,868
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm total net sales value, by period

Net sales value

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	138,406	110,581	102,436	80,071	109,498
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm COGS (non-tolling) and COTS (tolling), by period

COGS and/or COTS

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	130,393	103,870	101,263	78,295	108,179
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm gross profit or (loss), by period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	8,013	6,711	1,173	1,776	1,319
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm SG&A expenses, by period

SG&A expenses

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm operating income or (loss), by period

Operating income or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm net income or (loss), by period

Net income or (loss)

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm ratio of COGS and/or COTS to net sales value, by period

COGS and/or COTS to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	94.2	93.9	98.9	97.8	98.8
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period

Gross profit or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	5.8	6.1	1.1	2.2	1.2
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm ratio of SG&A expenses to net sales value, by period

SG&A expenses to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm ratio of operating income or (loss) to net sales value, by period

Operating income or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm ratio of net income or (loss) to net sales value, by period

Net income or (loss) to net sales ratio

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit net sales value, by period

Unit net sales value

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	793	774	769	768	962
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit raw material cost (organic soybeans), by period

Unit raw material cost (organic soybeans)

Unit values in dollars per short ton; unit raw material costs for tolling operations reflect raw materials not supplied by tollees.

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	715	694	730	723	916
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit energy cost, by period

Unit energy costs

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit direct labor cost, by period

Unit direct labor costs

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit other factory costs, by period

Unit other factory costs

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit COGS/COTS, by period

Unit COGS and/or COTS

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations COGS	747	727	760	751	950
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Total tolling COTS	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit gross profit or (loss), by period

Unit gross profit or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	46	47	9	17	12
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit SG&A expenses, by period

Unit SG&A expenses

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit operating income or (loss), by period

Unit operating income or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

Table continued.

Table VI-3 Continued
OSBM: Firm-by-firm unit net income or (loss), by period

Unit net income or (loss)

Unit values in dollars per short ton

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All non-tolling operations	***	***	***	***	***
Tolling: ***	***	***	***	***	***
Tolling: ***	***	***	***	***	***
All tolling operations	***	***	***	***	***

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

Net sales

As presented in table VI-1, total net sales quantity and value declined by 23.7 percent and 26.0 percent, respectively, from 2018 to 2020; net sales quantity and value were higher in January to September 2021 ("interim 2021") than in January to September 2020 ("interim 2020"). As presented in table VI-3, *** reported the largest decline in net sales quantity (***) while the *** U.S. producer *** reported the second biggest decline (***) from 2018 to 2020.[8] These two processors (***) also reported the largest net sales value losses from 2018 to 2020. Two other U.S. processors (***) reported increases in total net sales quantity and value from 2018 to 2020. *** U.S. processors with non-toll operations reported higher net sales values in interim 2021 than in interim 2020.

As presented in tables VI-1 and VI-2, net sales AUVs of U.S. processors declined by 3.0 percent from 2018 to 2020 but were higher in interim 2021 than in interim 2020. Table VI-3 shows that the aggregated industry AUVs largely reflect the declines in AUVs of the *** (***) as well as *** (***).[9] [10] Three responding U.S. processors (***) reported increases in AUVs of OSBM from 2018 to 2020. *** responding non-toll U.S. processors reported higher net sales AUVs in interim 2021 than in interim 2020.

Cost of goods sold and gross profit or loss

As presented in table VI-1, organic soybeans represent almost all of total COGS (from 95.1 to 95.9 percent) from 2018 to September 2021.[11] On a value basis, organic soybean costs declined (reflecting the loss in net sales quantity) from 2018 to 2020 but were higher in interim 2021 than in interim 2020. On a per-unit basis, organic soybean AUVs increased irregularly ($715 in 2018, $694 in 2019, and $730 in 2020) and were much higher in interim 2021 than in

[8] *** U.S. processor questionnaire, II-15.

[9] The *** U.S. processor *** reported lower AUVs than the industry average and was the lowest AUV reported in 2019 and 2020 while the *** consistently reported higher than average AUVs.

[10] *** (the smallest non-tolling U.S. processor of OSBM in 2020) reported higher net sales AUVs from 2018 to 2020 than the industry average, ***.

[11] Organic soybeans' share of total COGS is calculated before any revenue offset from byproducts.

interim 2020 (table VI-1). As a ratio to net sales, organic soybeans fluctuated, decreasing from 90.2 percent in 2018 to 89.7 percent in 2019 before increasing to 95.0 percent in 2020, and were higher in interim 2021 than in interim 2020.

Table VI-3 shows that organic soybean AUVs varied widely among U.S. processors, primarily attributable to the quality, protein content, and source of these beans.[12] [13] [14] The *** U.S. producer (***) reported the lowest organic soybean AUVs from 2019 to interim 2020 but reported much higher AUVs in interim 2021.[15] The *** U.S. producer (***) reported increasing organic soybean AUVs, with AUVs also much higher in interim 2020. The highest organic soybean AUVs of over $*** were reported by ***.[16]

Energy, direct labor, and other factory costs remained relatively stable as shares of overall COGS from 2018 to 2020, fluctuating by *** percent or less.[17] These three costs declined from 2018 to 2020, primarily caused by declines in OSBM production and the shifting to other products (non-GMO soybean meal and canola meal/oil), as well as shutdowns and curtailments detailed in table III-3. These three costs were higher in interim 2021 than in interim 2020. As a ratio to sales, energy, direct labor, and other factory costs were steady (fluctuated by *** percent or less) from 2018 to 2020; energy and direct labor costs were slightly lower in interim 2021 than in interim 2020 while other factory costs stayed the same. AUVs for these three COGS items were also relatively stable but increased by $2 or less from 2018 to 2020; AUVs were the same for energy, slightly lower for direct labor, but much higher

[12] U.S. processors procured organic soybeans mostly from unknown or mixed origin (*** percent) during the period examined, with the data driven by ***. ***.

U.S. processors procured imported organic soybeans through brokers (***). For domestically-sourced organic soybeans, U.S. processors purchased organic soybeans directly from farms or ***. Organic soybeans from all sources are ***. U.S. processors explained ***. The key considerations when purchasing organic soybeans are: ***. Dan Ujczo, Counsel for petitioners, March 1, 2022.

[13] Over 85 percent of organic soybeans were sourced from contracts of one year or longer, with the remaining being sourced from spot purchases. U.S. processor questionnaires, III-9c.

[14] No responding U.S. processor of OSBM were growers of organic soybeans or were related to domestic organic soybean growers.

[15] Four U.S. processors (***) reported much higher net sales AUVs (***) in interim 2021.

[16] There is insufficient data to calculate AUVs of organic soybeans based on sources of origin.

[17] *** did not report energy costs separately.

for other factory costs in interim 2021 than in interim 2020. As shown in table VI-3, company-specific AUVs of energy, direct labor, and other factory costs varied widely within each company and also industry-wide. *** reported the highest average other factory costs in 2018 while *** reported the highest in 2020.[18] *** reported the highest average direct labor costs in 2018 and 2019 and the two *** processors (***) reported the lowest among responding U.S. processors for all five data periods examined.[19]

As presented in table VI-1, gross profit declined by 85.4 percent from 2018 to 2020 ($8.0 million in 2018, $6.7 million in 2019, and $1.2 million in 2020). Gross margins also irregularly declined, increasing from 5.8 percent in 2018 to 6.1 percent before falling to 1.1 percent in 2020. The declines in gross profits reflect the declines in overall net sales quantity, as well as revenue that declined at a greater rate than COGS. Gross profit and margins were lower in interim 2021 than in interim 2020.[20]

Table VI-4 presents the revenue from coproducts typically produced jointly with OSBM (primarily soybean oil, also includes lesser quantities of lecithin and other distillates) of non-tolling operations.[21] These coproduct revenues represented from *** to *** percent of combined revenue during the period examined. OSBM revenue represented the great majority of combined revenue, between *** to *** percent of combined revenue during this time. Table VI-5 provides U.S. processors' responses on their methodologies to remove costs related to coproducts from OSBM financial data for their non-tolling operations.

[18] *** started OSBM production in September 2018.

[19] Byproduct revenues (e.g., hulls and/or waste) were reported by the three *** U.S. processors (***), accounting for *** percent or less of total COGS.

[20] Three of six U.S. processors reported temporary increases in demand and improved margins for domestic OSBM processors as a result of logistic issues (e.g., ocean freight, port disruptions, inland transportation) as well as organic integrity issues for OSBM produced in India. U.S. processor questionnaires, II-2b.

[21] *** U.S. processors reported revenues from coproducts for their non-tolling operations for at least one data period, with *** reporting no coproduct revenues. *** do not track financial data by individual products ***. *** processors (***) reported that revenues from coproduct sales are a separate line item in their income statement. U.S. processor questionnaires, III-8a, III-8b, and III-8c.

Table VI-4
OSBM: Coproduct revenue for non-tolling operations of U.S. processors, by period

Values in 1,000 dollars; shares in percent; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
OSBM sales revenue	Value	***	***	***	***	***
Coproduct sales revenue	Value	***	***	***	***	***
Combined OSBM and coproduct revenue	Value	***	***	***	***	***
OSBM sales revenue	Share	***	***	***	***	***
Coproduct sales revenue	Share	***	***	***	***	***
Combined OSBM and coproduct revenue	Share	***	***	***	***	***
Coproducts revenue	Count	***	***	***	***	***

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

Table VI-5
OSBM: U.S. processors' narrative responses on the methodology used to remove revenue and costs of coproducts from non-tolling OSBM operations

Firm	Coproduct costs removed from OSBM
***	***
***	***
***	***
***	***
***	***
***	***

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

SG&A expenses and operating income or loss

As presented in table VI-1, U.S. processors' SG&A expenses irregularly decreased from 2018 to 2020 but were higher in interim 2021 than in interim 2020. SG&A expense ratios (i.e., total SG&A expenses divided by net sales) also irregularly decreased from 2018 to 2020 but was lower in interim 2021 than in interim 2020.[22] Table VI-3 shows that the pattern of company-specific SG&A expense ratios varied, with the *** U.S. producer *** reporting the highest SG&A expense ratios and (***) reporting consistently lower SG&A expense ratios than the industry average.[23]

U.S. processors' operating income declined each year ($*** in 2018, $*** in 2019, and $*** in 2020) with operating income lower in interim 2021 than in interim 2020.[24] The annual declines in operating income primarily reflect the declines in sales from 2018 to 2020. Operating margins (i.e. operating income divided by net sales) also declined each year from *** percent in 2018 to *** percent in 2019, and declined further to *** percent in 2020; operating margins were lower in interim 2021 than in interim 2020. Table VI-3 shows that *** and *** reported positive operating income in all five data periods, but *** reported overall declines while *** reported increases in operating income from 2018 to 2020. *** operating income was higher in interim 2021 than in interim 2020 while *** reported the opposite trend.[25]

[22] *** reported non-recurring charges classified as ***.

[23] Three U.S. processors did not report SG&A expenses in one or more data periods. *** did not report SG&A expenses ***; *** did not report any SG&A expenses for all five data periods ***; and, *** reported no SG&A expenses ***.

[24] *** reported the largest operating losses in interim 2021 while *** reported the largest operating income in interim 2021.

[25] *** operating income declined by $*** (from $*** in 2018 to $*** in 2020), but reported higher operating income in interim 2021 than in interim 2020.

All other expenses and net income or loss

Classified below the operating income level are interest expenses, other expenses, and other income.[26] Table VI-1 shows interest expenses separately while aggregating other expenses and income items (with the net amount shown). Interest expenses declined from 2018 to 2020 and were lower in interim 2021 than in interim 2020. U.S. processors reported *** accounted for the largest share and value of net income in 2018, 2019, and interim 2021 while *** accounted for most of the net losses in all five periods.[27] Four processors (***) reported higher net income (or lower net losses) between the comparable interim periods.[28]

Tolling operations

Table VI-6 presents aggregated data on U.S. toll processed OSBM, while table VI-7 presents corresponding changes in AUVs data between periods. In a tolling arrangement, one firm (the tollee) provides the input material (retaining title to the input) to another firm (the toller) which upgrades the input to the desired form and quality. In OSBM processing, tollers crush organic soybeans for non-related entities that provide the beans to them for crushing and

[26] *** reported non-recurring charges classified as all other expenses: ***.

*** reported non-recurring gains classified as ***.

[27] *** reported the largest net income in 2020 (***) but its net income declined from 2018 to 2020 and were lower in interim 2021 than in interim 2020.

[28] A variance analysis is not shown due to large differences in OSBM's share of overall production among U.S. processors and resulting variations in the costs allocated to OSBM operations as well as product mix among the reporting firms.

processing into meal. *** U.S. processors (***) reported operating as tollers.[29]

As presented earlier in table VI-3, *** toll processed OSBM and accounted for *** of the toll processed OSBM (***) over the period examined.[30] *** reported *** of tolling charges *** of crushed beans.[31] [32] [33] As presented in table VI-6, the net tolling quantities and revenues (the fees paid by the tollee to the toller) *** from 2018 to 2020; both net tolling quantities and revenues were higher in interim 2021 than in interim 2020. Net tolling AUVs irregularly decreased from 2018 to 2020 and were slightly higher in interim 2021 than in interim 2020. Organic soybeans from tollees were *** raw material ***; *** other raw materials were added to the toll processed OSBM.

[29] In the preliminary phase, *** reported operating as a toller only but upon clarification in the final phase, correctly reported all of its operations as a non-toll U.S. processor operating under the name *** with one primary customer (***). ***. Emails from *** February 28 and March 3, 2022.

[30] ***. *** U.S. processor questionnaire, III-10c and III-10d.

[31] *** from 2018 to 2020. *** U.S. processor questionnaire, III-10d.

[32] For tolling at ***.

[33] For tolling at ***. *** U.S. processor questionnaire, III-10c and III-10d.

Table VI-6
OSBM: Results of tolling operations of U.S. processors, by item and period

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

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Net tolling quantities	Quantity	***	***	***	***	***
Net tolling value	Value	***	***	***	***	***
Energy costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
Less by-product revenue	Value	***	***	***	***	***
COTS	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expenses/income, net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Energy costs	Ratio to NS	***	***	***	***	***
Direct labor costs	Ratio to NS	***	***	***	***	***
Other factory costs	Ratio to NS	***	***	***	***	***
Less by-product revenue	Ratio to NS	***	***	***	***	***
COTS	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table VI-6 Continued
OSBM: Results of tolling operations of U.S. processors, by item and period

Shares in percent; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Energy costs	Share of COTS	***	***	***	***	***
Direct labor costs	Share of COTS	***	***	***	***	***
Other factory costs	Share of COTS	***	***	***	***	***
COTS	Share of COTS	***	***	***	***	***
Total net tolling	Unit value	***	***	***	***	***
Energy costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
COTS	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as “---“, share of COTS is calculated before the by-product revenue offset.

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

Table VI-7
OSBM: Changes in AUVs for tolling operations of U.S. processors between comparison periods

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net tolling	▼***	▼***	▲***	▲***
Energy costs	▲***	▲***	▲***	▲***
Direct labor costs	▼***	▼***	▼***	▼***
Other factory costs	▲***	▼***	▲***	▼***
COTS	▼***	▼***	▲***	▲***

Table continued.

Table VI-7 Continued
OSBM: Changes in AUVs for tolling operations of U.S. processors between comparison periods

Changes in dollars per short ton

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net tolling	▼***	▼***	▲***	▲***
Energy costs	▲***	▲***	▲***	▲***
Direct labor costs	▼***	▼***	▼***	▼***
Other factory costs	▲***	▼***	▲***	▼***
COTS	▼***	▼***	▲***	▲***
Gross profit or (loss)	▲***	▲***	▲***	▼***
SG&A expenses	▲***	▼***	▲***	▼***
Operating income or (loss)	▲***	▲***	▼***	▲***
Net income or (loss)	▲***	▲***	▼***	▲***

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

Capital expenditures

Table VI-8 presents capital expenditures, by firm, and table VI-9 presents the firms' narrative explanations of the nature, focus, and significance of their capital expenditures. No R&D expenses were reported by U.S. processors (inclusive of tolling) of OSBM.[34]

Table VI-8
OSBM: U.S. processors' (inclusive of tolling) capital expenditures, by firm and period

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Natural Processors	***	***	***	***	***
Modesto	***	***	***	***	***
Professional Proteins	***	***	***	***	***
Sheppard Grain	***	***	***	***	***
Simmons Feed	***	***	***	***	***
Super Soy	***	***	***	***	***
Tri-State Crush	***	***	***	***	***
Yorktown Organics	***	***	***	***	***
All firms	***	***	***	***	***

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

[34] *** U.S. processor questionnaire, III-13c.

Table VI-9
OSBM: Narrative descriptions of U.S. processors (inclusive of tolling)' capital expenditures, by firm

Firm	Narrative on capital expenditures
American Natural Processors	***
Modesto	***
Professional Proteins	***
Sheppard Grain	***
Simmons Feed	***
Super Soy	***
Tri-State Crush	***
Yorktown Organics	***.

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

Assets and return on assets

Table VI-10 presents data on the U.S. processors' (inclusive of tolling) total assets while table VI-11 presents their operating ROA.[35] Table VI-12 presents U.S. processors' (inclusive of tolling) narrative responses explaining their major asset categories and any significant changes in asset levels over time.

Table VI-10
OSBM: U.S. processors' (inclusive of tolling) total net assets, by firm and period

Value in 1,000 dollars

Firm	2018	2019	2020
American Natural Processors	***	***	***
Modesto	***	***	***
Professional Proteins	***	***	***
Sheppard Grain	***	***	***
Simmons Feed	***	***	***
Super Soy	***	***	***
Tri-State Crush	***	***	***
Yorktown Organics	***	***	***
All firms	37,880	41,288	42,645

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

Table VI-11
OSBM: U.S. processors' (inclusive of tolling) ROA, by firm and period

Ratio in percent

Firm	2018	2019	2020
American Natural Processors	***	***	***
Modesto	***	***	***
Professional Proteins	***	***	***
Sheppard Grain	***	***	***
Simmons Feed	***	***	***
Super Soy	***	***	***
Tri-State Crush	***	***	***
Yorktown Organics	***	***	***
All firms	***	***	***

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

[35] The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value for OSBM.

Table VI-12
OSBM: Narrative descriptions of U.S. processors' (inclusive of tolling) total net assets, by firm

Firm	Narrative on assets
American Natural Processors	***
Modesto	***
Professional Proteins	***
Sheppard Grain	***
Simmons Feed	***
Super Soy	***
Tri-State Crush	***
Yorktown Organics	***

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

Capital, investment, and COVID-19

The Commission requested U.S. processors and tollers of OSBM to describe any actual or potential negative effects of imports of OSBM from India on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-13 presents the number of firms reporting an impact in each category and table VI-14 provides the U.S. processors and tollers' narrative responses. In addition to the effects of imports, the U.S. producer questionnaire asked companies to describe any effect the COVID-19 pandemic has had on their overall financial performance since January 1, 2020. Table VI-15 presents the U.S. processors and tollers' narrative responses regarding the effects of COVID-19 on their financial performance.

Table VI-13
OSBM: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2018, by effect

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	3
Denial or rejection of investment proposal	Investment	1
Reduction in the size of capital investments	Investment	3
Return on specific investments negatively impacted	Investment	6
Other investment effects	Investment	2
Any negative effects on investment	Investment	7
Rejection of bank loans	Growth	2
Lowering of credit rating	Growth	1
Problem related to the issue of stocks or bonds	Growth	1
Ability to service debt	Growth	2
Other growth and development effects	Growth	6
Any negative effects on growth and development	Growth	6
Anticipated negative effects of imports	Future	6

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

Table VI-14
OSBM: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2018

Item	Firm name and narrative on impact of imports
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Denial or rejection of investment proposal	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Return on specific investments negatively impacted	***
Other negative effects on investments	***
Other negative effects on investments	***
Rejection of bank loans	***
Rejection of bank loans	***
Lowering of credit rating	***
Problem related to the issue of stocks or bonds	***
Ability to service debt	***
Ability to service debt	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***

Item	Firm name and narrative on impact of imports
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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

Table VI-15
OSBM: Narrative responses relating to COVID-19 pandemic effects on U.S. processors' (inclusive of tollers) financial performance, since January 1, 2020

Firm	Impact	Narrative response
American Natural Processors	***	***
Modesto	***	***
Professional Proteins	***	***
Sheppard Grain	***	***
Simmons Grain	***	***
Super Soy	***	***
Tri-State Crush	***	***
Yorktown Organics	***	***

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

Part VII: Threat considerations and information on nonsubject countries

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

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

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

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

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

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

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

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

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

The industry in India

The Commission issued foreign producers' or exporters' questionnaires to 13 firms believed to produce and/or export OSBM from India.[3] Usable responses to the Commission's questionnaire were received from nine firms:[4] Delight Lifelike Products Pvt Ltd., ("Delight Lifelike"), Pragati Organics, ("Pragati"), Satguru Organics Pvt. Ltd., ("Satguru"), Satguru Agro Resources Pvt. Ltd., ("Satguru Agro"), Shanti Overseas (India) Limited ("Shanti"), Shanti Worldwide, Shri Sumati Oil Industries P Ltd., ("Shri Sumati"), Simran Feeds Private Limited ("Simran"), and Tejawat Organic Foods ("Tejawat").[5] These firms' exports to the United States accounted for approximately *** percent of reported U.S. imports of OSBM from India in 2020, based on U.S. importer questionnaire data.[6] According to estimates requested of the responding producers in India, the production of OSBM in India reported in questionnaires accounts for approximately 15.6 percent of overall production of OSBM in India.[7] Table VII-1 presents information on the OSBM operations of the responding producers and exporters in India. Table VII-2 presents the OSBM data for resales by the *** responding firms' resales of exports of OSBM to the United States during 2020. ***.

[3] These firms were identified through a review of information submitted in the petition and presented in third-party sources.

[4] During the preliminary phase investigations, Bergwerff Organic India Private Limited and Navjyot International Trading Pvt Ltd. responded to the Commission's foreign producer questionnaire. These firms reported ***. These firms did not respond to numerous Staff inquiries regarding their responses to the foreign producer/exporter questionnaire in the final phase of these investigations. Additionally, Ish Agritech Pvt. Ltd. did not respond to Staff inquiries regarding their response to the foreign producer/exporter questionnaire in the final phase of these investigations.

[5] ***. *** foreign producer questionnaires, section I-3.

[6] According to estimates requested of the responding Indian producers and exporters, these firms' exports to the United States accounted for approximately *** percent of exports of OSBM from India in 2020 to the United States. ***.

[7] Based on the estimates provided by foreign producers/exporters, the overall production of OSBM in India was nearly 600,000 short tons of OSBM during 2020.

Table VII-1
OSBM: Summary data for producers in India, 2020

Quantity in short tons; share in percent

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Delight Lifelike	***	***	***	***	***	***
Pragati	***	***	***	***	***	***
Satguru	***	***	***	***	***	***
Satguru Agro	***	***	***	***	***	***
Shanti	***	***	***	***	***	***
Shanti Worldwide	***	***	***	***	***	***
Shri Sumati	***	***	***	***	***	***
Simran Feeds	***	***	***	***	***	***
Tejawat	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Table VII-2
OSBM: Summary data for resellers in India, 2020

Firm	Resales of exports to the United States (short tons)	Share of resales of exports to the United States (percent)
Shanti Worldwide	***	***
Shri Sumati	***	***
All firms	***	***

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

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

Changes in operations

As presented in table VII-3 producers in India reported several operational and organizational changes since January 1, 2018.[8]

[8] In response to the Commission's question regarding the impact of the termination of the U.S. and India mutual recognition agreement, ***. See information on nonsubject countries for more information on the agreement and certification.

Table VII-3
OSBM: Reported changes in operations in India since January 1, 2018, by firm

Item	Firm name and accompanying narrative response
Plant openings	***
Plant openings	***
Plant openings	***
Plant openings	***
Plant openings	***
Expansions	***
Expansions	***
Expansions	***
Expansions	***
Expansions	***

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

Operations on OSBM

Table VII-4 presents information on the OSBM operations of the responding producers and exporters in India. during 2018-20, January-September 2020 ("interim 2020"), January-September 2021 ("interim 2021"), and projections for calendar years 2021 and 2022.

The combined Indian producer's capacity increased by 51.6 percent during 2018-20, and was higher during interim 2021 than during interim 2020 by 3.8 percent. The combined Indian producer's OSBM production increased by 101.9 percent during 2018-20, but was lower by 49.9 percent during interim 2021 than in interim 2020. The combined Indian producer's capacity utilization increased by 17.5 percentage points from 2018 to 2020, but was lower during interim 2021 than interim 2020 by 32.0 percentage points.[9] In addition, end-of-period inventories fluctuated, but increased by 104.7 percent during 2018-20, but were lower during interim 2021 than during interim 2020 by 34.6 percent. As a share of total shipments, there were less than one percent internal consumption/transfers during 2018-20. Total home market shipments more than doubled from 2018 to 2020, and were higher by more than double during interim 2021 than during interim 2020.

Total shipments increased by 95.3 percent from 2018 to 2020, but were lower by 43.2 percent during interim 2021 than in interim 2020. Exports of OSBM to the United States increased by 64.5 from 2018 to 2020, but were lower by 73.0 percent during interim 2021 than in interim

[9] Capacity is projected to increase during 2021 and 2022, while production is projected to increase during 2022 from 2021 levels, but it is not expected to reach 2020 levels. Total shipments are projected to follow a similar pattern, largely driven by changes to exports to the United States.

2020.[10] Exports to all other markets (other than the United States) increased by 217.0 percent during 2018-20, and were higher during interim 2021 than in interim 2020 by 33.3 percent. As a share of total shipments, exports to the United States decreased by 12.9 percentage points from 2018 to 2020, and were lower by 39.0 percentage points during interim 2021 than in interim 2020. Exports to all other markets as a share of total shipments increased by 10.8 percentage points from 2018 to 2020, and were higher by 31.2 percentage points during interim 2021 than in interim 2020. Resales exported to the United States on behalf of the responding producers accounted for 18.3 percent of total exports to the United States during 2020. Resales exported to the United States increased during 2018-20, and were higher during interim 2021 than in interim 2020. Other export markets identified by the Indian producers included Europe, Canada, South Korea, and the United Kingdom.[11] [12]

[10] Six of the nine responding foreign producers/exporters indicated that the Covid-19 pandemic had an impact on their operations, and the resulting lockdown during 2021 in India contributed to reduced operations. Indian foreign producer questionnaire responses, section II-2b.

[11] Indian foreign producer questionnaire responses, section II-8.

[12] *** indicated its exports other than the United States are to ***. Email correspondence with *** February 10, 2022.

Table VII-4
OSBM: Data on industry in India, by period

Quantity in short tons

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021	Projection 2021	Projection 2022
Capacity	125,377	161,797	190,016	138,149	143,334	207,179	215,707
Production	65,998	98,581	133,234	85,577	42,851	68,876	72,910
End-of-period inventories	3,904	1,695	7,992	5,079	3,321	4,510	2,709
Internal consumption	---	997	59	82	33	76	---
Commercial home market shipments	541	3,419	3,748	1,975	4,835	5,935	10,824
Home market shipments	541	4,416	3,807	2,057	4,868	6,011	10,824
Exports to the United States	53,764	73,187	88,448	62,272	16,836	37,110	25,911
Exports to all other markets	11,350	23,188	35,982	19,364	25,818	29,237	36,588
Export shipments	65,114	96,375	124,430	81,636	42,654	66,347	62,499
Total shipments	65,655	100,791	128,237	83,693	47,522	72,358	73,323
Resales exported to US	1,358	2,654	19,838	16,193	11,070	11,070	---
Adjusted exports to the United States	55,122	75,841	108,286	78,465	27,906	48,180	25,911

Table continued.

Table VII-4 Continued
OSBM: Data on industry in India, by period

Shares and ratio are in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021	Projection 2021	Projection 2022
Capacity utilization ratio	52.6	60.9	70.1	61.9	29.9	33.2	33.8
Inventory ratio to production	5.9	1.7	6.0	4.5	5.8	6.5	3.7
Inventory ratio to total shipments	5.9	1.7	6.2	4.6	5.2	6.2	3.7
Internal consumption share	---	1.0	0.0	0.1	0.1	0.1	---
Commercial home market shipments share	0.8	3.4	2.9	2.4	10.2	8.2	14.8
Home market shipments share	0.8	4.4	3.0	2.5	10.2	8.3	14.8
Exports to the United States share	81.9	72.6	69.0	74.4	35.4	51.3	35.3
Exports to all other markets share	17.3	23.0	28.1	23.1	54.3	40.4	49.9
Export shipments share	99.2	95.6	97.0	97.5	89.8	91.7	85.2
Total shipments share	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Exports by producers share of total exports to U.S.	97.5	96.5	81.7	79.4	60.3	77.0	100.0
Exports by resellers share of total exports to U.S.	2.5	3.5	18.3	20.6	39.7	23.0	---
Adjusted share of total shipments exported to U.S.	84.0	75.2	84.4	93.8	58.7	66.6	35.3

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

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

Alternative products

As shown in table VII-5, responding firms in India produced other products on the same equipment and machinery used to produce OSBM. Products other than OSBM accounted for approximately *** during period for which data were collected.[13]

[13] Other products include ***. *** foreign producer questionnaire response, section II-3a.

Table VII-5
OSBM: Producers' in India overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratio and share in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Overall capacity	Quantity	***	***	***	***	***
Production: OSBM	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Overall capacity utilization	Ratio	***	***	***	***	***
Production: OSBM	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Exports

According to GTA, the leading export markets for processed soybean products (includes flours and meals of soybeans and soybean oilcake and other solid residues resulting from the extraction of soybean oil) from India are the United States, Nepal, and Bangladesh (table VII-6). During 2020, the United States was the top export market for processed soybean products from India, accounting for 31.0 percent, followed by Nepal, accounting for 9.7 percent, and Bangladesh accounting for 8.0 percent.

Table VII-6
Processed soybean products: Exports from India, by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2018	2019	2020
United States	Quantity	195,458	340,810	455,505
Nepal	Quantity	205,230	138,756	142,547
Bangladesh	Quantity	299,940	133,438	116,904
Iran	Quantity	248,295	452,625	104,402
France	Quantity	237,064	118,029	83,517
South Korea	Quantity	85,197	82,448	75,619
Canada	Quantity	43,874	59,326	67,099
United Kingdom	Quantity	7,667	18,519	54,879
Japan	Quantity	143,768	83,223	49,846
All other destination markets	Quantity	749,450	292,110	317,737
All destination markets	Quantity	2,215,943	1,719,286	1,468,056
United States	Value	108,721	181,984	246,712
Nepal	Value	85,949	60,133	63,864
Bangladesh	Value	119,979	51,910	51,774
Iran	Value	96,785	186,175	42,576
France	Value	85,665	42,540	39,476
South Korea	Value	40,079	40,497	41,223
Canada	Value	23,684	30,524	35,505
United Kingdom	Value	3,736	9,821	30,798
Japan	Value	57,973	36,405	25,832
All other destination markets	Value	294,956	122,832	156,715
All destination markets	Value	917,526	762,821	734,475

Table continued

Table VII-6 Continued
Processed soybean products: Exports from India, by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2018	2019	2020
United States	Unit value	556	534	542
Nepal	Unit value	419	433	448
Bangladesh	Unit value	400	389	443
Iran	Unit value	390	411	408
France	Unit value	361	360	473
South Korea	Unit value	470	491	545
Canada	Unit value	540	515	529
United Kingdom	Unit value	487	530	561
Japan	Unit value	403	437	518
All other destination markets	Unit value	394	420	493
All destination markets	Unit value	414	444	500
United States	Share of quantity	8.8	19.8	31.0
Nepal	Share of quantity	9.3	8.1	9.7
Bangladesh	Share of quantity	13.5	7.8	8.0
Iran	Share of quantity	11.2	26.3	7.1
France	Share of quantity	10.7	6.9	5.7
South Korea	Share of quantity	3.8	4.8	5.2
Canada	Share of quantity	2.0	3.5	4.6
United Kingdom	Share of quantity	0.3	1.1	3.7
Japan	Share of quantity	6.5	4.8	3.4
All other destination markets	Share of quantity	33.8	17.0	21.6
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 1208.10 and 2304.00 as reported by Ministry of Commerce in the Global Trade Atlas database, accessed January 5, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

U.S. inventories of imported merchandise

Table VII-7 presents data on U.S. importers' reported inventories of OSBM during 2018-2020, January-September 2020, and January-September 2021. All responding firms reported inventories of imports from India, while *** had the largest share of ending period inventories during 2018-20. Inventories from subject sources increased during 2018-20 and as a ratio to U.S. imports increased by *** percentage points, but were lower by *** percentage points during interim 2021 than in interim 2020. Inventories from nonsubject import sources decreased by *** percent during 2018-20, but were higher during interim 2021 than in interim 2020.

Table VII-7
OSBM: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in short tons; ratio in percent

Measure	Source	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Inventories quantity	India	***	***	***	***	***
Ratio to imports	India	***	***	***	***	***
Ratio to U.S. shipments of imports	India	***	***	***	***	***
Ratio to total shipments of imports	India	***	***	***	***	***
Inventories quantity	Nonsubject sources	***	***	***	***	***
Ratio to imports	Nonsubject sources	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject sources	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject sources	***	***	***	***	***
Inventories quantity	All import sources	***	***	***	***	***
Ratio to imports	All import sources	***	***	***	***	***
Ratio to U.S. shipments of imports	All import sources	***	***	***	***	***
Ratio to total shipments of imports	All import sources	***	***	***	***	***

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

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

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of OSBM from subject and nonsubject sources after September 30, 2021. Their reported data is presented in table VII-8. Subject sources accounted for *** percent of arranged imports during October 1, 2021 through September 30, 2022. *** had the largest

quantities of arranged imports of OSBM arranged from India, during the reporting period, accounting for *** of all arranged imports of OSBM from India. ***.

Table VII-8
OSBM: U.S. importers' arranged imports, by source and period

Quantity in short tons

Source of arranged imports	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022	Jul-Sep 2022	Total
India	***	***	***	***	***
Nonsubect sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Third-country trade actions

There are no known current trade remedy actions on imports of OSBM in any third-country markets.

Information on nonsubject countries

Information on organic soybean meal trade and production is very limited, especially on a global scale. Global trade data at the six-digit HS level does not provide information on trade in organic product. Given the limited production of organic soybeans, production and trade of OSBM is known to be minute compared to non-organic soybean meal.[14] Moreover, the existence of different voluntary organic certifications bifurcates the market as what is considered organic varies by country.

The United States requires that a product must be produced in compliance with the USDA's voluntary organic certification program, or one deemed equivalent, to be considered organic.[15] The United States has organic equivalency agreements with seven trading partners, meaning that any OSBM processed or packaged in these countries certified to their organic

[14] OSBM likely accounts for less than 1 percent of all soybean meal production. Conference transcript, p. 64; Vivek Voora, Cristina Larrea, and Steffany Bermúdez, "Global Market Report: Soybeans," Sustainable Commodities Marketplace Series 2019 (International Institute for Sustainable Development; State of Sustainability Initiatives, October 2020), p 1, 3.

[15] U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS), *How Does USDA Assess Organic Equivalency with Other Countries?*, accessed January 25, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/how-does-usda-assess-organic-equivalency-other-countries; USDA, AMS, "International Trade Partners," accessed January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade.

standards would be treated as organic in the United States (see table VII-9).[16] In addition, any OSBM processed, or packaged in compliance with Canadian organic certification standards in Canada or a third-country market would also be considered OSBM in the United States.[17] However, none of the seven equivalency trading partners are major exporters of soybean meal—the European Union (EU) and Canada are the largest exporters, together constituting less than two percent of global soybean meal exports during marketing years (MY) 2017/18 to 2019/20—and some do not export any soybean meal. The amount of global exports (or total production) of OSBM from these countries is unknown. Based on Petitioner's estimates, the United States did not import OSBM from Canada until 2017; OSBM imports from Canada then ranged from between about 1 to 2 percent of total OSMB imports during 2017-19.[18]

[16] The United States has established organic equivalency with seven trading partners: Canada, the European Union, Taiwan, Japan, Korea, Switzerland, and the United Kingdom. USDA, AMS, International Trade Polices: Canada, European Union, Taiwan, Japan, Republic of Korea, Switzerland, and United Kingdom, accessed April 20, 2021 and January 26, 2021, https://www.ams.usda.gov/services/organic-certification/international-trade.

[17] USDA, AMS, International Trade Polices: Canada, accessed April 20, 2021 and January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/Canada.

[18] 2019 was the most recent year of data provided. No other U.S. trading partner with an organic equivalency agreement was estimated to be a major supplier of OSBM to the United States by Petitioners. Petition, Ex. I-3.

Table VII-9
OSBM: Average soybean meal exports and production of U.S. trading partners with organic equivalency agreements, marketing years 2017/18–2019/20

Quantity in 1,000 short tons; shares in percent

Source	Measure	Average Soybean meal exports	Average Soybean meal production
Canada	Quantity	408	1,645
European Union	Quantity	881	13,033
Japan	Quantity	1	2,010
South Korea	Quantity	57	877
Switzerland	Quantity	1	12
Taiwan	Quantity	9	1,926
Canada	Share	0.6	0.6
European Union	Share	1.2	5.0
Japan	Share	0.0	0.8
South Korea	Share	0.1	0.3
Switzerland	Share	0.0	0.0
Taiwan	Share	0.0	0.7

Source: USDA, AMS, International Trade Polices: Canada, European Union, Japan, Republic of Korea, Switzerland, Taiwan, and United Kingdom, https://www.ams.usda.gov/services/organic-certification/international-trade, accessed April 20, 2021 and January 26, 2022 https://apps.fas.usda.gov/psdonline/app/index.html#/app/advQuery; USDA, FAS, Production, Supply and Distribution (PSD): Production and Exports: Soybean meal, accessed March 2, 2022, https://apps.fas.usda.gov/psdonline/app/index.html#/app/advQuery; USDA, FAS, EU and UK Production, Supply and Distribution (PSD) Datasets and "Brexit," accessed April 23, 2021, https://apps.fas.usda.gov/psdonline/app/index.html#/app/home.

Note: Total global average soybean meal exports averaged almost 74 million short tons annually during 2017/18–2019/20. During this period production averaged almost 262 million mt annually.

Note: Soybean meal exports for the United Kingdom are included with the European Union for this period 2017/18–2019/20.

Note: Shares reflect the share of total export and production from all countries. Those shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Despite being by far the largest producer of soybean meal of the trading partners with organic equivalency agreements, indications are that the EU, including the United Kingdom, is unlikely to become an important exporter of OSBM. The EU accounted for about 5 percent of global soybean meal production during MY 2017/18–2019/20, but is dependent on imports to meet its soybean meal demand. In that period, domestically produced soybean meal

production was equal to about 42 percent of domestic consumption.[19] Moreover, the EU crushers are largely dependent on foreign soybeans for supply; the EU is the second largest importer of soybeans after China.[20] In addition, demand for organic foods in the EU is high. As of 2018, the EU was the second largest organic food market, just behind the United States, and includes some of the countries with the highest global per capita organic consumption.[21] Finally, trade data suggest that at most there have been minimal U.S. imports of OSBM from the EU during the POI.[22]

The United States also has organic recognition agreements with Israel and New Zealand, however neither country exports soybean meal.[23] According to the USDA, "{r}ecognition agreements allow a foreign government to accredit certifying agents in that country to the USDA organic standards." A recognition agreement with India was terminated in effective January 11, 2021 (For more details, see Part 1: "The Product.").[24] As of February 2022, the United States has no other organic recognition agreements.

U.S. recognized OSBM is not limited to countries with organic equivalency agreements since if it is certified to meet USDA organic standards, OSBM may be imported from any

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[19] USDA, Foreign Agricultural Service (FAS), PSD database Soybean meal: Production, Domestic Consumption, accessed March 2, 2022, https://apps.fas.usda.gov/psdonline/app/index.html#/app/advQuery.

[20] USDA, FAS, PSD database Soybean: Imports, accessed April 23, 2020, https://apps.fas.usda.gov/psdonline/app/index.html#/app/advQuery; USDA, FAS, *Oilseeds and Products Annual: European Union*, GAIN Report. No E42019-0057, April 16, 2020, https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Oilseeds%20and%20Products%20Annual_Vienna_European%20Union_04-01-2019.

[21] See e.g., European Parliament, The EU's Organic Food Market: Facts and Rules (infographic), updated November 30, 2021, https://www.europarl.europa.eu/news/en/headlines/society/20180404STO00909/the-eu-s-organic-food-market-facts-and-rules-infographic; Wunsch, Nils-Gerrit, "The Leading 10 Countries With The Highest Organic Food Per Capita Consumption In 2018," Statista, November 23, 2020, https://www.statista.com/statistics/263077/per-capita-revenue-of-organic-foods-worldwide-since-2007/.

[22] USITC DataWeb/USDOC (HTS provisions 1208.10.0010 and 2304.00.00), accessed April 14, 2021. In addition, a report by Agromeris commissioned by Petitioners does not list the EU or any of its member states as a leading supplier of OSBM. Petition, Ex 1-3.

[23] USDA, AMS, International Trade Polices: Israel and New Zealand accessed April 20, 2021 and January 26, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade; Petition Ex I-8.

[24] The United States had this organic recognition agreement with India from 2006 until early January 2021. While the United States ended this recognition agreement effective January 11, 2021, it provided an 18-month transition period for Indian organic exports to the United States. USDA, AMS, International Trade Polices: India, accessed April 20, 2021 and February 11, 2022, https://www.ams.usda.gov/services/organic-certification/international-trade/India.

country. According to the USDA's OID lists, over 1,300 operations worldwide (excluding the United States) have USDA organic certification that covers soybean meal.[25] Such imports enter the United States under HTS provisions 1208.10.0010 and 2304.00.0000.[26] HTS provision 1208.10.0010 covers organic soybean flours and meal. Imports under this HTS provision–which are not necessarily OSBM, as the provision also covers flours–fell approximately 69 percent between 2018 and 2020 (table VII-10). U.S. import data show that, in addition to imports from India, the United States only consistently imported certified organic flour and meal products from Canada during 2018–20, although in very small and declining quantities.[27]

Table VII-10
Organic soybean flour and meal: U.S. imports, by source and period

Quantity in short tons; shares in percent

Source	Measure	2018	2019	2020
India	Quantity	4,621	1,934	1,819
Canada	Quantity	3,237	1,232	599
China	Quantity	-	1	-
Denmark	Quantity	-	1	-
All import sources	Quantity	7,858	3,167	2,418
India	Share	58.8	61.1	75.2
Canada	Share	41.2	38.9	24.8
China	Share	---	0.0	---
Denmark	Share	---	0.0	---
All import sources	Share	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 1208.10.0010 accessed on March 1, 2022. Imports are based on the imports for consumption data series.

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

Most U.S. soybean meal imports enter under HTS subheading 2304.00.00, which does not have a provision breaking out OSBM (table VII-11). Petitioners have provided data and testimony that the majority of U.S. imports from Turkey, Argentina, and China entering under this HTS are OSBM.[28] Of the three countries thought to be primarily shipping OSBM, the largest

[25] USDA, AMS, Organic Integrity Database: Certified: Soybean meal, accessed February 11, 2022, https://organic.ams.usda.gov/integrity/.

[26] Petition, p 18-19

[27] During that period the only other imports under HTS provision 1208.10.0010 were about one short ton each from Denmark and China in 2018. USITC DataWeb/USDOC, access date March 1, 2022.

[28] Petition, Ex 3; Conference transcript, p. 144-147.

consistent supplier of soybean meal was Turkey. The USDA also reports that while Turkish meal shipments to the United States are likely to be OSBM, they are probably transshipments from other regional producers.[29]

Table VII-11
Soybean oilcake: U.S. imports, by source and period

Quantity in short tons; shares in percent

Source	Measure	2018	2019	2020
India	Quantity	143,183	335,953	426,392
Canada	Quantity	205,640	210,564	167,669
Turkey	Quantity	36,420	24,221	37,782
Argentina	Quantity	8,794	16,331	8,318
China	Quantity	46,294	4,904	515
All other sources	Quantity	474	510	648
All import sources	Quantity	440,806	592,482	641,324
India	Share	32.5	56.7	66.5
Canada	Share	46.7	35.5	26.1
Turkey	Share	8.3	4.1	5.9
Argentina	Share	2.0	2.8	1.3
China	Share	10.5	0.8	0.1
All other sources	Share	0.1	0.1	0.1
All import sources	Share	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS subheading number HTS 2304.00.00 accessed on March 1, 2022. Imports are based on the imports for consumption data series.

Note: HTS 2304.00.00 covers oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soybean oil.

[29] The USDA has reported that there was no significant production of organic soybeans in Turkey. USDA, FAS, *Turkey: Oilseeds and Products Update*, GAIN report No. TR9004, March 1, 2019 https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=Oilseeds%20and%20Products%20Annual_Ankara_Turkey_3-1-2019.pdf; USDA, FAS, *Turkey: Oilseeds and Products Update*, GAIN report No. TR8017, June 19, 2018. https://apps.fas.usda.gov/newgainapi/api/report/downloadreportbyfilename?filename=Oilseeds%20and%20Products%20Update_Ankara_Turkey_6-19-2018.pdf; USDA, FAS, *Turkey: Oilseeds and Products Annual*, GAIN report No. TU2020-0003, March 3, 2020. https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Oilseeds%20and%20Products%20Annual_Ankara_Turkey_03-01-2020.

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
86 FR 18296, April 8, 2021	*Organic Soybean Meal From India; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations*	https://www.govinfo.gov/content/pkg/FR-2021-04-08/pdf/2021-07195.pdf
86 FR 22146, April 27, 2021	*Organic Soybean Meal From India: Initiation of Less-Than-Fair-Value Investigation*	https://www.govinfo.gov/content/pkg/FR-2021-04-27/pdf/2021-08710.pdf
86 FR 22136, April 27, 2022	*Organic Soybean Meal From India: Initiation of Countervailing Duty Investigation*	https://www.govinfo.gov/content/pkg/FR-2021-04-27/pdf/2021-08711.pdf
86 FR 27649, May 21, 2021	*Organic Soybean Meal From India*	https://www.govinfo.gov/content/pkg/FR-2021-05-21/pdf/2021-10728.pdf
86 FR 29514, September 3, 2021	*Organic Soybean Meal from India: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination*	https://www.govinfo.gov/content/pkg/FR-2021-09-03/pdf/2021-19139.pdf
86 FR 60443, November 2, 2021	*Organic Soybean Meal From India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*	https://www.govinfo.gov/content/pkg/FR-2021-11-02/pdf/2021-23883.pdf

Citation	Title	Link
86 FR 64956, November 19, 2021	*Organic Soybean Meal From India; Scheduling of the Final Phase of Countervailing Duty and Antidumping Duty Investigations*	https://www.govinfo.gov/content/pkg/FR-2021-11-19/pdf/2021-25234.pdf
87 FR 16458, March 23, 2022	*Organic Soybean Meal From India; Final Affirmative Determination of Sales at Less Than Fair Value*	https://www.govinfo.gov/content/pkg/FR-2022-03-23/pdf/2022-06154.pdf
87 FR 16453, March 23, 2022	*Organic Soybean Meal From India; Final Affirmative Countervailing Duty Determination*	https://www.govinfo.gov/content/pkg/FR-2022-03-23/pdf/2022-06155.pdf

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

Subject: Organic Soybean Meal from India

Inv. Nos.: 701-TA-667 and 731-TA-1559 (Final)

Date and Time: March 16, 2022 - 9:30 a.m.

OPENING REMARKS:

Petitioners (**Dan Ujczo**, Thompson Hine LLP)

In Support of the Imposition of Antidumping and Countervailing Duty Orders:

Thompson Hine LLP
Washington, DC
on behalf of

Organic Soybean Processors of America
American Natural Processors, LLC
Organic Production Services, LLC
Professional Proteins, Ltd.
Sheppard Grain Enterprises LLC
Simmons Grain Company
Super Soy LLC
Tri-State Crush LLC

Annette Cook, Corporate Secretary, Simmons Grain Company and Organic Soybean Processors of America

Beth Bennett, Operations Manager, Professional Proteins, Ltd.

John Sheppard, President, Sheppard Grain Enterprises, LLC and Organic Soybean Processors of America

James Dougan, Partner, ION Economics, LLC

Travis Luke, President, Tri-State Crush, LLC

Andrew Strommen, General Manager, Super Soy, LLC

In Support of the Imposition of
Antidumping and Countervailing Duty Orders (continued):

Sam Jennett, Chief Executive Officer, American Natural Processors, Inc.

Michelle Li)
) – OF COUNSEL
Dan Ujczo)

CLOSING REMARKS:

Petitioners (**Michelle Li** *and* **Dan Ujczo**, Thompson Hine LLP)

-END-

APPENDIX C

SUMMARY DATA

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All U.S. processors

Table C-1
OSBM: Summary data concerning the U.S. market, by period
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
U.S. consumption quantity:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. importers' U.S. shipments of imports from:									
India:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources:									
Quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
Value	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. processors':									
Average capacity quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Production quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Capacity utilization (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Value	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value	***	***	***	***	***	▼***	▲***	▼***	▲***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Inventories/total shipments (fn1)	***	***	***	***	***	▲***	▼***	▲***	▲***
Production workers	***	***	***	***	***	▼***	▼***	▼***	▲***
Hours worked (1,000s)	***	***	***	***	***	▼***	▼***	▼***	▼***
Wages paid ($1,000)	***	***	***	***	***	▼***	▼***	▼***	▲***
Hourly wages (dollars per hour)	***	***	***	***	***	▼***	▼***	▲***	▲***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit labor costs (dollars per short ton)	***	***	***	***	***	▼***	▲***	▼***	▼***

Table continued.

Table C-1 Continued
OSBM: Summary data concerning the U.S. market, by period
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
U.S. non-tolling operations:									
Net sales:									
Quantity	174,498	142,924	133,209	104,199	113,868	▼(23.7)	▼(18.1)	▼(6.8)	▲9.3
Value	138,406	110,581	102,436	80,071	109,498	▼(26.0)	▼(20.1)	▼(7.4)	▲36.8
Unit value	$793	$774	$769	$768	$962	▼(3.0)	▼(2.5)	▼(0.6)	▲25.1
Cost of goods sold (COGS)	130,393	103,870	101,263	78,295	108,179	▼(22.3)	▼(20.3)	▼(2.5)	▲38.2
Gross profit or (loss) (fn2)	8,013	6,711	1,173	1,776	1,319	▼(85.4)	▼(16.2)	▼(82.5)	▼(25.7)
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit COGS	$747	$727	$760	$751	$950	▲1.7	▼(2.7)	▲4.6	▲26.4
Unit SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▼***	▲***	▼***	▼***
Unit net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
COGS/sales (fn1)	94.2	93.9	98.9	97.8	98.8	▲4.6	▼(0.3)	▲4.9	▲1.0
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▲***	▼***	▼***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
U.S. tolling operations:									
Net tolling:									
Quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Value	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit value	***	***	***	***	***	▼***	▼***	▲***	▲***
Cost of tolling services (COTS)	***	***	***	***	***	▼***	▼***	▲***	▲***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▲***	▲***
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	***	▲***
Net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit COTS	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit SG&A expenses	***	***	***	***	***	▲***	▼***	▲***	▼***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
COTS/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
U.S. processors':									
Capital expenditures	***	***	***	***	***	▲***	▲***	▼***	▼***
Research and development expenses	***	***	***	***	***	***	***	***	***
Net assets	***	***	***	***	***	▲***	▲***	▲***	***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "---". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

fn3.--Calculation suppressed.

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

Related party exclusion (two U.S. processors)

Table C-2
OSBM: Summary data concerning the U.S. market excluding two U.S. processors *, by period**
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
U.S. consumption quantity:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1):									
Included processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Excluded processors	***	***	***	***	***	▼***	▼***	▼***	▲***
All processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1):									
Included processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Excluded processors	***	***	***	***	***	▼***	▼***	▼***	▲***
All processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. importers' U.S. shipments of imports from:									
India:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources:									
Quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
Value	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Included U.S. processors':									
Average capacity quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Production quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Capacity utilization (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Value	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value	***	***	***	***	***	▼***	▲***	▼***	▲***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Inventories/total shipments (fn1)	***	***	***	***	***	▼***	▼***	▲***	▲***
Production workers	***	***	***	***	***	▼***	▼***	▼***	▲***
Hours worked (1,000s)	***	***	***	***	***	▼***	▼***	▼***	▼***
Wages paid ($1,000)	***	***	***	***	***	▼***	▼***	▼***	▲***
Hourly wages (dollars per hour)	***	***	***	***	***	▲***	▲***	▲***	▲***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit labor costs (dollars per short ton)	***	***	***	***	***	▼***	▼***	▼***	▼***

Table continued.

Table C-2 Continued
OSBM: Summary data concerning the U.S. market excluding two U.S. processors *, by period**
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
Included U.S. non-tolling operations:									
Net sales:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Value	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value	***	***	***	***	***	▼***	▼***	▼***	▲***
Cost of goods sold (COGS)	***	***	***	***	***	▼***	▼***	▲***	▲***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
Net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit COGS	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
COGS/sales (fn1)	***	***	***	***	***	▲***	▲***	▲***	▼***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Included U.S. tolling operations:									
Net tolling:									
Quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Value	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit value	***	***	***	***	***	▼***	▼***	▲***	▲***
Cost of tolling services (COTS)	***	***	***	***	***	▼***	▼***	▲***	▲***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▲***	▲***
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	***	▲***
Net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit COTS	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit SG&A expenses	***	***	***	***	***	▲***	▼***	▲***	▼***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
COTS/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Included U.S. processors':									
Capital expenditures	***	***	***	***	***	▲***	▲***	▼***	▼***
Research and development expenses	***	***	***	***	***	***	***	***	***
Net assets	***	***	***	***	***	▲***	▲***	▲***	***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "---". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.
fn3.--Calculation suppressed.

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

Related party exclusion (one U.S. processor)

Table C-3
OSBM: Summary data concerning the U.S. market excluding one U.S. processor *, by period**
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
U.S. consumption quantity:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1):									
Included processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Excluded processors	***	***	***	***	***	▼***	▼***	▼***	▲***
All processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount	***	***	***	***	***	▲***	▲***	▲***	▲***
Processors' share (fn1):									
Included processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Excluded processors	***	***	***	***	***	▼***	▼***	▼***	▲***
All processors	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
India	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. importers' U.S. shipments of imports from:									
India:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Nonsubject sources:									
Quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
Value	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▼***	▲***	▼***	▲***
All import sources:									
Quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Value	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Included U.S. processors':									
Average capacity quantity	***	***	***	***	***	▲***	▲***	▲***	▼***
Production quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Capacity utilization (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
U.S. shipments:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Value	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value	***	***	***	***	***	▼***	▲***	▼***	▲***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Inventories/total shipments (fn1)	***	***	***	***	***	▲***	▼***	▲***	▲***
Production workers	***	***	***	***	***	▼***	▼***	▼***	▲***
Hours worked (1,000s)	***	***	***	***	***	▼***	▼***	▼***	▼***
Wages paid ($1,000)	***	***	***	***	***	▼***	▼***	▼***	▲***
Hourly wages (dollars per hour)	***	***	***	***	***	▼***	▼***	▲***	▲***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit labor costs (dollars per short ton)	***	***	***	***	***	▼***	▼***	▼***	▼***

Table continued.

Table C-3 Continued
OSBM: Summary data concerning the U.S. market excluding one U.S. processor *, by period**
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			
	Calendar year			Jan-Sep		Comparison years			Jan-Sep
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21
Included U.S. non-tolling operations:									
Net sales:									
Quantity	***	***	***	***	***	▼***	▼***	▼***	▲***
Value	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value	***	***	***	***	***	▼***	▼***	▼***	▲***
Cost of goods sold (COGS)	***	***	***	***	***	▼***	▼***	▼***	▲***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Operating income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit COGS	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▼***	▲***	▼***	▼***
Unit net income or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▼***	▲***
COGS/sales (fn1)	***	***	***	***	***	▲***	▼***	▲***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▲***	▼***	▼***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Included U.S. tolling operations:									
Net tolling:									
Quantity	***	***	***	***	***	▼***	▼***	▲***	▲***
Value	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit value	***	***	***	***	***	▼***	▼***	▲***	▲***
Cost of tolling services (COTS)	***	***	***	***	***	▼***	▼***	▲***	▲***
Gross profit or (loss) (fn2)	***	***	***	***	***	▼***	▼***	▲***	▲***
SG&A expenses	***	***	***	***	***	▼***	▼***	▲***	▼***
Operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	***	▲***
Net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit COTS	***	***	***	***	***	▼***	▼***	▲***	▲***
Unit SG&A expenses	***	***	***	***	***	▲***	▼***	▲***	▼***
Unit operating income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit net income or (loss) (fn2)	***	***	***	***	***	▲***	▲***	▼***	▲***
COTS/sales (fn1)	***	***	***	***	***	▼***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Net income or (loss)/sales (fn1)	***	***	***	***	***	▲***	▲***	▼***	▲***
Included U.S. non-tolling operations:									
Capital expenditures	***	***	***	***	***	▲***	▲***	▼***	▼***
Research and development expenses	***	***	***	***	***	***	***	***	***
Net assets	***	***	***	***	***	▲***	▲***	▲***	***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "---". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

fn3.--Calculation suppressed.

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

APPENDIX D

RELATED PARTY EXCLUSION TRADE DATA ***

Figure D-1 and tables D-1 through D-6 present U.S. processors *** trade data as related party exclusions during 2018-20, January-September 2020, and January-September 2021, while tables D-7 through D-12 (along with figure D-2) present U.S. processor *** trade data as a related party exclusion. The trade data excluding two U.S. processors *** includes; table D-1 (and D-7) presents capacity, production, and capacity utilization, table D-2 (and D-8) presents total shipments, table D-3 (and D-9) presents inventories and ratios to shipments and production, D-4 (and D-10) presents employment related information, and tables D-5 and D-6 (along with D-11 and D-12) present apparent consumption and market shares.

Table D-1
OSBM: U.S. processors' capacity, production and capacity utilization excluding two U.S. processors *, by period**

Capacity in short tons, ratios in percent

Firm	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
Capacity utilization	Ratio	***	***	***	***	***

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

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

Figure D-1
OSBM: U.S. processors' capacity, production and capacity utilization excluding two U.S. processors *, by period**

* * * * * * *

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

Table D-2
OSBM: U.S. processors' total shipments excluding two U.S. processors *, by destination and period**

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

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	***	***	***	***	***
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	***	***	***	***	***

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

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

Table D-3
OSBM: U.S. processors' inventories and their ratio to select items excluding two U.S. processors *, by period**

Quantity in short tons; ratios in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

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

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

Table D-4
OSBM: U.S. producer employment related information excluding two U.S. processors *, by item and period**

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***
Unit labor costs (dollars per short ton)	***	***	***	***	***

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

Table D-5
OSBM: Apparent U.S. consumption and market shares for based on quantity excluding two U.S. processors *, by item and period**

Quantity in short tons; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. processors	Quantity	***	***	***	***	***
Excluded U.S. processor	Quantity	***	***	***	***	***
All U.S. processors	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
Included U.S. processors	Share	***	***	***	***	***
Excluded U.S. processor	Share	***	***	***	***	***
All U.S. processors	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

Table D-6
OSBM: Apparent U.S. consumption and market shares for based on value excluding two U.S. processors *, by item and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. processors	Value	***	***	***	***	***
Excluded U.S. processor	Value	***	***	***	***	***
All U.S. processors	Value	***	***	***	***	***
India	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
Included U.S. processors	Share	***	***	***	***	***
Excluded U.S. processor	Share	***	***	***	***	***
All U.S. processors	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

Table D-7
OSBM: U.S. processors' capacity, production and capacity utilization excluding U.S. processor *, by period**

Capacity in short tons, ratios in percent

Firm	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
Capacity utilization	Ratio	***	***	***	***	***

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

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

Figure D-2
OSBM: U.S. processors' capacity, production and capacity utilization excluding U.S. processor *, by period**

* * * * * * *

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

Table D-8
OSBM: U.S. processors' total shipments excluding U.S. processor *, by destination and period**

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

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	***	***	***	***	***
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	***	***	***	***	***

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

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

Table D-9
OSBM: U.S. processors' inventories and their ratio to select items excluding U.S. processor *, by period**

Quantity in short tons; ratios in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

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

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

Table D-10
OSBM: U.S. producer employment related information excluding U.S. processor *, by item and period**

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***
Unit labor costs (dollars per short ton)	***	***	***	***	***

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

Table D-11
OSBM: Apparent U.S. consumption and market shares for based on quantity excluding U.S. processor *, by item and period**

Quantity in short tons; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. processors	Quantity	***	***	***	***	***
Excluded U.S. processor	Quantity	***	***	***	***	***
All U.S. processors	Quantity	***	***	***	***	***
India	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
Included U.S. processors	Share	***	***	***	***	***
Excluded U.S. processor	Share	***	***	***	***	***
All U.S. processors	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

Table D-12
OSBM: Apparent U.S. consumption and market shares for based on value excluding U.S. processor *, by item and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. processors	Value	***	***	***	***	***
Excluded U.S. processor	Value	***	***	***	***	***
All U.S. processors	Value	***	***	***	***	***
India	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
Included U.S. processors	Share	***	***	***	***	***
Excluded U.S. processor	Share	***	***	***	***	***
All U.S. processors	Share	***	***	***	***	***
India	Share	***	***	***	***	***
Nonsubject sources	Share	***	***	***	***	***
All import sources	Share	***	***	***	***	***
All sources	Share	***	***	***	***	***

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

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

APPENDIX E

PRICE DATA EXCLUDING U.S. PROCESSOR(S) ***

Table E-1: OSBM: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 excluding U.S. processor(s) ***, and margins of underselling/(overselling), by quarter E-3

Figure E-1: OSBM: Weighted-average prices and quantities of domestic and imported product 1 excluding U.S. processor(s) ***, by quarter E-4

Table E-2: OSBM: Summary of price data excluding U.S. processor(s) ***, by product and source, January 2018-September 2021 ..... E-5

Table E-3: OSBM: Instances of underselling and overselling and the range and average of margins excluding U.S. processor(s) ***, by product E-5

Table E-1
OSBM: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 excluding U.S. processor(s) *, and margins of underselling/(overselling), by quarter**

Quantity in short tons; Prices in dollars per short ton; Margins in percent

Period	US price	US quantity	India price	India quantity	India margin
2018 Q1	***	***	***	***	***
2018 Q2	***	***	***	***	***
2018 Q3	***	***	***	***	***
2018 Q4	***	***	***	***	***
2019 Q1	***	***	***	***	***
2019 Q2	***	***	***	***	***
2019 Q3	***	***	***	***	***
2019 Q4	***	***	***	***	***
2020 Q1	***	***	***	***	***
2020 Q2	***	***	***	***	***
2020 Q3	***	***	***	***	***
2020 Q4	***	***	***	***	***
2021 Q1	***	***	***	***	***
2021 Q2	***	***	***	***	***
2021 Q3	***	***	***	***	***

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

Note: Product 1: Certified OSBM having at least a protein content of 44 percent, feed grade.

Figure E-1
OSBM: Weighted-average prices and quantities of domestic and imported product 1 excluding U.S. processor(s) *, by quarter**

Price of product 1

* * * * * * *

Volume of product 1

* * * * * * *

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

Note: Product 1: Certified OSBM having at least a protein content of 44 percent, feed grade.

Table E-2
OSBM: Summary of price data excluding U.S. processor(s) *, by product and source, January 2018-September 2021**

Quantity in short tons, price in dollars per short ton

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Change over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	India	***	***	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter 2018 to the third quarter in 2021.

Table E-3
OSBM: Instances of underselling and overselling and the range and average of margins excluding U.S. processor(s) *, by product**

Quantity in short tons; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Minimum margin	Maximum margin
Product 1	Underselling	15	***	***	***	***
Product 1	Overselling	---	---	---	---	---

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

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

APPENDIX F

FINANCIAL DATA EXCLUDING U.S. PROCESSOR(S) FOR RELATED PARTY CONSIDERATION

Table F-1
OSBM: Results of non-toll operations of U.S. processors excluding two U.S. processors *, by item and period**

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
Raw materials: All beans	Value	***	***	***	***	***
Energy costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
Less by-product revenue	Value	***	***	***	***	***
COGS	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense/income, net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw materials: All beans	Ratio to NS	***	***	***	***	***
Energy costs	Ratio to NS	***	***	***	***	***
Direct labor costs	Ratio to NS	***	***	***	***	***
Other factory costs	Ratio to NS	***	***	***	***	***
Less by-product revenue	Ratio to NS	***	***	***	***	***
COGS	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table F-1 Continued
OSBM: Results of non-toll operations of U.S. processors excluding two U.S. processors *, by item and period**

Shares in percent; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Raw materials: All beans	Share of COGS	***	***	***	***	***
Energy costs	Share of COGS	***	***	***	***	***
Direct labor costs	Share of COGS	***	***	***	***	***
Other factory costs	Share of COGS	***	***	***	***	***
COGS	Share of COGS	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
Raw materials: All beans	Unit value	***	***	***	***	***
Energy costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
Less by-product revenue	Unit value	***	***	***	***	***
Cost of goods sold	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

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

Table F-2
OSBM: Changes in non-toll operations AUVs between comparison periods excluding two U.S. processors ***

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼***	▼***	▼***	▲***
Raw materials: All beans	▲***	▼***	▲***	▲***
Energy costs	▲***	▼***	▲***	▲***
Direct labor costs	▲***	▲***	▼***	▲***
Other factory costs	▲***	▲***	▼***	▲***
Less by-product revenue	***	***	***	***
COGS	▲***	▼***	▲***	▲***

Table continued.

Table F-2 Continued
OSBM: Changes in non-toll operations AUVs between comparison periods excluding two U.S. processors ***

Changes in dollars per short ton

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼***	▼***	▼***	▲***
Raw materials: All beans	▲***	▼***	▲***	▲***
Energy costs	▲***	▼***	▲***	▲***
Direct labor costs	▲***	▲***	▼***	▲***
Other factory costs	▲***	▲***	▼***	▲***
Less by-product revenue	▼***	▼***	▼***	▼***
COGS	▲***	▼***	▲***	▲***
Gross profit or (loss)	▼***	▼***	▼***	▲***
SG&A expense	▼***	▼***	▲***	▲***
Operating income or (loss)	▼***	▼***	▼***	▲***
Net income or (loss)	▼***	▼***	▼***	▲***

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

Table F-3
OSBM: Results of non-toll operations of U.S. processors excluding one U.S. processor *, by item and period**

Quantity in short tons; value in 1,000 dollars

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
Raw materials: All beans	Value	***	***	***	***	***
Energy costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
Less by-product revenue	Value	***	***	***	***	***
COGS	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Other expense/income, net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw materials: All beans	Ratio to NS	***	***	***	***	***
Energy costs	Ratio to NS	***	***	***	***	***
Direct labor costs	Ratio to NS	***	***	***	***	***
Other factory costs	Ratio to NS	***	***	***	***	***
Less by-product revenue	Ratio to NS	***	***	***	***	***
COGS	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued.

Table F-3 Continued
OSBM: Results of non-toll operations of U.S. processors excluding one U.S. processor *, by item and period**

Unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Raw materials: All beans	Share of COGS	***	***	***	***	***
Energy costs	Share of COGS	***	***	***	***	***
Direct labor costs	Share of COGS	***	***	***	***	***
Other factory costs	Share of COGS	***	***	***	***	***
COGS	Share of COGS	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
Raw materials: All beans	Unit value	***	***	***	***	***
Energy costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
Less by-product revenue	Unit value	***	***	***	***	***
COGS	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

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

Table F-4
OSBM: Changes in non-toll operations AUVs between comparison periods excluding one U.S. processor ***

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼***	▼***	▼***	▲***
Raw materials: All beans	▲***	▼***	▲***	▲***
Energy costs	▼***	▼***	▲***	▲***
Direct labor costs	▲***	▲***	▲***	▼***
Other factory costs	▲***	▲***	▲***	▲***
Less by-product revenue	***	***	***	***
COGS	▲***	▼***	▲***	▲***

Table continued.

Table F-4 Continued
OSBM: Changes in non-toll operations AUVs between comparison periods excluding one U.S. processor ***

Changes in dollars per short ton

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▼***	▼***	▼***	▲***
Raw materials: All beans	▲***	▼***	▲***	▲***
Energy costs	▼***	▼***	▲***	▲***
Direct labor costs	▲***	▲***	▲***	▼***
Other factory costs	▲***	▲***	▲***	▲***
Less by-product revenue	▼***	▼***	▼***	▼***
COGS	▲***	▼***	▲***	▲***
Gross profit or (loss)	▼***	▲***	▼***	▼***
SG&A expense	▼***	▼***	▲***	▲***
Operating income or (loss)	▼***	▲***	▼***	▼***
Net income or (loss)	▼***	▼***	▼***	▲***

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