Seamless Refined Copper Pipe and Tube from China and Mexico

Investigation Nos. 731-TA-1174-1175 (Second Review)

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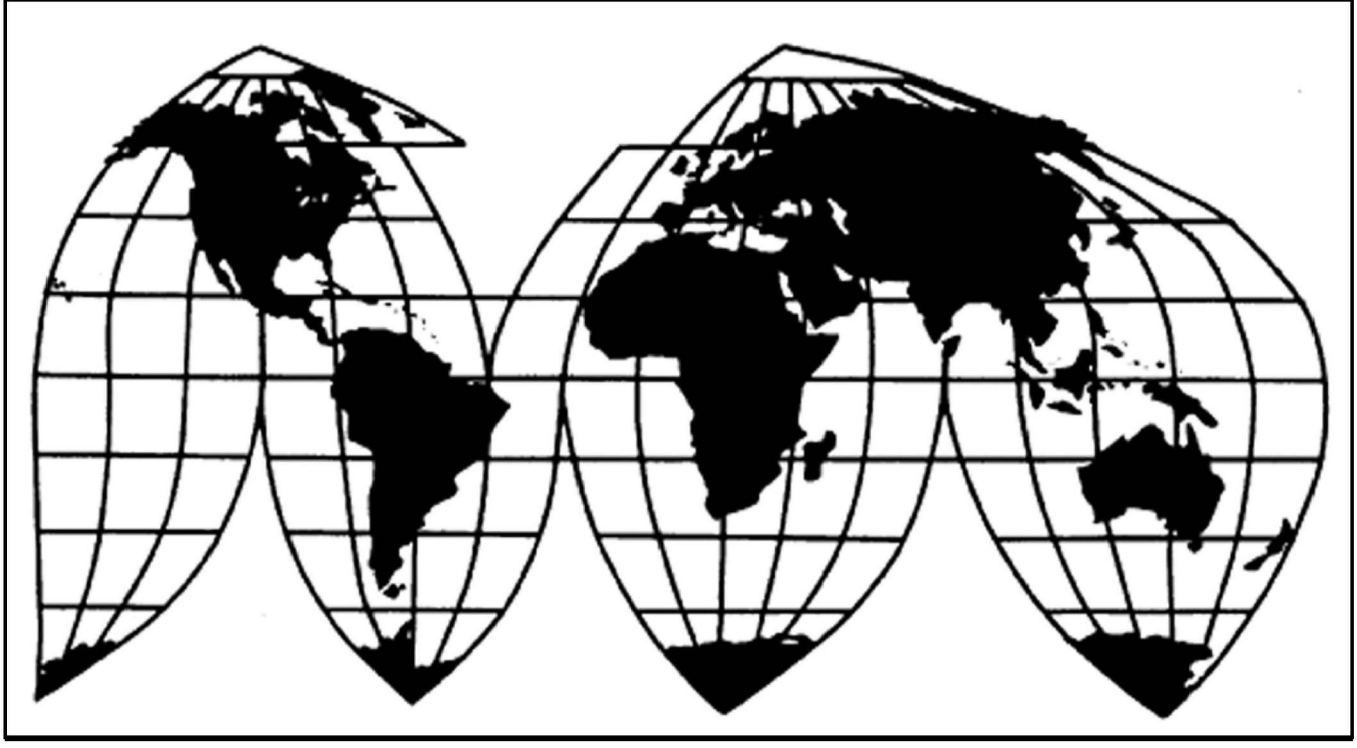
U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-1174-1175 (Second Review)

Seamless Refined Copper Pipe and Tube from China and Mexico

DETERMINATION

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

BACKGROUND

The Commission instituted these reviews on November 1, 2021 (86 FR 60287) and determined on February 4, 2022, that it would conduct expedited reviews (87 FR 18817, March 31, 2022).

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty orders on seamless refined copper pipe and tube ("SRC pipe and tube") from China and Mexico would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations. On September 30, 2009, the Commission instituted investigations on SRC pipe and tube from China and Mexico.[1] In November 2010, the Commission determined that an industry in the United States was threatened with material injury by reason of imports of SRC pipe and tube from China and Mexico that Commerce had determined were sold in the United States at less than fair value ("LTFV").[2] The U.S. Department of Commerce ("Commerce") issued antidumping duty orders with respect to SRC pipe and tube from both countries in November 2010.[3]

First Reviews. In October 2015, the Commission instituted the first five-year reviews of the antidumping duty orders on SRC pipe and tube from China and Mexico.[4] In January 2016, the Commission found the domestic interested party group response and the respondent interested party group response adequate for both reviews, and determined to conduct full reviews.[5] In November 2016, the Commission determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[6] Commerce subsequently published a notice of

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[1] *Seamless Refined Copper Pipe and Tube From China and Mexico*, 74 Fed. Reg. 51318 (Oct. 6, 2009).

[2] *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Final) ("*Original Determinations*"), USITC Pub. 4193 at 3 (Nov. 2010).

[3] *Seamless Refined Copper Pipe and Tube from Mexico and the People's Republic of China: Antidumping Duty Orders and Amended Final Determination of Sales at Less than Fair Value from Mexico*, 75 Fed. Reg. 71070 (Nov. 22, 2010).

[4] *Seamless Refined Copper Pipe and Tube from China and Mexico*, 80 Fed. Reg. 59186 (Oct. 1, 2015).

[5] *Seamless Refined Copper Pipe and Tube from China and Mexico*, 81 Fed. Reg. 1967-68 (Jan. 4, 2016).

[6] *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Review), USITC Pub. 4650 (Nov. 2016) ("*First Review Determinations*") at 3.

the continuation of the antidumping duty orders on SRC pipe and tube from China and Mexico in December 2016.[7]

Current reviews. The Commission instituted the current reviews on November 1, 2021.[8] It received a joint response to the notice of institution on behalf of Mueller Copper Tube Products, Inc., Mueller Copper Tube West Co., Mueller Tube Company Inc., Howell Metal Company ("Howell"), and Linesets, Inc., (collectively, "Mueller Group"), and Cerro Flow Products, LLC ("Cerro") (collectively, "Domestic Producers"), domestic producers of SRC pipe and tube.[9] No respondent interested party filed a response. On February 4, 2022, the Commission determined that the domestic interested party group response to the notice of institution was adequate and that the respondent interested party group response was inadequate.[10] In the absence of any other circumstances that would warrant full reviews, the Commission determined that it would conduct expedited reviews of the orders.[11] The Domestic Producers submitted final comments pursuant to Commission rule 207.62(d)(1) on April 8, 2022.[12]

U.S. industry data for these reviews are based on the information that the Domestic Producers, which are estimated to have accounted for *** percent of domestic production of SRC pipe and tube in 2020, furnished in their response to the notice of institution.[13] The record also contains the Commission's final determination and public report from its recent antidumping duty investigation of imports of SRC pipe and tube from Vietnam which provide data for six U.S. producers of SRC pipe and tube that accounted for "the vast majority of U.S. production of SRC pipe and tube during 2020."[14] U.S. import data and related information are

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[7] *Seamless Refined Copper Pipe and Tube from the People's Republic of China and Mexico: Continuation of Antidumping Duty Orders,* 81 Fed. Reg. 93664 (Dec. 21, 2016).

[8] *Seamless Refined Copper Pipe and Tube From China and Mexico; Institution of Five-Year Reviews,* 86 Fed. Reg. 60287 (Nov. 1, 2021) ("*Institution Notice*").

[9] Response to the Notice of Institution, EDIS Doc. 757611 (Dec. 1, 2021) ("Response") at 1.

[10] *Scheduling of Expedited Five-Year Reviews: Seamless Refined Copper Pipe and Tube from China and Mexico,* 87 Fed. Reg. 18817-18 (Mar. 31, 2022) ("Scheduling Notice").

[11] *Scheduling Notice,* 87 Fed. Reg. 18817-18.

[12] Domestic Producers' Final Comments, EDIS Doc. 767754 (Apr. 8, 2022) ("Final Comments").

[13] *See* Confidential Report, INV-UU-007 (Jan. 24, 2022) ("CR") at I-2; Public Report, *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Review), USITC Pub. 5323 (May 2022) at Table I-1 ("PR"); Domestic Industry's Response to Cure Letter, EDIS Doc. 758385 (Dec. 13, 2021) ("Response to Cure Letter") at 1.

[14] *See Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Pub. 5216, (Aug. 2021) ("*SRC Pipe and Tube from Vietnam Final Determination*") at 3. Domestic industry data in that investigation were based on questionnaire responses from the Domestic Producers from (Continued…)

based on Commerce's official import statistics.[15] Foreign industry data and related information are based on information furnished by the Domestic Producers, information from the prior proceedings, and publicly available information gathered by the Commission staff.[16] Three U.S. purchasers responded to the Commission's adequacy phase questionnaire.[17]

II. Domestic Like Product and Industry

A. Domestic Like Product

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

> . . . {A}ll seamless circular refined copper pipes and tubes, including redraw hollows, greater than or equal to 6 inches (152.4 millimeters (mm)) in length and measuring less than 12.130 inches (308.102 mm) (actual) in outside diameter (OD), regardless of wall thickness, bore (e.g., smooth, enhanced with inner grooves or ridges), manufacturing process (e.g., hot finished, cold-drawn, annealed), outer surface (e.g., plain or enhanced with grooves, ridges, fins, or gills), end finish (e.g., plain end, swaged end, flared end, expanded end, crimped end, threaded), coating (e.g., plastic, paint), insulation, attachments (e.g., plain, capped, plugged, with compression or other fitting), or physical configuration (e.g., straight, coiled, bent, wound on spools).
>
> The scope of these orders covers, but it is not limited to, seamless refined copper pipe and tube produced or comparable to the American Society for Testing and Materials (ASTM) ASTMB42, ASTM-B68, ASTM-B75, ASTM-B88, ASTM-B88M, ASTM-B188, ASTM-B251, ASTMB251M, ASTM-B280, ASTM-B302, ASTM-B306, ASTM-B359, ASTM-B743, ASTM-B819, and ASTM-B903 specifications and meeting the physical parameters described therein. Also included within the scope of the AD Orders are all sets of covered products, including "line sets" of seamless refined copper tubes (with or without fitting or

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these reviews and other identified U.S. producers of the domestic like product. In that investigation, the Commission defined the domestic industry as consisting of all domestic producers of SRC pipe and tube. *Id.* at 9.

[15] *See* CR/PR at Tables I-7-8.

[16] *See* CR/PR at I-26-28.

[17] CR/PR at D-3.

insulation) suitable for connecting an outdoor air conditioner or heat pump to an indoor evaporator unit. The phrase "all sets of covered products" denotes any combination of items put up for sale that is comprised of merchandise subject to the scope.

"Refined copper" is defined as: (1) metal containing at least 99.85 percent by weight of copper; or (2) metal containing at least 97.5 percent by weight of copper, provided that the content by weight of any other element does not exceed the following limits:

ELEMENT LIMITING	CONTENT PRECENT BY WEIGHT
Ag – Silver	0.25
As – Arsenic	0.5
Cd – Cadmium	1.3
Cr – Chromium	1.4
Mg – Magnesium	0.8
Pb – Lead	1.5
S – Sulfur	0.7
Sn – Tin	0.8
Te – Tellurium	0.8
Zn – Zinc	1.0
Zr – Zirconium	0.3
Other elements (each)	0.3

Excluded from the scope of the AD Orders are all seamless circular hollows of refined copper less than 12 inches in length whose OD (actual) exceeds its length. The products subject to the AD Orders are currently classifiable under subheadings 7411.10.1030 and 7411.10.1090 of the Harmonized Tariff Schedule of the United States (HTSUS). Products subject to the order may also enter under HTSUS subheadings 7407.10.1500, 7419.80.5050, 7419.99.5050, 8415.90.8065, and 8415.90.8085. Although the HTSUS subheadings are provided for

convenience and customs purposes, the written description of the scope of the AD Orders is dispositive.[18]

The scope of these reviews is substantively unchanged from that in the original investigations. Commerce has issued two scope rulings since the original investigations.[19]

SRC pipe and tube are fabricated products of high-purity copper, distinguished by a circular cross section of varying nominal sizes (typically 0.04"–12") and wall thicknesses.[20] The inner and outer tubing surfaces are either smooth or enhanced (*e.g.*, with grooves, ridges, fins, or gills).[21]

SRC pipe and tube applications generally involve closed-loop thermal transfer or conveyance of fluids under pressure. Conveyance applications include residential, commercial, institutional, industrial, and municipal water systems, as well as distribution systems for other liquids and gasses. Thermal transfer applications include residential, commercial, institutional, and industrial heating systems; commercial refrigeration systems; and combined or split-unit air-conditioning systems.[22]

"Plumbing" (or "standard") tubing is commonly produced to various standards of the American Society for Testing and Materials ("ASTM"). The ASTM designations specify the chemical composition, outside diameter, wall thickness, strength, hardness, cleanliness, roundness, marking, and other requirements for SRC pipe and tube, based on end-use applications.[23] "Commercial" (also referred to as "industrial") SRC pipe and tube is produced to either industry standard specifications or customer nonstandard specifications, including any surface enhancements designed to improve thermal transfer capabilities. Common applications for commercial SRC pipe and tube include refrigeration and heating units; split-

[18] *Seamless Refined Copper Pipe and Tube from the People's Republic of China and Mexico: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 87 Fed. Reg. 12079 (Mar. 3, 2022) ("*Final Commerce Determination*"), Issues and Decision Memorandum at 6.

[19] *See Notice of Scope Rulings*, 79 Fed. Reg. 6165 (Feb. 3, 2014); *see also* Commerce's Letter, "Scope Request on the Antidumping Duty Order on Seamless Refined Copper Pipe and Tube from the People's Republic of China: Luvata Tube (Zhongshan) Ltd.," (Sep. 16, 2013); Commerce's Letter, "Final Scope Determination Regarding Certain Refrigerant Distributor Assemblies Manufactured and Imported by Danfoss LCC" (Nov. 10, 2016).

[20] CR/PR at I-9.

[21] CR/PR at I-9.

[22] CR/PR at I-9.

[23] CR/PR at I-9-10.

system central, room and window, central, and vehicle air conditioners; and chillers and freezers.[24]

1. The Prior Proceedings

In the original investigations, the Commission defined a single domestic like product, coextensive with the scope, consisting of all SRC pipe and tube.[25] In the first five-year reviews, the Commission found no new information that would suggest any reason to revisit its prior domestic like product definition, and again defined a single domestic like product that was coextensive with Commerce's scope.[26]

2. The Current Reviews

In these reviews, the Domestic Producers agree with the Commission's definition of the domestic like product in the prior proceedings.[27] The record contains no new information suggesting that the characteristics and uses of domestically produced SRC pipe and tube have changed since the first five-year reviews so as to warrant revisiting the definition.[28] Accordingly, we again define a single domestic like product consisting of all SRC pipe and tube, coextensive with Commerce's scope.

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

[25] *Original Determinations*, USITC Pub. 4193 at 7-12. In the original investigations, the petitioners argued, and most respondents did not disagree, that the Commission should find a single domestic like product consisting of all SRC pipe and tube, coextensive with Commerce's scope. *Id*. at 7. Two importers argued that the Commission should define plumbing SRC pipe and tube and industrial SRC pipe and tube as two separate domestic like products. *Id*. Applying its traditional six-factor test, the Commission found that plumbing and industrial pipe and tube products possess at least some similarities with respect to physical characteristics and uses, regardless of their manner of production; some interchangeability, as well as some similarities in terms of the channels through which they are traded; and some commonality of manufacturing facilities and employees. *Id*. at 8-10. With respect to customer and producer perceptions, it found that the evidence was mixed, with some market participants viewing plumbing and industrial SRC pipe and tube on a continuum while other market participants perceived them to be distinct product categories. *Id*. at 10-11. The Commission observed that, although plumbing and industrial pipe and tube were sold under different price structures, those structural differences did not necessarily result in actual price differences between plumbing and industrial pipe and tube with similar characteristics. *Id*. at 11. Finding no clear dividing line between plumbing and industrial tube, the Commission defined a single domestic like product consisting of all SRC pipe and tube. *Id*.

[26] *First Review Determinations*, USITC Pub. 4650 at 7.

[27] Response at 27; Final Comments at 1.

[28] *See generally* CR/PR at I-9-10.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[29] 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.

The related parties 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 are themselves importers.[30]

In the original investigations the Commission found that domestic producers Wolverine Tube, Inc. ("Wolverine") and Cambridge-Lee Holdings ("Cam Lee") qualified for possible exclusion under the related parties provision, but that appropriate circumstances did not exist for their exclusion.[31] Furthermore, the Commission found that appropriate circumstances did not exist to exclude seven other U.S. producers that either qualified, or may have qualified, for possible exclusion under the related parties provision.[32] Accordingly, the Commission defined a single domestic industry consisting of all domestic producers of SRC pipe and tube.[33]

In the first five-year reviews, the Commission found that domestic producers Cam Lee; GD Copper USA; ST Products, LLC ("ST Products"); Mueller Industries, Inc. ("Mueller"); ***, qualified for possible exclusion under the related parties provision, but that appropriate

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[29] 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

[30] 19 U.S.C. § 1677(4)(B).

[31] *Original Determinations*, USITC Pub. 4193 at 13-14. The Commission did not exclude Wolverine, although its interests appeared to have varied between domestic production or importation, because it was a substantial domestic producer and *** in view of its *** operating performance. It did not exclude Cam Lee, although *** because it had ***, and *** in view of its *** operating performance. Confidential Original Determination, EDIS Doc. 759769 at 19-20.

[32] *Original Determinations*, USITC Pub. 4193 at 13-14. The Commission found that the seven domestic producers accounted for a very small share of domestic production, were primarily interested in domestic production, and did not appear to have derived a significant benefit from their potential related party status. *Id.*

[33] *Original Determinations*, USITC Pub. 4193 at 13-14.

circumstances did not exist for their exclusion.[34] Accordingly, the Commission defined a single domestic industry, including all domestic producers of SRC pipe and tube.[35]

In the current reviews, the Domestic Producers argue that the Commission should again define a single domestic industry comprised of all domestic producers of SRC pipe and tube consistent with its findings in the prior proceedings. The Domestic Producers state that they do not import subject merchandise and "are not in a position to know whether other domestic producers are importing subject merchandise or otherwise qualify as related parties."[36] However, the Domestic Producers list four U.S. producers as importers of subject merchandise during the period of review, *i.e.*, Cam Lee, GD Copper, H&H Tube, and Wieland.[37]

Due to the expedited nature of these reviews, there is limited information on the record regarding the activities of Cam Lee, GD Copper, H&H Tube, and Wieland.[38] In the absence of any information that these domestic producers are more interested in importation than in domestic production, we find that appropriate circumstances do not exist for their exclusion from the domestic industry.

Therefore, consistent with our definition of the domestic like product, we again define the domestic industry as all domestic producers of SRC pipe and tube.

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[34] *First Review Determinations,* USITC Pub. 4650 at 7-10. The Commission found that because their subject imports were minimal or nonexistent throughout the period of review, the principal interest of *** was in domestic production. It also found that because *** ratio of subject imports to domestic production *** as it increased its U.S. production, its primary interest was in domestic production. The Commission further found that *** was exclusively interested in domestic production, as it imported no subject merchandise and supported continuation of the orders. As *** qualified for possible exclusion under the related parties provision by virtue of their relationship with ***, the Commission also found that their interest was exclusively in domestic production. *Id*.

[35] *First Review Determinations*, USITC Pub. 4650 at 7-10.

[36] Response at 23; Response to Cure Letter, EDIS Doc. 758385 at 2.

[37] Response at 23, Exhibit 1. Although the Commission found in the first reviews that domestic producer *** was ***, and therefore subject to possible exclusion under the related parties provision, Confidential First Review Determinations, EDIS Doc. 759827 at 10, the record of these reviews contains no information concerning whether ***. Given this, and the absence of any imports of subject merchandise by *** during the period of review, we find that *** does not qualify for possible exclusion under the related parties provision. *See* Response at 23; Response to Cure Letter, EDIS Doc. 758385 at 2.

[38] Because these producers did not respond to the notice of institution, they reported no shipments, financial data, or other information concerning their operations that could be excluded from information concerning the domestic industry's operations in 2020.

III. Cumulation

A. Legal Standard

> With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.[39]

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.[40] The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future. The statutory threshold for cumulation is satisfied in these reviews because each review was initiated on the same day: November 1, 2021.[41]

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[39] 19 U.S.C. § 1675a(a)(7).

[40] 19 U.S.C. § 1677(7)(G)(i); *see also*, *e.g.*, *Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

[41] *See Initiation of Five-Year (Sunset) Reviews*, 86 Fed. Reg. 60201 (Nov. 1, 2021).

B. The Prior Proceedings and Arguments of the Parties

1. The Prior Proceedings

Original Investigations. In the original investigations, the Commission cumulated subject imports from China and Mexico for purposes of its analysis of present material injury and exercised its discretion to cumulate subject imports for purposes of its analysis of threat of material injury.[42] It found that SRC pipe and tube was a fungible product sold in overlapping channels of distribution, including both distributors and end users.[43] The Commission also found that there was geographic overlap between subject imports from both countries and the domestic like product, and that subject imports from both countries were present in the U.S. market throughout the original period of investigation ("POI").[44]

For purposes of its threat analysis, the Commission acknowledged that there were some differences in volume and market share trends between subject imports from China and Mexico but emphasized that the market share of subject imports from both countries declined by similar percentages in interim 2010 at the end of the POI.[45] It observed that subject imports from both countries undersold the domestic like product at times, with subject imports from Mexico underselling the domestic like product somewhat more frequently than did subject imports from China.[46] The Commission found that, while the SRC pipe and tube industry in Mexico was significantly smaller than the industry in China, the Mexican industry had undergone significant expansion and that the industries in both China and Mexico relied on export markets to absorb a significant share of production.[47] Moreover, the Mexican industry was closely intertwined with both the domestic and Chinese SRC pipe and tube industries, since all of the reported capacity expansions in Mexico were undertaken by producers with production affiliates in the United States or in China.[48] Furthermore, it concluded that there was significant and growing overlap in the product types exported to the United States by subject producers in China and Mexico during the POI.[49]

First Reviews. In the first five-year reviews, the Commission did not find that subject imports from either China or Mexico would likely have no discernible adverse impact on the

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[42] *Original Determinations*, USITC Pub. 4193 at 16-18.
[43] *Original Determinations*, USITC Pub. 4193 at 16-17.
[44] *Original Determinations*, USITC Pub. 4193 at 17.
[45] *Original Determinations*, USITC Pub. 4193 at 17-18.
[46] *Original Determinations*, USITC Pub. 4193 at 18.
[47] *Original Determinations*, USITC Pub. 4193 at 18.
[48] *Original Determinations*, USITC Pub. 4193 at 18.
[49] *Original Determinations*, USITC Pub. 4193 at 18.

domestic industry in the event of revocation.[50] The Commission also found that there would likely be a reasonable overlap of competition between the subject imports from China and Mexico, and between the subject imports from each country and the domestic like product, if the orders were revoked.[51] Further, it found that imports from China and Mexico were likely to compete in the U.S. market with each other and the domestic like product under similar conditions of competition after revocation.[52] Thus, the Commission exercised its discretion to cumulate subject imports from China and Mexico.[53]

2. Party Arguments

The Domestic Producers argue that the Commission should again cumulate subject imports from China and Mexico, as it has done in its prior proceedings, because the relevant conditions of competition have not changed since the last reviews. Specifically, they claim that there continues to be a reasonable overlap in competition between and among the subject imports and the domestic like product, and that subject imports from China and Mexico would likely compete under similar conditions of competition in the U.S. market if the orders were revoked.[54] With respect to likely conditions of competition, they contend that the subject industries in both China and Mexico have substantial available capacity, rely substantially on export markets, and continued to maintain a presence in the U.S. market after imposition of the orders.[55]

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[50] *First Review Determinations*, USITC Pub. 4650 at 12. Specifically, the Commission did not find that subject imports from China would likely have no discernible adverse impact on the domestic industry if the order on China were revoked given that subject imports from China had declined significantly after the order was imposed, that Chinese producers possessed excess capacity and had maintained an interest in the U.S. market throughout the period of review, and that the subject imports had continued to undersell the domestic like product with the order in place. The Commission did not find that subject imports from Mexico would likely have no discernible adverse impact on the domestic industry after revocation, given the increasing volume and market share of subject imports from Mexico from 2013 to 2015, the expressed intention of a responding Mexican producer to *** in the event of revocation, and the considerable excess capacity possessed by the Mexican industry, equivalent to approximately *** percent of apparent U.S. consumption in 2015. *First Review Determinations*, USITC Pub. 4650 at 13; Confidential First Review Determinations, EDIS Doc. 759827 at 21.

[51] *First Review Determinations*, USITC Pub. 4650 at 16.

[52] *First Review Determinations*, USITC Pub. 4650 at 16-18.

[53] *First Review Determinations*, USITC Pub. 4650 at 18.

[54] Response at 10.

[55] Response at 12-13; Final Comments at 10-11.

C. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.[56] Neither the statute nor the Uruguay Round Agreements Act ("URAA") Statement of Administrative Action ("SAA") provides specific guidance on what factors the Commission is to consider in determining that imports "are likely to have no discernible adverse impact" on the domestic industry.[57] With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

Based on the record in these reviews, we find that imports from each subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation of the corresponding order.

China. In the original investigations, the volume of subject imports from China was 90.6 million pounds in 2007, 111.1 million pounds in 2008, 91.8 million pounds in 2009, 49.4 million pounds in interim 2009, and 28.7 million pounds in interim 2010.[58] Subject imports from China as a share of apparent U.S. consumption were 9.1 percent in 2007, 12.9 percent in 2008, 13.1 percent in 2009, 13.0 percent in interim 2009, and 8.4 percent in interim 2010.[59]

In the first five-year reviews, the volume of subject imports from China declined irregularly from 41.6 million pounds in 2010 to 1.1 million pounds in 2015.[60] Subject imports from China as a share of apparent U.S. consumption also declined irregularly from 6.4 percent in 2010 to 0.2 percent in 2015.[61] SRC pipe and tube production capacity in China increased

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[56] 19 U.S.C. § 1675a(a)(7).

[57] SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

[58] Confidential Report from the Final Phase, EDIS Doc. 759771 at Table C-1.

[59] Confidential Report from the Final Phase, EDIS Doc. 759771 at Table C-1.

[60] *First Review Determinations*, USITC Pub. 4650 at 13. Imports from China were 41.6 million pounds in 2010, 20.0 million pounds in 2011, 19.6 million pounds in 2012, 19.5 million pounds in 2013, 21.8 million pounds in 2014, 1.1 million pounds in 2015, 301,000 pounds in interim 2015, and 633,000 pounds in interim 2016. *Id*.

[61] *First Review Determinations*, USITC Pub. 4650 at 13. Subject imports from China as a share of apparent U.S. consumption was 6.4 percent in 2010, 3.3 percent in 2011, 3.4 percent in 2012, 3.3 percent in 2013, 3.5 percent in 2014, 0.2 percent in 2015, 0.1 percent in interim 2015, and 0.2 percent in interim 2016. *Id*.

irregularly from 2010 to 2015.[62] Exports of SRC pipe and tube ranged from *** to *** percent of responding producers' total shipments over the first review period.[63]

In these reviews, there is limited new information available concerning the subject industry in China because no subject producer in China responded to the Commission's notice of institution. During the current period of review, the volume of subject imports from China was 576,000 pounds in 2016, 641,000 pounds in 2017, 1.2 million pounds in 2018, 902,000 pounds in 2019, and 489,000 pounds in 2020.[64] Subject imports from China accounted for 0.1 percent of apparent U.S. consumption in 2020, down from 0.2 percent in 2015 and 13.2 percent in 2009.[65]

The Domestic Producers provided a list of seven possible Chinese producers of SRC pipe and tube, and claim that two of those producers possess a combined annual production capacity of 2.6 billion pounds.[66] Based on Global Trade Atlas ("GTA") data, China is the world's largest exporter of copper tube under HS subheading 7411.10, a category that includes SRC pipe and tube and possibly out-of-scope products.[67] During the current period of review, the worldwide volume of exports from China of such merchandise increased from 294.8 million pounds in 2016 to 375.6 million pounds in 2019, but decreased slightly to 358.2 million pounds in 2020.[68] SRC pipe and tube from China is subject to antidumping and countervailing duty orders in Canada.[69]

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[62] Capacity in China was *** pounds in 2010, *** pounds in 2011, *** pounds in 2012, *** pounds in 2013, *** pounds in 2014, *** pounds in 2015, and *** pounds in interim 2015 and interim 2016. Capacity utilization of the responding producers ranged from a period high of *** percent in 2010 to a period low of *** percent in interim 2016. Confidential First Review Determinations, EDIS Doc. 759827 at 19. In the first five-year reviews, three Chinese producers accounting for approximately *** percent of China's production of SRC pipe and tube in 2015 responded to the Commission's questionnaires. *Id*.

[63] Confidential First Review Determinations, EDIS Doc. 759827 at 19. This range describes total exports to all countries, including the United States. *Id*.

[64] CR/PR at Table I-7.

[65] CR/PR at Table I-8. We recognize that subject import market share may be overstated relative to prior periods due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-18.

[66] CR/PR at I-17.

[67] CR/PR at I-26, Table I-16.

[68] CR/PR at Tables I-9, I-16. The data in Tables I-9 and I-16 are based on data for HS subheading 7411.10. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews. *Id*.

[69] CR/PR at I-28-29.

Subject imports from China undersold the domestic like product in 74 of 135 (or 54.8 percent of) quarterly comparisons in the original investigations and in 22 of 50 (or 44.0 percent of) quarterly comparisons in the first five-year reviews.[70] No pricing product data concerning subject imports from China were obtained in the current five-year reviews.

Based on the foregoing, including the continued presence of subject imports from China in the U.S. market despite the disciplining effect of the antidumping duty order, the large size and volume of exports of the Chinese SRC pipe and tube industry, and the underselling by subject imports from China during the original investigations and first five-year reviews, we find that revocation of the antidumping orders on SRC pipe and tube from China would not likely have no discernible adverse impact on the domestic industry if the orders were revoked.

Mexico. In the original investigations, the volume of subject imports from Mexico decreased from 75.2 million pounds in 2007 to 71.3 million pounds in 2008, and 48.0 million pounds in 2009; it was 31.3 million pounds in interim 2009 and 17.2 million pounds in interim 2010. [71] Subject imports from Mexico as a share of apparent U.S. consumption fluctuated from 7.6 percent in 2007 to 8.3 percent in 2008, and 6.9 percent in 2009; it was 8.2 percent in interim 2009 and 5.0 percent in interim 2010.[72]

In the first five-year reviews, subject imports from Mexico decreased irregularly from 26.0 million pounds in 2010 to 1.4 million pounds in 2013 and then rose to 13.3 million pounds in 2015.[73] Subject imports from Mexico as a share of apparent U.S. consumption decreased irregularly from 4.0 percent in 2010 to 2.1 percent in 2015.[74] Subject producers in Mexico reported that their production capacity of SRC pipe and tube was *** pounds in 2010 and *** pounds in each year from 2011 to 2015.[75] The Commission found that subject producers in Mexico had a large amount of unused capacity throughout the first review period as their capacity utilization ranged from a period low of *** percent in interim 2015 to a period high of

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[70] *First Review Determinations*, USITC Pub. 4650 at 13.

[71] Confidential Report from the Final Phase, EDIS Doc. 759771 at Table C-1.

[72] Confidential Report from the Final Phase, EDIS Doc. 759771 at Table C-1.

[73] *First Review Determinations*, USITC Pub.4650 at 13. The volume of subject imports from Mexico was 26.0 million pounds in 2010, 4.0 million pounds in 2011, 1.9 million pounds in 2012, 1.4 million pounds in 2013, 4.5 million pounds in 2014, and 13.3 million pounds in 2015. *Id*.

[74] *First Review Determinations*, USITC Pub.4650 at 13. Subject imports from Mexico as a share of apparent U.S. consumption was 4.0 percent in 2010, 0.6 percent in 2011, 0.3 percent in 2012, 0.2 percent in 2013, 0.7 percent in 2014, 2.1 percent in 2015, 2.4 percent in interim 2015, and 1.7 percent in interim 2016. *Id*.

[75] Confidential First Review Determinations, EDIS Doc. 759827 at 20. Reported capacity for subject producers in Mexico was *** pounds in interim 2015 and interim 2016. *Id*.

*** percent in 2014.[76] These producers reported that they exported between *** and *** percent of their total shipments on an annual basis during the first review period.[77]

In these reviews, there is limited new information available concerning the industry in Mexico because no subject producer in Mexico responded to the Commission's notice of institution. During the current period of review, the volume of subject imports from Mexico was 10.2 million pounds in 2016, 10.1 million pounds in 2017, 9.5 million pounds in 2018, 10.8 million pounds in 2019, and 10.2 million pounds in 2020.[78] Subject imports from Mexico accounted for 2.6 percent of apparent U.S. consumption in 2020, up from 2.1 percent in 2015, but down from 6.9 percent in 2009.[79]

The Domestic Producers provided a list of four possible producers of SRC pipe and tube from Mexico,[80] and claim that two of those producers possess a combined annual capacity of 242.5 million pounds.[81] Based on GTA data, Mexico is the world's fifteenth largest global exporter of copper tube under HS subheading 7411.10, a category that includes SRC pipe and tube and possibly out of scope merchandise.[82] During the current review period, the worldwide volume of exports from Mexico of such merchandise increased from 43.0 million pounds in 2016 to 63.7 million pounds in 2019 and then decreased to 16.4 million pounds in 2020.[83] In 2020, the United States was the leading destination for Mexican exports of copper tube under HS subheading 7411.10, accounting for 83.0 percent of such exports, by quantity.[84] SRC pipe and tube from Mexico is subject to an antidumping duty order in Canada.[85]

Subject imports from Mexico undersold the domestic like product in 75 of 114 (or 65.7 percent of) quarterly comparisons in the original investigations and in 19 of 38 (or 50.0 percent

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[76] Confidential First Review Determinations, EDIS Doc. 759827 at 20.

[77] Confidential First Review Determinations, EDIS Doc. 759827 at 20.

[78] CR/PR at Table I-7.

[79] CR/PR at Table I-8. We recognize that subject import market share may be overstated relative to prior periods due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-18.

[80] CR/PR at I-27.

[81] Response at 17. Specifically, Golden Dragon has an annual capacity of 60,000 metric tons ("MT") while Luvata has an annual capacity of 50,000 MT. Response at 17 n.63.

[82] CR/PR at I-28.

[83] CR/PR at Table I-10. The data in Tables I-9 and I-16 are based on data for HS subheading 7411.10. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews. *Id*.

[84] CR/PR at I-28.

[85] CR/PR at I-28-29.

of) quarterly comparisons in the first reviews.[86] No pricing product data concerning subject imports from Mexico were obtained in the current five-year reviews.

Based on the foregoing, including the continued presence of subject imports from Mexico in the U.S. market despite the disciplining effect of the antidumping duty order; the large size and volume of exports of the SRC pipe and tube industry in Mexico, particularly exports to the United States; and the underselling by subject imports from Mexico during the original investigations and first five-year reviews, we find that revocation of the antidumping duty order on SRC pipe and tube from Mexico would not likely have no discernible adverse impact on the domestic industry if the order were revoked.

D. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.[87] Only a "reasonable overlap" of competition is required.[88] In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.[89]

Fungibility. In the original investigations, the Commission found a moderate to high degree of fungibility among subject imports from China and Mexico and the domestic like

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[86] *First Review Determinations*, USITC Pub. 4650 at 14.

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

[88] *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int'l Trade 1996); *Wieland Werke,* 718 F. Supp. at 52 ("Completely overlapping markets are not required."); *United States Steel Group v. United States,* 873 F. Supp. 673, 685 (Ct. Int'l Trade 1994), *aff'd*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g*., *Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff'd sub nom., Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int'l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-762 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

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

product, as a majority of responding domestic producers, importers, and purchasers reported that SRC pipe and tube from each source was always or frequently interchangeable.[90]

In the first five-year reviews, the Commission found a high degree of substitutability among subject imports from China and Mexico and the domestic like product, as all responding U.S. producers and most responding importers and purchasers reported that SRC pipe and tube from China, Mexico, and the United States was always or frequently interchangeable.[91]

In the current reviews, the Domestic Producers assert that the prevailing conditions of competition have not changed since the prior proceedings.[92] There is no new information in these reviews to indicate that the degree of fungibility of SRC pipe and tube from China, Mexico, and the United States has changed from that observed in the original investigations and first reviews.

Channels of Distribution. In the original investigations, the Commission found that shipments of the domestic like product and subject imports from both subject countries were made to both distributors and end users.[93]

In the first five-year reviews, the Commission found that most subject imports from China and Mexico and an appreciable proportion of the domestic like product were shipped to end users, and that SRC pipe and tube from all three sources was sold in substantial quantities in the industrial sector of the U.S. market.[94]

In the current reviews, the Domestic Producers claim that the prevailing conditions of competition have not changed since the prior proceedings.[95] There is no new information on the record of these reviews indicating that there has been any change in the channels of distribution for subject imports from China and Mexico and the domestic like product since the prior proceedings.

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[90] *Original Determinations*, USTIC Pub. 4193 at 16.

[91] *First Review Determinations*, USITC Pub. 4650 at 15. Out of the five non-price factors most frequently identified as very important in purchasing decisions, majorities or pluralities of responding purchasers found that the domestic like product and subject imports from China and Mexico were comparable in three (availability, product consistency, and quality meets industry standards), the domestic like product was superior to subject imports from China and Mexico in one (delivery time), and the domestic like product was superior to subject imports from China while comparable to subject imports from Mexico in one (reliability of supply). *Id*.

[92] Response at 10.

[93] *Original Determinations,* USITC Pub. 4193 at 17.

[94] *First Review Determinations*, USITC Pub. 4650 at 15-16.

[95] Response at 10.

Geographic Overlap. In the original investigations the Commission found that domestic producers served a nationwide market, while importers sold subject imports from China and Mexico to all geographic regions within the continental United States.[96]

In the first five-year reviews the Commission found that most responding domestic producers reported selling SRC pipe and tube to all continental regions of the United States, while most responding importers reported selling SRC pipe and tube to all regions in the continental United States except for the Mountain Region.[97]

In these reviews, subject imports from China entered through all borders of entry and subject imports from Mexico entered primarily through the southern border of entry in every year of the current period of review.[98]

Simultaneous Presence in Market. In the original investigations, the Commission found that domestically produced SRC pipe and tube and subject imports were simultaneously present in the U.S. market, as subject imports from China and those from Mexico were present in the U.S. market in every month of the POI.[99]

In the first five-year reviews, the Commission found that subject imports from China and Mexico and the domestic like product would likely be simultaneously present in the market after revocation, given that subject imports from China and Mexico were present in the U.S. market in every month of the first review period, from January 2010 through August 2016.[100]

In the current reviews, subject imports of SRC pipe and tube from China and Mexico were present in every month of the period of review, from January 2016 through December 2020.[101]

Conclusion. While the record in these expedited reviews contains limited information concerning subject imports in the U.S. market during the period of review, it contains no new information suggesting a change in the considerations that led the Commission in the prior reviews to conclude that there would likely be a reasonable overlap of competition among subject imports from China and Mexico and between imports from each subject country and the domestic like product after revocation of the orders. On that basis, and in the absence of any contrary argument, we find that there would likely be a reasonable overlap of competition

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[96] *Original Determinations*, USITC Pub. 4193 at 17.

[97] *First Review Determinations*, USITC Pub. 4650 at 16. Four of nine responding importers reported selling SRC pipe and tube to the Mountain Region during the first period of review. *Id.*

[98] CR/PR at I-24.

[99] *Original Determinations,* USITC Pub. 4193 at 17.

[100] *First Review Determinations*, USITC Pub. 4650 at 16.

[101] CR/PR at I-24.

between and among subject imports from China and Mexico, and the domestic like product, if the orders were revoked.

E. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether subject imports from China and Mexico would likely compete under similar or different conditions of competition in the U.S. market after revocation of the orders. The available information in the record in these expedited reviews shows that subject imports from each country undersold the domestic like product in the prior proceedings, were significant in terms of volume and market share prior to imposition of the orders, and maintained a presence in the U.S. market, albeit at reduced levels, after imposition of the orders.[102] The available information also shows that the industries in each subject country are large and export oriented, with each exporting substantial volumes of copper tube under HS subheading 7411.10, a category that includes SRC pipe and tube and possibly out-of-scope merchandise, during the period of review.[103] Thus, the record in these reviews does not indicate that there would likely be any significant difference in the conditions of competition between subject imports from China and Mexico if the orders were revoked.[104]

F. Conclusion

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

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[102] *See* section III.C, above.

[103] *See* section III.C, above.

[104] While subject imports from China are subject to section 301 tariffs and subject imports from Mexico are not, neither the domestic producers nor any responding purchaser reported that these tariffs have had an effect on either the supply of or demand for subject imports or that they anticipated such effects in the reasonably foreseeable future. *See* CR/PR at D-3-4.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[105] The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[106] Thus, the likelihood standard is prospective in nature.[107] The U.S. Court of International Trade ("CIT") has found that "likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[108]

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of

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[105] 19 U.S.C. § 1675a(a).

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

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

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

time."[109] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[110]

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to "consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated."[111] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4). [112] The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission's determination.[113]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[114] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential

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[109] 19 U.S.C. § 1675a(a)(5).

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

[111] 19 U.S.C. § 1675a(a)(1).

[112] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings since the most recent continuation of the orders. *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Seamless Refined Copper Pipe and Tube from the People's Republic of China and Mexico*, at 6 (Feb. 24, 2022) (downloaded from https://access.trade.gov/).

[113] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[114] 19 U.S.C. § 1675a(a)(2).

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.[115]

In evaluating the likely price effects of subject imports if an order under review is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[116]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[117] All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.[118]

No respondent interested party participated in these expedited reviews.[119] The record, therefore, contains limited new information with respect to the industries producing SRC pipe and tube in China and Mexico. There also is limited information about the market for SRC pipe and tube in the United States during the current period of review. Accordingly, for our

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[115] 19 U.S.C. § 1675a(a)(2)(A–D).

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

[117] 19 U.S.C. § 1675a(a)(4).

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

[119] CR/PR at I-2.

determinations, we rely as appropriate on information provided by the Domestic Producers, the facts available from the original investigations and first five-year reviews, and the limited new public information on the record in these reviews.[120]

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[121] The following conditions of competition inform our determinations.

1. Demand Conditions

Prior Proceedings. In the original investigations, the Commission found that demand for SRC pipe and tube was largely driven by demand for its end uses, including residential and commercial construction and air conditioning and refrigeration units.[122] It found that apparent U.S. consumption declined from 2007 to 2009, and was lower in interim 2010 than in interim 2009.[123] It observed that most market participants reported that demand for SRC pipe and tube declined during the original POI, especially with increased substitution of plastic in plumbing applications, and aluminum and stainless steel pipe and tube in industrial applications, in the place of SRC pipe and tube.[124]

In the first five-year reviews, the Commission found that the end uses and drivers of demand for SRC pipe and tube had not changed since the original investigations.[125] Most market participants reported that demand for SRC pipe and tube declined during the first review period, and that they anticipated that demand would either decline or fluctuate with no

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[120] As previously mentioned, public information includes the final determination and public report from the Commission's recent investigation of imports of SRC pipe and tube from Vietnam. *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 3.

[121] 19 U.S.C. § 1675a(a)(4).

[122] *Original Determinations*, USITC Pub. 4193 at 37.

[123] *Original Determinations*, USITC Pub. 4193 at 37.

[124] *Original Determinations*, USITC Pub. 4193 at 37.

[125] *First Review Determinations*, USITC Pub. 4650 at 21. The Commission found that SRC pipe and tube had two basic applications, (1) plumbing and (2) industrial uses, and that the domestic industry and subject imports competed significantly in both sectors. *First Review Determinations*, USITC Pub. 4650 at 21 n.128.

clear trend within the reasonably foreseeable future.[126] Apparent U.S. consumption fluctuated during the first review period and was lower in 2015 than in 2010.[127]

Current Reviews. The information available in these reviews indicates that the factors driving demand for SRC pipe and tube have not significantly changed since the prior proceedings, and that demand for SRC pipe and tube continues to be driven by demand for its end uses, including in residential and commercial construction and in air conditioning and refrigeration units.[128] The Domestic Producers claim that demand in 2020 was essentially unchanged from that in 2010, when the orders were imposed, but also assert that demand decreased towards the end of the current period of review, by 4.1 percent from 2018 to 2020.[129] *** responding U.S. purchaser, *** reported that ***.[130]

Apparent U.S. consumption declined from 675.1 million pounds in 2018 to 659.6 million pounds in 2019 and to 647.4 million pounds in 2020.[131] Notably, apparent U.S. consumption in 2020 exceeded that in 2015 (633.4 million pounds) but was lower than in 2009 (698.0 million pounds).[132]

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[126] *First Review Determinations*, USITC Pub. 4650 at 21.

[127] *First Review Determinations*, USITC Pub. 4650 at 21. Apparent U.S. consumption was 647.3 million pounds in 2010, 612.5 million pounds in 2011, 585.2 million pounds in 2012, 592.1 million pounds in 2013, 630.6 million pounds in 2014, 633.4 million pounds in 2015, 332.5 million pounds in interim 2015, and 348.1 million pounds in interim 2016. *Id*.

[128] Response at 25; Final Comments at 8.

[129] Response at 25; Final Comments at 8 (stating that demand for SRC pipe and tube has "generally moved sideways" and that "demand in 2020 is essentially unchanged from 2010"). In *SRC Pipe and Tube from Vietnam*, the Commission observed that construction spending increased irregularly from 2018 through March 2021, increasing by 12.1 percent overall from January 2018 to March 2021. Market participants reported varying trends in U.S. demand for SRC pipe and tube since January 1, 2018. Most responding U.S. producers reported that demand had decreased or fluctuated, most importers reported that demand had decreased, and most U.S. purchasers reported that demand had increased. Further, most market participants reported that the COVID-19 pandemic was a factor that contributed to declining U.S. demand in 2020. *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 13-14.

[130] CR/PR at Appendix D-3.

[131] *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14. We rely on apparent U.S. consumption data from the *SRC Pipe and Tube from Vietnam Final Determination* because these data were based upon the questionnaire responses of domestic producers accounting for "the vast majority" of domestic production of SRC pipe and tube. *Id*. at 3. Because the domestic producers responding to the notice of institution accounted for only *** percent of total domestic production in 2020, apparent U.S. consumption based upon their reported U.S. shipments, 392.4 million pounds in 2020, would be understated. CR/PR at I-18.

[132] CR/PR at Table I-8; *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14.

2. Supply Conditions

Prior Proceedings. During the original investigations, the Commission found that the U.S. market was supplied predominantly by the domestic industry, with subject imports being the second largest supplier, and nonsubject imports being the smallest source of supply.[133] The domestic industry's market share declined overall from 2007 to 2009, although it was higher in interim 2010 than in interim 2009.[134] Cumulated subject imports' market share increased overall from 2007 to 2009, but was lower in interim in 2010 than in interim 2009.[135] Nonsubject imports as a share of the U.S. market increased overall from 2007 to 2009, and were higher in interim 2010 than in interim 2009.[136]

In the first five-year reviews, the Commission found that the domestic industry continued to be the dominant supplier in the U.S. market for SRC pipe and tube, with a "relatively stable" market share throughout the first review period.[137] The four largest domestic producers (Mueller, Cerro, Wieland, and Cam Lee) collectively accounted for approximately *** percent of domestic SRC pipe and tube production in 2015.[138] The Commission also found that cumulated subject imports had declined as a share of apparent U.S. consumption from 10.4 percent in 2010 to 2.3 percent in 2015, while nonsubject imports had increased their market share to become the second largest supplier of SRC pipe and tube in the U.S. market.[139]

Current Reviews. The domestic industry was the largest supplier to the U.S. market during the period of review, accounting for *** percent of apparent U.S. consumption by

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[133] *Original Determinations*, USITC Pub. 4193 at 37-39.

[134] *Original Determinations*, USITC Pub. 4193 at 37-38.

[135] *Original Determinations*, USITC Pub. 4193 at 38.

[136] *Original Determinations*, USITC Pub. 4193 at 39. In the original investigations, the domestic industry's market share was 75.8 percent in 2007, 71.3 percent in 2008, and 73.5 percent in 2009.

[137] *First Review Determinations,* USITC Pub. 4650 at 22. The domestic industry's market share was 77.0 percent in 2010, 79.7 percent in 2011, 78.8 percent in 2012, 77.8 percent in 2013, 77.0 percent in 2014, 79.5 percent in 2015, 78.4 percent in interim 2015, and 80.3 percent in interim 2016. *Id*.

[138] Confidential First Review Determinations, EDIS Doc. 759827 at 33.

[139] *First Review Determinations,* USITC Pub. 4650 at 22-23. The market share of cumulated subject imports was 10.4 percent in 2010, 3.9 percent in 2011, 3.7 percent in 2012, 3.5 percent in 2013, 4.2 percent in 2014, 2.3 percent in 2015, 2.6 percent in interim 2015, and 1.8 percent in interim 2016. *Id*. Nonsubject imports' market share was 12.5 percent in 2010, 16.4 percent in 2011, 17.5 percent in 2012, 18.7 percent in 2013, 18.8 percent in 2014, 18.2 percent in 2015, 19.1 percent in interim 2015, and 17.9 percent in interim 2016. *Id*.

volume in 2020.[140] During the period of review, the domestic industry experienced several developments including Cam Lee's announcement of a new production facility in February 2018, Weiland's announcement of layoffs at a production facility in August 2020, and Shawnee Tubing's shut down of a production facility in October 2019.[141]

Cumulated subject imports were the smallest source of supply to the U.S. market during the period of review, accounting for *** percent of apparent U.S. consumption in 2020.[142] Nonsubject imports were the second largest source of supply of SRC pipe and tube to the U.S. market during the period of review, accounting for *** percent of apparent U.S. consumption in 2020.[143] Vietnam,[144] Canada, and South Korea were the three largest sources of nonsubject imports in 2020, accounting for 43.0 percent, 19.6 percent, and 11.3 percent of the total volume of nonsubject imports, respectively, that year.[145]

Two purchasers reported significant changes in the supply conditions for SRC pipe and tube in the United States since 2016. Specifically, *** indicated ***.[146] *** indicated that ***.[147]

3. Substitutability and Other Conditions

Prior Proceedings. In the original investigations, the Commission found that domestically produced SRC pipe and tube and subject imports from China and Mexico were

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[140] CR/PR at Table I-8. We rely on U.S. shipments reported by the Domestic Producers in response to the notice of institution to calculate market shares, as information on the market shares of China and Mexica is not available from *SRC Pipe and Tube from Vietnam*. We recognize that the domestic industry's share of apparent U.S. consumption in 2020 may be understated relative to its share in 2015 and 2009 due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-18. In *SRC Pipe and Tube from Vietnam*, the Commission found that the domestic industry was the largest source of supply of SRC pipe and tube in the U.S. market from 2018 through 2020, with its share of apparent U.S. consumption, by quantity, declining from 80.8 percent in 2018 to 79.9 percent in 2019 and to 75.3 percent in 2020. *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14.

[141] CR/PR at Table I-5.

[142] CR/PR at Table I-8.

[143] CR/PR at Table I-8. We note that nonsubject imports' share of apparent U.S. consumption in 2020 may be overstated relative to its share in 2015 and 2009 due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-18.

[144] As noted above, the United States currently maintains an antidumping duty order on imports of SRC pipe and tube from Vietnam. CR/PR at I-4; *Seamless Refined Copper Pipe and Tube From the Socialist Republic of Vietnam: Antidumping Duty Order*, 86 Fed. Reg. 44691 (Aug. 13, 2021) ("*SRC Pipe and Tube from Vietnam Order*").

[145] CR/PR at Table I-7.

[146] *See* CR/PR at Appendix D-3.

[147] *See* CR/PR at Appendix D-3.

moderately substitutable.[148] It observed, however, that the interchangeability between plumbing and industrial pipe and tube appeared to be somewhat limited with respect to finished product characteristics, channels of distribution, and the manner in which they were priced.[149] The Commission also found that plumbing pipe and tube was typically sold at a discount and off published price lists, while commercial pipe and tube was sold by the largest U.S. producers and importers of product from China at the prevailing price of copper plus a fabrication charge.[150]

In the first five-year reviews, the Commission found that there was a high degree of substitutability among domestically produced SRC pipe and tube and subject imports from China and Mexico and that price remained an important factor in purchasing decisions.[151] The Commission also indicated that prices for copper, the primary raw material used in the production of SRC pipe and tube, had declined by *** between January 2010 and June 2016.[152]

Current Reviews. In these reviews, the Domestic Producers maintain that subject imports and the domestic like product remain highly substitutable and that price remains an important factor in purchasing decisions.[153] There is no new information in the record to suggest that the substitutability of the domestic like product and subject imports, or the importance of price to purchasing decisions, has changed since the first five-year reviews. Accordingly, as in the first reviews, we find a high degree of substitutability between domestically produced SRC pipe and tube and subject imports, and that price is an important factor in purchasing decisions.

Prices for the primary raw material used in the production of SRC pipe and tube, metallic copper, either in the form of copper cathodes or copper scrap, decreased irregularly from January 2018 through April 2020 before increasing steadily through April 2021 to their highest levels during that period. Notably, prices for copper cathodes and copper scrap increased by approximately one third overall from January 2018 to April 2021.[154]

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[148] *Original Determinations*, USITC Pub. 4193 at 39.

[149] *Original Determinations*, USITC Pub. 4193 at 39.

[150] *Original Determinations*, USITC Pub. 4193 at 39.

[151] *First Review Determinations*, USITC Pub. 4650 at 23. All U.S. producers and most responding importers and purchasers reported that SRC pipe and tube from China, Mexico, and the United States were always or frequently interchangeable. Twenty-two of 24 responding purchasers indicated that price was a very important factor in their purchasing decisions. *Id*.

[152] Confidential First Review Determinations, EDIS Doc. 759827 at 36.

[153] Response at 16.

[154] *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 16.

Effective September 24, 2018, subject merchandise from China became subject to an additional 10 percent *ad valorem* duty under Section 301 of the Trade Act of 1974[155] ("section 301 tariffs").[156] Effective May 10, 2019, this additional duty increased from 10 percent to 25 percent *ad valorem*.[157]

C. Likely Volume of Cumulated Subject Imports

1. The Prior Proceedings

Original Investigations. In the original investigations, for purposes of its present injury analysis, the Commission found that the volume of subject imports was significant, both in absolute terms and relative to apparent U.S. consumption and production.[158] The volume of cumulated subject imports increased, then decreased during the POI.[159] Demand for SRC pipe and tube also declined during the POI, and the market share of cumulated subject imports increased sharply from 2007 to 2008, then declined slightly from 2008 to 2009.[160]

In its threat analysis, the Commission found that the volume and the increase in volume of cumulated subject imports would likely be significant in the imminent future.[161] It found that subject producers from China and Mexico had the ability to increase their exports to the U.S. market based upon their reported excess capacity, export orientation, and available

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[155] 19 U.S.C. § 2411.

[156] CR/PR at I-8-9; *Notice of Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 47974 (Sep. 21, 2018).

[157] CR/PR at I-8-9; *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 20459 (May 9, 2019). Products from China imported into the United States under HTS subheadings 7407.10.15 and 7419.99.50 (under which merchandise subject to these reviews may also be imported), are also subject to these duties. *Id*. Products of China imported into the United States under HTS subheading 8415.90.80 (under which merchandise subject to these reviews may also be imported), were subject to initial 10 percent additional *ad valorem* section 301 tariffs, effective September 1, 2019. The duty was subsequently raised to 15 *percent ad valorem*, with the same effective date of September 1, 2019, but was more recently reduced to 7.5 percent *ad valorem*, effective February 14, 2020. *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed Reg. 43304 (Aug. 20, 2019), 84 Fed. Reg. 45821 (Aug. 30, 2019), and 85 Fed. Reg. 3741 (Jan. 22, 2020).

[158] *Original Determinations*, USITC Pub. 4193 at 26-28.

[159] *Original Determinations*, USITC Pub. 4193 at 26-28.

[160] *Original Determinations*, USITC Pub. 4193 at 26-27. The Commission found that the reduced volume and market penetration of subject imports in interim 2010 compared to interim 2009 was due to the pendency of the investigations. *Id*. at 27.

[161] *Original Determinations*, USITC Pub. 4193 at 28-31.

inventories of SRC pipe and tube.[162] The Commission observed that subject producers in China and Mexico had the incentive to increase their exports to the U.S. market given their established distribution channels and relationships with a broad range of importers, and the attractiveness of the U.S. market.[163]

First Reviews. In the first five-year reviews, the Commission found that the antidumping duty orders had had a disciplining effect on the volume of subject imports, as the volume and market share of subject imports declined sharply from 2010 to 2011, declined for most of the remainder of the review period, and ended the review period at lower levels than at the beginning.[164]

The Commission found that responding subject producers in China and Mexico had significant capacity, excess capacity, and inventories that could be directed to the U.S. market if the orders were revoked.[165]

The Commission then found that subject producers had the incentive to increase exports to the U.S. market in the event of revocation.[166] As the Commission explained, subject imports from both China and Mexico maintained a presence in the U.S. market throughout the review period, and therefore maintained customers and distribution networks in the United States. The Commission also noted that numerous importers and purchasers stated that they planned to increase their imports and purchasers of subject SRC pipe and tube if the orders were revoked.[167] It found that the subject industries were export oriented, as exports accounted for between *** percent and *** percent of the Chinese industry's total shipments

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[162] *Original Determinations*, USITC Pub. 4193 at 28-30.

[163] *Original Determinations*, USITC Pub. 4193 at 30-31.

[164] *First Review Determinations*, USITC Pub. 4650 at 24. The volume of cumulated subject imports was 67.5 million pounds in 2010, 24.0 million pounds in 2011, 21.6 million pounds in 2012, 20.9 million pounds in 2013, 26.3 million pounds in 2014, 14.5 million pounds in 2015, 8.5 million pounds in interim 2015, and 6.3 million pounds in interim 2016. Cumulated subject imports' share of apparent U.S. consumption followed similar patterns and was 10.4 percent in 2010, 3.9 percent in 2011, 3.7 percent in 2012, 3.5 percent in 2013, 4.2 percent in 2014, 2.3 percent in 2015, 2.6 percent in interim 2015, and 1.8 percent in interim 2016. *Id*.

[165] *First Review Determinations*, USITC Pub. 4650 at 25. The Commission found that on a cumulated basis, subject producers had reported excess capacity equivalent to approximately *** percent of apparent U.S. consumption in 2015. Confidential First Review Determination, EDIS Doc. 759827 at 38 n.165. It also emphasized that because the capacity of all subject producers of SRC pipe and tube was far greater than that of the reporting subject producers, questionnaire data likely understated the actual capacity of the subject industries, and their ability to increase exports of SRC pipe and tube to the United States. *Id*.

[166] *First Review Determinations*, USITC Pub. 4650 at 26.

[167] *First Review Determinations*, USITC Pub. 4650 at 26.

and between *** percent and *** percent of the Mexican industry's total shipments during the review period.[168] Finally, the Commission observed that antidumping duty orders on SRC pipe and tube from China and Mexico in third country markets would create an additional incentive for subject producers to increase their exports to the United States upon revocation.[169]

Based on the subject producers' substantial production capacity, significant excess capacity, available inventories, and export orientation, as well as the attractiveness of the U.S. market, the Commission concluded that the volume of cumulated subject imports, in absolute terms and relative to both U.S. production and consumption, would likely be significant in the event of revocation.[170]

2. The Current Reviews

The record in these reviews indicates that subject imports maintained a small presence in the U.S. market under the disciplining effect of the order throughout the period of review. The volume of subject imports declined irregularly and remained below the level of cumulated subject imports in the original investigations and first reviews, decreasing from 10.8 million pounds in 2016 and 2017 to 10.7 million pounds in 2018, and then increasing to 11.7 million pounds in 2019 before decreasing to 10.6 million pounds in 2020.[171] These imports accounted for 2.7 percent of apparent U.S. consumption in 2020, compared with 2.3 percent in 2015 and 20.0 percent in 2009.[172]

Due to the expedited nature of these reviews, the record contains limited information on the SRC pipe and tube industries in China and Mexico. The information available indicates that subject producers have the means and incentive to increase their exports of subject merchandise to the U.S. market if the orders were revoked. Specifically, the information available indicates that the subject industries remain large and export oriented. The Domestic Producers have identified seven possible producers of SRC pipe and tube in China and four possible producers of SRC pipe and tube in Mexico.[173] They also provided information indicating that two subject Mexican producers and two subject Chinese producers alone possess an available production capacity of 2.9 billion pounds in the aggregate, far in excess of

[168] Confidential First Review Determinations, EDIS Doc. 759827 at 40.

[169] *First Review Determinations*, USITC Pub. 4650 at 26-27.

[170] *First Review Determinations*, USITC Pub. 4650 at 27.

[171] CR/PR at Table I-7. The volume of subject imports was 139.8 million pounds in 2009 and 14.5 million pounds in 2015. CR/PR at Table I-8.

[172] CR/PR at Table I-8.

[173] CR/PR at I-17, I-27.

total U.S. consumption.[174] Furthermore, the subject industries continue to produce and export substantial volumes of copper tube under HS subheading 7411.10, a category that includes SRC pipe and tube and possibly out-of-scope products, with China being the world's largest exporter of such merchandise in 2020.[175]

Available information also indicates that the U.S. market remains attractive to subject producers. Even under the disciplining effect of the orders, cumulated subject imports were present in the U.S. market throughout the period of review and accounted for *** percent of apparent U.S. consumption in 2020, indicating that subject producers remained interested in the U.S. market and maintained contacts with U.S. customers.[176] In 2020, the vast majority of subject imports were sourced from Mexico, and the United States was the leading destination for Mexican exports of copper tube under HS subheading 7411.10, accounting for 83.0 percent of such exports, by quantity.[177] Furthermore, prices for copper tube under HS subheading 7411.10 were relatively higher in the United States than in third-country markets, based upon average unit value ("AUV") export data.[178] Finally, antidumping duty and countervailing duty measures on imports of SRC pipe and tube from China and antidumping duty measures on imports of SRC pipe and tube from Mexico imposed by Canada provide a further incentive for subject producers to direct exports to the U.S. market after revocation.[179]

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

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[174] Response at 17. While only stating the capacity data for four subject producers, the Domestic Producers identified seven possible subject producers in China and four possible subject producers in Mexico. Response at Exhibit 1.

[175] CR/PR at Tables I-9-10, I-16. China's exports of merchandise under HS subheading 7411.10 increased from 294.8 million pounds in 2016 to 375.6 million pounds in 2019, before decreasing to 358.2 million pounds in 2020;[175] the worldwide volume of exports from Mexico of such merchandise increased from 43.0 million pounds in 2016 to 63.7 million pounds in 2019 and then decreased to 16.4 million pounds in 2020. CR/PR at Tables I-9-10.

[176] CR/PR at Tables I-7-8.

[177] CR/PR at I-28.

[178] *See SRC Pipe and Tube from Vietnam Final Determination* at VII-16, Tables VII-9, VII-22, and VII-12 (indicating that GTA export data for exports of copper tube under HS subheading 7411.10 shows that exports from China and Mexico to the United States have the highest AUVs of any export market for Chinese and Mexican copper tube). As indicated above, HS subheading 7411.10 encompasses SRC pipe and tube and possibly out-of-scope merchandise.

[179] CR/PR at I-28.

imports would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.[180]

D. Likely Price Effects of Cumulated Subject Imports

1. The Prior Proceedings

Original Investigations. In the original investigations, the Commission observed that the domestic like product and subject imports from China and Mexico were generally interchangeable, and that price was an important factor in purchasing decisions.[181] For the purposes of its present injury analysis, the Commission found that there was not significant underselling by cumulated subject imports because there was mixed underselling and overselling.[182] It observed that cumulated subject imports were not currently having significant adverse price effects on domestic producers' prices, especially since domestic prices for SRC pipe and tube generally increased during the POI, and that declining demand for SRC pipe and tube played an important role in the inability of the domestic industry to raise prices.[183]

In its threat analysis, the Commission reiterated that the domestic like product and subject imports from China and Mexico were generally interchangeable and that price was an important factor in purchasing decisions.[184] It observed that demand was expected to remain severely depressed and found that the underselling it observed during the POI would likely increase in the imminent future as cumulated subject imports would use lower prices to gain market share from the domestic industry.[185] It found that, as cumulated subject imports caused the domestic industry's sales volumes and prices to deteriorate and per-unit costs to increase, the industry would likely experience significant adverse price effects through higher unit costs, compressed margins, and some price suppression.[186]

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[180] While subject imports from China are subject to additional duties pursuant to section 301, neither the Domestic Producers nor any responding purchaser reported that these duties have had an effect on either the supply of or demand for subject imports or that they anticipated such effects within a reasonably foreseeable time. *See* CR/PR at I-8, Appendix D-3-4.

We also note that the record in these expedited reviews contains very limited information concerning inventories of the subject merchandise and no information concerning the potential for product shifting.

[181] *Original Determinations*, USITC Pub. 4193 at 47.

[182] *Original Determinations*, USITC Pub. 4193 at 48.

[183] *Original Determinations*, USITC Pub. 4193 at 48-49.

[184] *Original Determinations*, USITC Pub. 4193 at 49-50.

[185] *Original Determinations*, USITC Pub. 4193 at 49-51.

[186] *Original Determinations*, USITC Pub. 4193 at 51.

First Reviews. In the first five-year reviews, the Commission found that there was generally a high degree of substitutability between subject imports from China and Mexico and between these imports and the domestic like product, and that price was an important factor in purchasing decisions, among other important factors.[187] The Commission found that despite the disciplining effect of the orders, subject imports undersold the domestic like product in 41 of 88 quarterly comparisons accounting for 66.0 percent of reported subject import sales volume.[188] Based on the likely significant volume of cumulated subject imports, the high degree of substitutability between subject imports and the domestic like product, and the importance of price in purchasing decisions, the Commission concluded that if the orders were revoked, cumulated subject imports would likely undersell the domestic like product to gain market share, capturing market share from the domestic industry and/or depressing or suppressing prices for the domestic like product, thereby having significant adverse price effects.[189]

2. The Current Reviews

As discussed above, we continue to find a high degree of substitutability between domestically produced SRC pipe and tube and subject imports from China and Mexico, and that price is an important factor in purchasing decisions.

The record does not contain recent product-specific pricing information due to the expedited nature of these reviews. Based on the information available, including subject import underselling during the last reviews, the high degree of substitutability of subject imports and the domestic like product, and the importance of price in purchasing decisions, we find that the significant increase in subject import volume that is likely after revocation of the orders would likely be accompanied by significant subject import underselling, as a means for subject import to gain market share. Absent the discipline of the orders, the significant volumes of low-priced subject imports would likely take sales and market share from the domestic industry and/or force the industry to cut prices or restrain price increases necessary to cover increasing costs. Consequently, we find that if the orders were revoked, significant volumes of subject imports would likely have significant price effects.

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[187] *First Review Determinations*, USITC Pub. 4650 at 28.

[188] *First Review Determinations*, USITC Pub. 4650 at 29. In terms of instances, cumulated subject imports undersold the domestic like product in 46.6 percent of quarterly comparisons, with margins of underselling ranging from 0.0 percent to 24.8 percent. *Id*.

[189] Response at 29.

E. Likely Impact of Cumulated Subject Imports

1. The Prior Proceedings

Original Investigations. In the present injury analysis in the original investigations, the Commission found that there was no correlation between cumulated subject imports and the domestic industry's declining financial performance. It found that the domestic industry's employment indicators generally declined over the POI, as did many of its financial indicators, but also found that this deterioration coincided with an economic downturn and appeared to be largely demand driven.[190] Accordingly, it concluded that it could not find a sufficient causal nexus between any present injury to the domestic industry and the cumulated subject imports.[191]

In its threat analysis, the Commission observed that the downward trends in the domestic industry's performance, particularly toward the end of the POI (2009 and interim 2010), weighed heavily in its analysis.[192] It found that the domestic industry was vulnerable to material injury and that it would likely continue to experience even lower employment levels, net sales, operating income, and profitability as demand for SRC pipe and tube remained anemic and increasing volumes of subject imports from China and Mexico entered the U.S. market.[193] The Commission concluded that, given the domestic industry's vulnerable condition, these effects would be significant and the domestic industry was threatened with material injury by reason of cumulated subject imports.[194]

First Reviews. In the first five-year reviews, the Commission found that the domestic industry's performance was stable or improving by several measures as reflected in its output and employment data, with increases in capacity, production, U.S. shipments, and employment,

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[190] *Original Determinations*, USITC Pub. 4193 at 51-52.

[191] *Original Determinations*, USITC Pub. 4193 at 52.

[192] *Original Determinations*, USITC Pub. 4193 at 52.

[193] *Original Determinations*, USITC Pub. 4193 at 52-53.

[194] *Original Determinations*, USITC Pub. 4193 at 52-53. In its non-attribution analysis for threat, the Commission considered other factors, including demand and nonsubject imports. It found that, although demand was likely to remain at depressed levels in the imminent future, it was not likely to decline further from present levels. Accordingly, it found that the likely further declines in the domestic industry's performance in the imminent future would likely come as a result of cumulated subject imports gaining market share rather than as a result of continued or renewed declines in demand. It observed that the market share of nonsubject imports declined during the POI and that declining presence in the U.S. market of these imports did not alter the finding that cumulated subject imports were likely to have a significant adverse impact on the domestic industry in the imminent future. *Id*. at 53-54.

among other factors, over the period of review.[195] On the other hand, the Commission found that the domestic industry's financial condition showed declines in net sales, cost of goods sold ("COGS"), and operating income during the period of review, but improvements with respect to operating income as a share of net sales and capital expenditures.[196] The Commission was evenly divided as to whether the domestic industry was vulnerable to material injury.[197]

The Commission found that the increased volume of low-priced subject imports that was likely after revocation would require the domestic industry to choose between cutting prices, foregoing price increases, or forfeiting market share, all of which would negatively impact the domestic industry's performance.[198] It concluded that, if the orders were revoked, subject imports would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time.

The Commission also considered the likely role of nonsubject imports in the U.S. market. While recognizing that nonsubject imports slightly increased their market share over the first period of review, the Commission found that they would not likely prevent low-priced subject imports from either increasing their presence in the U.S. market or placing additional competitive pressure on the domestic industry after revocation, given the subject industries' ability and incentive to increase their exports to the United States. The Commission also found that subject imports would likely have adverse effects distinct from those of nonsubject imports, given the likelihood of significant subject import underselling, and that subject imports would likely gain market share from the domestic industry as well as from nonsubject imports.[199]

The Commission concluded that revocation of the antidumping duty orders on SRC pipe and tube from China and Mexico would likely lead to the continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.[200]

2. The Current Reviews

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

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[195] *First Review Determinations*, USITC Pub. 4650 at 31.

[196] *First Review Determinations*, USITC Pub. 4650 at 31.

[197] *First Review Determinations*, USITC Pub. 4650 at 32.

[198] Specifically, the Commission found that these effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, revenue, profitability and employment, as well as on its ability to raise capital and make and maintain necessary capital investments. *First Review Determinations*, USITC Pub. 4650 at 32.

[199] *First Review Determinations*, USITC Pub. 4650 at 33.

[200] *First Review Determinations*, USITC Pub. 4650 at 33.

The information available indicates that the domestic industry's performance was weaker in 2020 than in 2015 and 2009, according to many measures.[201] In 2020, the domestic industry's capacity was 912.9 million pounds; production was 511.4 million pounds; capacity utilization was 56.0 percent; U.S. shipments were 487.5 million pounds, equivalent to 75.3 percent of apparent U.S. consumption that year; net sales were $1.8 billion; gross profits were $133.4 million; operating income was $20.3 million; operating income to net sales ratio was 1.1 percent; and the COGS to net sales ratio was 92.6 percent.[202] The domestic industry's performance was weaker in 2020 than in 2015 with respect to every measure but capacity utilization, and weaker than in 2009 with respect to every measure but capacity utilization, net sales value, COGS to net sales ratio, and gross profits.[203] The limited information on the record, however, is insufficient for us to make a finding as to whether the domestic industry is

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[201] *See* CR/PR at Table I-6; *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 31-33.

[202] *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 31-33. We rely on domestic industry data from the final determination for *SRC Pipe and Tube from Vietnam* because these data were based upon the questionnaire responses of domestic producers accounting for "a vast majority" of domestic production of SRC Pipe and Tube in 2020. *Id*. at 3. Because the domestic producers responding to the notice of institution accounted for only *** percent of total domestic production in 2020, their reported data understate the domestic industry's performance in 2020 in many regards. CR/PR at I-18. In response to the notice of institution, the Domestic Producers reported that in 2020, the capacity was *** pounds; production was *** pounds; capacity utilization was *** percent; U.S. shipments were *** pounds, equivalent to *** percent of apparent U.S. consumption that year; net sales were $***; operating income was ***; operating income to net sales ratio was *** percent; and ratio of COGS to net sales was *** percent. *See* CR/PR at Tables I-6, I-8.

[203] The domestic industry's capacity was 1.1 billion pounds in 2015 and 2009; production was 537.7 million pounds in 2015 and 531.6 million pounds in 2009; capacity utilization was 50.5 percent in 2015 and 47.3 percent in 2009; U.S. shipments were 503.8 million pounds in 2015 and 512.8 million pounds in 2009; net sales were $1.9 billion in 2015 and $1.6 billion in 2009; gross profits were $140.3 million in 2015 and $106.6 million in 2009; COGS was $1.7 billion in 2015 and $1.5 billion in 2009; operating income was $57.6 million in 2015 and $44.9 million 2009; operating income to net sales ratio was 3.1 percent in 2015 and 2.8 percent in 2009; and its COGS to net sales ratio was 92.5 percent in 2015 and 93.5 percent in 2009. CR/PR at Table I-8.

The domestic industry's performance was also weaker in 2020 compared to 2015 and 2009 with respect to employment, capital expenditures, and inventory levels. The industry's number of production related workers ("PRWs") were 2,208 PRWs in 2020, down from 2,768 PRWs in 2015 and 2,902 PRWs in 2009; its capital expenditures were $20.5 million in 2020, down from $27.9 million in 2015 and $34.1 million in 2009; and its end-of-period inventories were 47.2 million pounds in 2020, up from 32.9 million pounds in 2015 and 38.1 million pounds in 2009. *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 31-33; CR/PR at Appendix C-1; *Original Determinations*, USITC Pub. 4193 at Appendix C-1.

vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.[204]

As discussed above, we find that revocation of the orders would likely result in a significant volume of subject imports that would likely undersell the domestic like product to gain market share and, given the high degree of substitutability between subject imports and the domestic like product, force domestic producers to choose between cutting prices, foregoing price increases, or forfeiting market share. Consequently, the likely significant volume of low-priced subject imports and their adverse price effects would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We conclude that, if the orders were revoked, subject imports from China and Mexico would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time.

We have also considered the role of factors other than cumulated subject imports, including nonsubject imports, so as not to attribute injury from other factors to cumulated subject imports. Although nonsubject imports have increased their share of apparent U.S. consumption since the prior proceedings to *** percent in 2020,[205] the record provides no indication that the presence of nonsubject imports would prevent cumulated subject imports from entering the U.S. market in significant quantities, from taking market share from the domestic industry, or from depressing or suppressing prices for the domestic like product. To the contrary, nonsubject imports of SRC pipe and tube from Vietnam, which accounted for 43.0 percent of all nonsubject imports in 2020, are now subject to a U.S. antidumping duty order, which would encourage increased subject imports from China and Mexico after revocation of

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[204] Chair Kearns finds that the domestic industry is in a weakened state and therefore is vulnerable to material injury if the orders were revoked. Apparent U.S. consumption of SRC pipe and tube has not rebounded from the significant decline over the original POI that led the Commission to find the domestic industry to be vulnerable. *See Original Determinations*, USITC Pub. 4193 at 37, 52; CR/PR at Table I-8; *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14. The domestic industry's production and shipments in 2020 were both below levels in 2009 and 2015. Its operating income to net sales ratio in 2020 was lower than in any other prior year or interim period of the prior proceedings. *See* CR/PR at Tables I-6, C-1; *SRC Pipe and Tube from Vietnam* Final Determination, USITC Pub. 5216 at 23; *Original Determinations*, USITC Pub. 4193 at 40-41.

[205] CR/PR at Table I-8. The market share of nonsubject imports was 18.2 percent in 2015 and 6.5 percent in 2009. *Id*. We note that nonsubject imports' share of apparent U.S. consumption in 2020 may be overstated relative to its share in 2015 and 2009 due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-18.

the orders under review.[206] Given this, the high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, and the domestic industry's position as the predominant supplier in the market, the presence of nonsubject imports in the U.S. market would not prevent the significant volumes of low-priced subject imports that are likely after revocation from taking market share, at least in substantial part, from the domestic industry, or from forcing domestic producers to either lower prices or forgo price increases to retain market share. Consequently, we find that subject imports would likely cause adverse effects on the domestic industry that are distinct from those of nonsubject imports in the event of revocation.

We have also considered the likely effects of demand trends on the domestic industry. Apparent U.S. consumption decreased by 4.1 percent from 2018 to 2020, and was 7.2 percent lower in 2020 than in 2009.[207] Nevertheless, apparent U.S. consumption was 2.2 percent higher in 2020 than in 2015, one responding purchaser (***) reported increased demand during the period of review, and no responding purchaser reported either declining demand during the period of review or any anticipated declines in demand.[208] Furthermore, in *SRC Pipe and Tube from Vietnam*, the Commission found that market participants reported varying trends in U.S. demand for SRC pipe and tube during the January 2018 to March 2021 period, with most responding purchasers reporting increased demand over the period.[209] Therefore, the adverse effects likely to be caused by subject imports upon revocation of the orders would be distinct from any adverse effects caused by demand trends.

Accordingly, we conclude that if the antidumping duty orders on SRC pipe and tube from China and Mexico were revoked, subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

V. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping duty orders on SRC pipe and tube from China and Mexico would be likely to lead to continuation or

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[206] *See* CR/PR at Table I-7. *SRC Pipe and Tube from Vietnam Order*, 86 Fed. Reg. 44691.

[207] CR/PR at Table I-8; *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14.

[208] CR/PR at Table I-8; *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 14; CR/PR at Appendix D-3-4. Furthermore, the Domestic Producers reported that demand in 2020 was "fundamentally unchanged from 2010." Response at 15.

[209] *SRC Pipe and Tube from Vietnam Final Determination*, USITC Pub. 5216 at 13-14. Most responding U.S. producers reported that demand had decreased or fluctuated while most importers reported that demand had decreased. *Id.*

recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On November 1, 2021, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of antidumping duty orders on seamless refined copper pipe and tube ("SRC pipe and tube") from China and Mexico would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] The following tabulation presents information relating to the background and schedule of this proceeding:

Effective date	Action
November 1, 2021	Notice of initiation by Commerce (86 FR 60201, November 1, 2021)
November 1, 2021	Notice of institution by Commission (86 FR 60287, November 1, 2021)
February 4, 2022	Commission's vote on adequacy
March 3, 2022	Commerce's results of its expedited reviews (87 FR 12079, March 3, 2022)
March 31, 2022	Scheduling of expedited reviews (87 FR 18817, March 31, 2022)
June 29, 2022	Commission's statutory deadline to complete expedited reviews

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

[2] 86 FR 60287, November 1, 2021. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping duty orders. Initiation of Five-Year (Sunset) Reviews} 86 FR 60201, November 1, 2021. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission's website (www.usitc.gov).

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

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

Responses to the Commission's notice of institution

Individual responses

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

1. Firm names Mueller Copper Tube Products, Inc., Mueller Copper Tube West Co., Mueller Tube Company Inc., Howell Metal Company, and Linesets, Inc. (collectively ("Mueller Group"), and Cerro Flow Products, LLC ("Cerro") domestic producers of SRC pipe and tube (collectively referred to herein as "domestic interested parties"). [5]

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

Table I-1
SRC pipe and tube: Summary of completed responses to the Commission's notice of institution

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	2	***

Note: The U.S. producer coverage figure presented is the domestic interested parties' estimate of their share of total U.S. production of SRC pipe and tube during 2020. Cure email from ***, December 13, 2021. Domestic interested parties' response to the notice of institution, December 1, 2021, exh 4.

[5] The domestic interested parties also provided certain trade and financial information on behalf of U.S. producers Muller Group and Cerro. Domestic interested parties response to the notice of institution, December 1, 2021, exh 4.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from domestic interested parties. Muller Group and Cerro request that the Commission conduct expedited reviews of the antidumping duty orders on SRC pipe and tube.[6] They contend that the Commission conduct expedited reviews of the antidumping duty orders on SRC pipe and tube from China and Mexico for the following reasons. The response to the notice of institution filed by the Muller Group and Cerro is adequate with respect to the antidumping duty orders under review. Additionally, no foreign producer or U.S. importer from either of the subject countries responded to the Notice of the institution or otherwise indicated an intent to participate.

The original investigations and subsequent reviews

The original investigations

The original investigations resulted from petitions filed on September 30, 2009, with Commerce and the Commission by domestic producers Cerro Flow Product, Inc. ("Cerro"), St. Louis, Missouri; Kobe Wieland Copper Products, LLC ("Wieland"), Pine Hall, North Carolina; Mueller Copper Tube Products, Inc. and Mueller Copper Tube Company, Inc., ("Mueller"), Memphis, Tennessee (collectively, "the Ad-Hoc Copper Tube Coalition"(AHCTC)), alleging that an industry in the United States is materially injured and threatened with material injury due to less-than-fair-value ("LTFV") imports of SRC pipe and tube from China and Mexico. On October 1, 2010, Commerce determined that imports of SRC pipe and tube from China and Mexico were being sold at less than fair value ("LTFV").[7] Following notification of a final determination by Commerce that imports of SRC pipe and tube from China and Mexico were being sold at LTFV,[8] the Commission determined effective November 15, 2010 that a domestic industry was threatened with material injury because of LTFV imports of SRC pipe and tube from China and

[6] Domestic interested parties' comments on adequacy, January 13, p. 2.

[7] *Seamless Refined Copper Pipe and Tube From Mexico: Final Determination of Sales at Less Than Fair Value*, 75 FR 60723, October 1, 2010; *Seamless Refined Copper Pipe and Tube From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 60725, October 1, 2010.

[8] *Seamless Refined Copper Pipe and Tube From Mexico: Final Determination of Sales at Less Than Fair Value*, 75 FR 60723, October 1, 2010; *Seamless Refined Copper Pipe and Tube From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 75 FR 60725, October 1, 2010.

Mexico.[9] On November 19, 2010, Commerce amended its final determination regarding imports of SRC pipe and tube from Mexico due to a ministerial error.[10] [11] On November 22, 2022, Commerce issued its antidumping duty orders with the final weighted-average dumping margins ranging from 11.25 to 60.85 percent for SRC pipe and tube from China and 24.89 to 27.16 percent for Mexico. [12]

The first five-year reviews

On January 4, 2016, the Commission determined that it would conduct full reviews of the antidumping duty orders on SRC pipe and tube from China and Mexico.[13] On June 13, 2016, Commerce determined that revocation of the antidumping duty orders on SRC pipe and tube from China and Mexico would be likely to lead to continuation or recurrence of dumping.[14] On December 5, 2016, the Commission determined that revocation of the antidumping duty orders on SRC pipe and tube from China and Mexico would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[15] Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective December 21, 2016, Commerce issued a continuation of the antidumping duty orders on imports of SRC pipe and tube from China and Mexico.[16]

Previous and related investigations

The Commission has conducted one previous import relief investigation on SRC pipe and tube from Vietnam and determined that an industry in the United States was materially injured.[17] On November 22, 2021, Commerce issued its antidumping duty orders with the final weighted-average dumping margins of 8.35 percent for SRC pipe and tube from Vietnam.[18]

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[9] 75 FR 71146, November 22, 2010.

[10] Memorandum from Melissa G. Skinner, Director, AD/CVD Operations, Office 3, to Ronald K. Lorentzen, Deputy Assistant Secretary for Import Administration, "Ministerial Error Allegations in the Final Determination of the Antidumping Duty Investigation of Seamless Refined Copper Pipe and Tube from Mexico" (October 18, 2010).

[11] 75 FR 71070, November 22, 2010.

[12] *Ibid.*

[13] 81 FR 1967, January 14, 2016.

[14] 81 FR 38134, June 13, 2016.

[15] 81 FR 88704, December 8, 2016.

[16] 81 FR 93644, December 21, 2016.

[17] 86 FR 44053, August 11, 2021.

[18] 86 FR 44691, August 13, 2021.

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of SRC pipe and tube from China and Mexico with the intent of issuing the final results of these reviews based on the facts available not later than March 1, 2022.[19] Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at http://enforcement.trade.gov/frn/. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty orders on imports of SRC pipe and tube from China and Mexico are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

[19] Letter from Abdelali Elouaradia, Office Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, December 20, 2021.

The product

Commerce's scope

Commerce has defined the scope as follows:

{A}ll seamless circular refined copper pipes and tubes, including redraw hollows, greater than or equal to 6 inches (152.4 mm) in length and measuring less than 12.130 inches (308.102 mm) (actual) in outside diameter ("OD"), regardless of wall thickness, bore (e.g., smooth, enhanced with inner grooves or ridges), manufacturing process (e.g., hot finished, cold-drawn, annealed), outer surface (e.g., plain or enhanced with grooves, ridges, fins, or gills), end finish (e.g., plain end, swaged end, flared end, expanded end, crimped end, threaded), coating (e.g., plastic, paint), insulation, attachments (e.g., plain, capped, plugged, with compression or other fitting), or physical configuration (e.g., straight, coiled, bent, wound on spools).

The scope of the orders covers, but is not limited to, seamless refined copper pipe and tube produced or comparable to the American Society for Testing and Materials ("ASTM") ASTM-B42, ASTM-B68, ASTM-B75, ASTM-B88, ASTM-B88M, ASTM-B188, ASTM-B251, ASTM-B251M, ASTM-B280, ASTM-B302, ASTM-B306, ASTM-359, ASTM-B743, ASTM-B819, and ASTM-B903 specifications and meeting the physical parameters described therein. Also included within the scope of the orders are all sets of covered products, including "line sets" of seamless refined copper tubes (with or without fittings or insulation) suitable for connecting an outdoor air conditioner or heat pump to an indoor evaporator unit. The phrase "all sets of covered products" denotes any combination of items put up for sale that is comprised of merchandise subject to the scope.

"Refined copper" is defined as: (1) metal containing at least 99.85 percent by weight of copper; or (2) metal containing at least 97.5 percent by weight of copper, provided that the content by weight of any other element does not exceed the following limits:

ELEMENT	LIMITING CONTENT PERCENT BY WEIGHT
Ag – Silver	0.25
As – Arsenic	0.5
Cd – Cadmium	1.3
Cr – Chromium	1.4
Mg – Magnesium	0.8
Pb – Lead	1.5
S – Sulfur	0.7
Sn – Tin	0.8
Te – Tellurium	0.8
Zn – Zinc	1.0
Zr – Zirconium	0.3
Other elements (each)	0.3

Excluded from the scope of the orders are all seamless circular hollows of refined copper less than 12 inches in length whose OD (actual) exceeds its length. The products subject to these orders are currently classifiable under subheadings 7411.10.1030 and 7411.10.1090 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Products subject to the orders may also enter under HTSUS subheadings 7407.10.1500, 7419.99.5050, 8415.90.8065, and 8415.90.8085. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these orders is dispositive.[20]

U.S. tariff treatment

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations is imported under Harmonized Tariff Schedule of the United States ("HTS") statistical reporting numbers 7411.10.1030 and 7411.10.1090.[21] The 2021 general rate of duty is 1.5 percent ad valorem for HTS subheading 7411.10.10.[22] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection ("CBP").

[20] 81 FR 93664, December 21, 2016.

[21] The merchandise subject to the investigation may also enter under the following HTS statistical reporting numbers: 7407.10.1500, 7419.99.5050, 8415.90.8065, and 8415.90.8085. USITC, HTSUS (2021) Basic Revision 12, Publication 5271, December 2021, pp. 74-6, 74-13, 74-17, 84-28.

[22] USITC, HTSUS (2021) Basic Revision 12, Publication 5271, December 2021, p. 74-13.

Section 301 tariff treatment

Section 301 of the Trade Act of 1974, as amended, authorizes the Office of the United States Trade Representative ("USTR"), at the direction of the President, to take appropriate action to respond to a foreign country's unfair trade practices.[23] Following investigations into "China's acts, policies, and practices related to technology transfer, intellectual property, and innovation," USTR published its determination, on April 6, 2018, that the acts, policies, and practices of China under investigation are unreasonable or discriminatory and burden or restrict U.S. commerce, and are thus actionable under section 301(b) of the Trade Act of 1974.[24] Effective September 24, 2018, products of China imported into the United State under HTS subheading 7411.10.10 were subject to an additional duty of 10 percent ad valorem under Section 301 of the Trade Act of 1974.[25] The duty was subsequently raised to 25 percent ad valorem effective May 10, 2019.[26]

[23] 19 U.S.C. § 2411.

[24] 82 FR 40213, August 24, 2017, and 83 FR 14906, April 6, 2018.

[25] 83 FR 47974, September 21, 2018.

[26] 83 FR 47974, September 21, 2018, and 84 FR 20459, May 9, 2019. Products of China imported into the United State under HTS subheadings 7407.10.15 and 7419.99.50 (under which merchandise subject to the investigation may also be imported), were also subject to the initial 10 percent additional ad valorem duty under Section 301 of the Trade Act of 1974, effective September 24, 2018. The duty was subsequently raised to 25 percent ad valorem effective May 10, 2019 (83 FR 47974, September 21, 2018, and 84 FR 20459, May 9, 2019). Products of China imported into the United State under HTS subheading 8415.90.80 (under which merchandise subject to the investigation may also be imported), were subject to an initial 10 percent additional ad valorem duty under Section 301 of the Trade Act of 1974, effective September 1, 2019 (84 FR 43304, August 20, 2019). The duty was subsequently raised to 15 percent ad valorem, with the same effective date of September 1, 2019, but was more recently reduced to 7.5 percent ad valorem, effective February 14, 2020 (84 FR 45821, August 30, 2019, and 85 FR 3741, January 22, 2020). See also HTS headings 9903.88.03 and 9903.88.15 and U.S. notes 20(e), 20(f), 20(r), and 20(s) to subchapter III of chapter 99. USITC, HTSUS (2021) Basic Revision 12, Publication 5271, December 2021, pp. 99-III-24 – 99-III-47, 99-III-83 – 99-III-98, 99-III-246, and 99-III-248.

Description and uses[27]

SRC tubular products are fabricated products of refined copper,[28] distinguished by a circular cross section of varying nominal OD sizes (typically 0.04"–12") and wall thicknesses.[29] The tubing surfaces are either smooth, internally enhanced (e.g., with grooves or ridges), or externally enhanced (e.g., with fins or gills). Enhancements are designed to improve the heat transfer ability of the tube and are typically produced by carving a helical shape in the inner or outer wall.[30] Additional characteristics can include outer surface coatings for corrosion protection or insulation; marking or color coding for product identification; cleaning, pressurizing with nitrogen gas, and capping of each end to ensure interior cleanliness; end finishes; and attachments. SRC tubular products are available in straight lengths, bent to shape, coiled flat without spools ("pancake coils"), or coiled onto spools. "Line sets" consist of two different sizes of SRC tubular products, a smaller diameter liquid line (commonly with end finishes) and a larger diameter suction line (commonly insulated), usually to connect outdoor air conditioners and heat pumps with indoor evaporator units.

The variety of physical dimensions and characteristics available for SRC tubular products reflects the range of end-use applications that take advantage of copper's strength, malleability, ductility, thermal conductivity, corrosion resistance, and chemical (e.g., lead-free) purity. These applications generally involve fluids under pressure for either conveyance or closed-loop thermal transfer. Conveyance applications include residential, commercial, institutional, industrial, and municipal water systems, as well as distribution systems for other liquids and gases. Thermal transfer applications include residential, commercial, institutional, and industrial heating systems; commercial refrigeration systems; and combined or split-unit air-conditioning systems.

"Plumbing" (or "standard") tubing is commonly produced to various ASTM standards that specify the chemical composition, OD, wall thickness, strength, hardness, cleanliness,

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[27] Unless otherwise noted, this information is based on *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, pp. I-16–I-19.

[28] "Refined copper" is defined in Commerce's scope as: (1) metal containing at least 99.85 percent by weight of copper; or (2) metal containing at least 97.5 percent by weight of copper, provided that the content by weight of any other element does not exceed specified limits.

[29] Capillary tube is available with actual OD sizes less than 0.04". The nominal size of 12" is equivalent to an OD of 12.130" (the upper width limit in the petition scope), or more specifically an actual OD of 12.125" with a tolerance of ± 0.005".

[30] *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-8.

roundness, marking, and other requirements for SRC tubular products based on end-use applications (tables I-2, I-3, and I-4). “Commercial” (or “industrial”) tubing is produced to either industry standard specifications or customer nonstandard specifications, including any surface enhancements designed to improve thermal transfer capabilities. Individual purchasers may require more exacting specifications for industrial tubing than plumbing tubing, the latter being considered a commodity product. Common applications for industrial SRC tubular products include refrigeration and heating units; split-system central, room and window, central, and vehicle air conditioners; and chillers and freezers.

Table I-2
SRC pipe and tube: ASTM standard, titles, and specified end-use applications

ASTM standard	Title	Specified end-use applications
B-42	Standard Specification for Seamless Copper Pipe, Standard Sizes	Plumbing and boiler feed lines
B-68	Standard Specification for Seamless Copper Tube, Bright Annealed	Refrigeration, oil lines, gasoline lines, and other applications requiring interior surfaces free of scale and dirt
B-75	Standard Specification for Seamless Copper Tube	General engineering applications
B-88	Standard Specification for Seamless Copper Water Tube	Water and fire-sprinkler systems
B-88M	Standard Specification for Seamless Copper Water Tube (Metric)	Water and fire-sprinkler systems
B-188	Standard Specification for Seamless Copper Bus Pipe and Tube	Electrical conductors
B-251	Standard Specification for Wrought Seamless Copper and Copper-Alloy Tube	Applications listed in ASTM B-68 and ASTM B-75
B-251M	Standard Specification for General Requirements for Wrought Seamless Copper and Copper-Alloy Tube (Metric)	Applications listed in ASTM B-68 and ASTM B-75
B-280	Standard Specification for Seamless Copper Tube for Air Conditioning and Refrigeration Field Service	Air conditioning and refrigeration units
B-302	Standard Specification for Threadless Copper Pipe, Standard Sizes	Assembled piping systems
B-306	Standard Specification for Copper Drainage Tube (DWV)	Sanitary drainage, waste, and vent piping
B-359	Standard Specification for Copper and Copper-Alloy Seamless Condenser and Heat Exchanger Tubes with Integral Fins	Surface condensers, evaporators, and heat exchangers
B-743	Standard Specification for Seamless Copper Tube in Coils	Refrigeration, air conditioning, and oil lines
B-819	Standard Specification for Seamless Copper Tube for Medical Gas Systems	Medical gas systems requiring specially cleaned interior surfaces
B-903	Standard Specification for Seamless Copper Tube for Heat Exchanger Tubes with Internal Enhancement	Refrigeration, air conditioning, and other heat exchangers

Source: Seamless Refined Copper Pipe and Tube from China and Mexico, Investigation Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, p. I-18.

Table I-3
SRC pipe and tube: Designations, color codes, ASTM standards, and applications

Designation	Color Code	ASTM standard	Applications
Type K (thicker walled)	Green	B-88	Water service and distribution Fire protection Solar energy Fuel and fuel oil Heating, ventilation, air conditioning Snow melting Compressed air Natural gas Liquefied petroleum gas Vacuums
Type L (intermediate walled)	Blue	B-88	Water service and distribution Fire protection Solar energy Fuel and fuel oil Heating, ventilation, air conditioning Snow melting Compressed air Natural gas Liquefied petroleum gas Vacuums
Type M (thinner walled)	Red	B-88	Water service and distribution Fire protection Solar energy Fuel and fuel oil Heating, ventilation, air conditioning Snow melting Vacuums
DWV	Yellow	B-306	Drain, waste, vent Heating, ventilation, air conditioning Solar energy
ACR/RST	Blue	B-280	Air conditioning Refrigeration Natural gas Liquefied petroleum gas Compressed air
OXY/MED	(K) Green (L) Blue	B-819	Medical gases Compressed air Vacuums

Source: Seamless Refined Copper Pipe and Tube from China and Mexico, Investigation Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, p. I-19. Petition, p. 7.

Note: Wall thicknesses differ for Types K, L, and M plumbing pipes having a common nominal diameter, being greater for Type K than for Type L, and lesser for Type M than for Type L.

Table I-4
SRC pipe and tube: Designations, types, nominal sizes, commercially available lengths

Designation	Type	Nominal size	Drawn length (feet)	Annealed length (feet)
Type K (thicker walled)	Straight lengths	¼–8 inches	20 feet	20 feet
Type K (thicker walled)	Straight lengths	10 inches	18 feet	18 feet
Type K (thicker walled)	Straight lengths	12 inches	12 feet	12 feet
Type K (thicker walled)	Coils	¼–1 inch	Not Applicable	60 and 100 feet
Type K (thicker walled)	Coils	1¼–1½ inches	Not Applicable	60 feet
Type K (thicker walled)	Coils	2 inches	Not Applicable	40 and 45 feet
Type L (intermediate walled)	Straight length	¼–10 inches	20 feet	20 feet
Type L (intermediate walled)	Straight length	12 inches	18 feet	18 feet
Type L (intermediate walled)	Coils	¼–1 inch	Not Applicable	60 and 100 feet
Type L (intermediate walled)	Coils	1¼–1½ inches	Not Applicable	60 feet
Type L (intermediate walled)	Coils	2 inches	Not Applicable	40 and 45 feet
Type M (thinner walled)	Straight length	¼–12 inches	20 feet	Not Applicable
DWV	Straight length	1¼–8 inches	20 feet	Not Applicable
ACR/RST	Straight length	⅜–4⅛ inches	20 feet	Not Applicable
ACR/RST	Coils	⅛–1⅝ inches	Not Applicable	50 feet
OXY/MED	Straight length	¼–8 inches	20 feet	Not Applicable

Source: Seamless Refined Copper Pipe and Tube from China and Mexico, Investigation Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, p. I-19.

Note: Wall thicknesses differ for Types K, L, and M plumbing pipes having a common nominal diameter, being greater for Type K than for Type L, and lesser for Type M than for Type L.

Note: Annealed ACR/RST pipe and tube are available in straight lengths by special order.

Manufacturing process[31]

The manufacturing of SRC pipe and tube typically consists of three stages. Prefabrication includes melting, casting, and either extrusion or rolling of rough tubing. Intermediate fabrication consists of cold drawing of unfinished tubing. Finishing includes straightening or coiling as appropriate, interior and exterior surface treatment, and end finishing.

[31] Unless otherwise noted, this information is based on *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, pp. I-20 – I-23.

The starting material is metallic copper in the form of whole or sections cut from refined cathodes, scrap, or cast ingots.[32] The exact input mix depends on the cost and availability of the various forms of copper, technical capabilities of the melting furnace, and customer specifications. SRC tubular product facilities can use a substantial share of scrap in their input mix to manufacture plumbing tubing, since the metallic specifications for plumbing tubing are not as exacting as for industrial tubing.

Prefabricating

Melting

The production process begins with melting and refining copper in a furnace to produce molten copper. A shaft furnace is adequate to melt high-purity cathodes, new scrap, and ingots into molten copper that does not need further refining. Alternatively, inclusion of less-pure old scrap in the initial furnace charge requires a reverberatory or other hearth-type furnace that allows for further refining of the molten copper.[33] The copper charge is melted at temperatures between 2,300^{o} and 2,400^{o} F (above the melting point of copper at 1,981^{o} F), and fire-refined by exposure to oxygen. Most impurities are converted into oxides that are trapped in the surface slag, whereas less-readily oxidized impurities (especially tin and nickel) must be removed by reaction with a special slag compound. The molten copper is then stirred with greenwood poles ("poling"), which burn and vaporize to create a stirring motion that drives reactions to completion. After the surface slag is skimmed-off, the fire-refined melt exceeds 99.9 percent pure copper.

Casting

In the casting step, molten copper is transferred from the melting/refining furnace to either a holding furnace or a heated tundish (reservoir dam) to maintain the molten copper at constant temperature for casting. A layer of pulverized graphite protects the surface of the molten copper from oxidation. "Continuous casting" and "semi-continuous casting" are both well-established technologies for producing large-diameter solid "logs" or thick-walled hollow

[32] Brick-shaped copper ingots cast from melted-down cathodes and scrap are more commonly consumed by SRC tubular product mills with smaller-scale melting furnaces with doors that cannot accommodate full cathode sections and baled scrap.

[33] New scrap consists of pieces of refined copper recovered within the mill from downstream production steps. Old scrap consists of crushed and baled refined copper wire and tubing recovered from demolished or renovated structures and may include various amounts of tin-lead solder, plastic insulation, or other materials still adhering to the copper.

"tube rounds." In the continuous casting process, molten copper flows into vertical graphite-lined cylindrical steel molds, which are water-cooled to solidify the copper quickly. The solidified copper is then gripped and withdrawn from the bottom as more molten copper is poured into the top of the mold. Some mills utilize casting molds with a central water-cooled core to produce a hollow tube round. A moving saw cuts the logs or shells into approximately two-foot-long sections for logs or approximately 30 to 60 feet for shells as it emerges from the casting machine. These sections, each weighing approximately 400 to 2,400 pounds, are now known as billets or shells.[34] In the semi-continuous casting process, a water-cooled floor of the mold cavity seals the vertical mold until the molten copper solidifies. More molten copper is poured into the top of the mold at the same rate as the floor is lowered. When the log or tube round reaches the depth of the pit beneath the mold, the mold is (and central core are) raised to allow the log or tube round to be removed from the pit for sawing into shorter billets.

Extrusion/rolling

After casting has been completed, the resulting billets or tube rounds are processed by either the extrusion or the rolling process to produce a semi-finished copper tube profile used for further drawing into a finished product known as a redraw hollow or a "mother tube."[35] Both the extrusion and rolling processes are similar in terms of the quality of the product and the cost of production. The main difference relates to production scale, i.e., extrusion-based systems require more capital expenditure and have larger capacity. Therefore, depending upon the size of the investment that is planned, a company will employ one technology or the other.[36]

In the extrusion process, the billet is preheated to approximately 1,535^{o} F before being placed in a horizontal extrusion press. The press includes a ram fitted with a dummy block (that is smaller in diameter than the billet), and either a rod slightly smaller in diameter than that of the die opening if the billet was either cast hollow or already pierced, or a piercing mandrel if

[34] *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-14.

[35] U.S. producers Cambridge-Lee Industries ("Cambridge"), Mueller, and Wieland Holdings Inc. ("Wieland") have both extrusion and rolling production lines. GD Copper uses only rolling technology. Cerro uses only extrusion technology. *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-14.

[36] *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-14.

the billet is still solid.[37] The ram forces the heated copper over the rod or mandrel and through the die to form a long rough tube. Material that accumulates over the dummy block is recovered for remelting. The extruded rough tube is carried along a run-out table to maintain its straightness until it is cool enough to be cleaned and descaled. The ends are removed, and the length is subsequently coiled in preparation for drawing.

In mills using the rolling process, after casting, a shell less than 12 inches in diameter is fed into a high reduction rolling mill, either by cylinder or continuous sleds. The rolling mill has a series of rolling heads that press on the outside of the shell causing a reduction in the outside diameter of the shell as well as the wall thickness of the shell. A mandrel is present during the rolling process to maintain a specific inside diameter of the shell. The reduced diameter shell travels down the run out table, and the nose as well as the tail of the shell are removed. The remaining portion of shell is coiled into a large coil and is passed down to the drawing section of the mill.[38]

Intermediate fabricating

The mother tube resulting from the prefabrication stage (irrespective of which of the different casting technologies was used) is successively cold drawn through a series of (as many as 14) steel dies to reduce OD and wall thickness (by approximately 35 percent per draw) to final dimensions. Prior to drawing the tube through each die, a tapered plug mandrel is inserted into one end and that end is crimped to fit through the die and gripped by the jaws of the drawing machine. As the tube is drawn, the die and mandrel reduce the OD and wall thickness, respectively. The mandrel also imparts either a smooth or enhanced surface to the inside of the tube.

Finishing

The finishing steps depend on the specific type of SRC pipe and tube being produced. Tubing to be sold as straight lengths is passed through a series of straightening rolls so that the tubing emerges straight and can be subsequently cut to length. Tubing to be sold in coils is passed through rolls that impart a bend of the coil radius as the tubing emerges from the coiler.

[37] If the reheated billet is solid, it must be pierced lengthwise with a mandrel (pointed rod) to form a hole through its center that will eventually become the inner wall of the resulting tubing. Solid billets can be pierced either prior to or concurrent with extrusion. However, billet piercing is no longer prevalent among major global producers.

[38] The rolling process can produce SRC pipe and tube with an OD of only up to 1.5 inches. *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-15.

Annealed tubing for thermal transfer applications is passed through a series of rollers and over a mandrel to impart enhancements to the inner surface. Similar enhancements can also be imparted to the outer surface by additional operations. For some SRC pipe and tube, the ends also can be finished by swaging, flaring, expanding, crimping, or threading.[39]

SRC pipe and tube are sold either as drawn ("hard") or annealed ("soft"). Annealing softens the finished product and enables the end-user to deform the copper tube (e.g., uncoiling coils; flaring or bending straight lengths; etc.).[40] SRC pipe and tube (either in straight lengths or coils) are annealed by passing through either a continuous (long, heated box) furnace or an in-line induction (short, electric-powered) furnace, heated at 1,300° F in a non-reactive gas atmosphere to prevent oxidation of the copper. Some mills utilize bell furnaces for batch annealing in which coils are stacked beneath the bell and heated in a non-reactive atmosphere. Annealed SRC pipe and tube can be distinguished by the matte surface finish and lesser stiffness compared to as-drawn tubing. Otherwise, annealed and non-annealed SRC pipe and tube are of the same product quality and exhibit the same performance characteristics when in contact with fluids.

Pipe and tube surfaces are then cleaned to remove any remaining drawing lubricants or other debris, which is particularly critical for SRC pipe and tube designed to carry medical gases and cooling refrigerants. Outer surfaces can be coated for corrosion protection or insulation and are marked or color-coded for product identification. Attachments are also added to the ends, depending on the requirements of industry standards or customer specifications.

[39] Swaged ends are deformed so the copper tube can mate with another coper tube. Flared ends are flared to connect with a fitting. Expanded ends are expanded to permit connection with another tube or fixture. Crimped ends have been closed by crimping. *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-16.

[40] *Seamless Refined Copper Pipe and Tube from Vietnam*, Inv. No. 731-TA-1528 (Final), USITC Publication 5216, August 2021, p. I-16.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from 14 firms, which accounted for approximately 95 percent of production of SRC pipe in the United States during 2009.[41] [42] During the first five-year reviews, the Commission received U.S. producer questionnaires from 11 firms, which accounted for essentially all production of SRC pipe and tube in the United States during 2015.[43]

In response to the Commission's notice of institution in these current reviews, the domestic interested parties provided a list of eight known and currently operating U.S. producers of SRC pipe and tube.[44] Two firms providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of SRC pipe and tube in the United States during 2020.[45]

[41] *Seamless Refined Copper Pipe and Tube from China and Mexico,* Inv. Nos. 731-TA-1174-1175 *(Final)*, USITC Publication 4193, November 2010, p. I-3.

[42] During the original investigations, a number of firms consumed in-scope copper tube as a raw material and further processed those tubes into finished products, which may have been either within or outside the scope of these investigations. Some of these finishing processes include: drawing, beading, bending, annealing, cutting to length, flaring, machining, stamping, and brazing. The Commission received usable questionnaire data from *** of these "converters," which accounted for approximately *** percent of U.S. production of SRC pipe and tube in 2009. *Seamless Refined Copper Pipe and Tube from China and Mexico, Inv. Nos. 731-TA-1174-1175 (Final)*, Staff Report, INV-HH-101, October 13, 2010, "Original confidential report," p. III-1, n.1.

[43] *Seamless Refined Copper Pipe and Tube from China and Mexico*, Inv. Nos. 731-TA-1174-1175 (Review), USITC Publication 4650, November 2016, "First review publication", p. I-11.

[44] The domestic interested parties provided a list of six U.S. producers. Cure email from ***, December 15, 2021.

[45] Cure email from ***, December 15, 2021, p. 1.

Recent developments

Since the Commission's last five-year reviews, the following developments have occurred in the SRC pipe and tube industry. Table I-5 presents events in the U.S. industry since the last five-year reviews.

Table I-5
SRC pipe and tube: Recent developments in the U.S. industry

Item	Firm	Event
Plant opening	Cambridge	In February 2018, Cambridge announced that it would build a new line set production plant in Fayetteville, NC.
Layoffs	Wieland	In August 2020, Wieland announced that it would lay off 120 employees at its Pine Hall, NC. The reason for the layoffs was not publicly reported.
Shutdown	Shawnee Tubing	In October 2019, Shawnee Tubing Industries shut down its copper tubing production facility in Shawnee, OK, which produced copper tubing for the industrial, technical, HVAC, and refrigeration markets. Shawnee Tubing had purchased the facility from Wolverine Tube in May 2017.

Sources: Fayetteville Cumberland County Economic Development Corporation, "Cambridge-Lee Opening New Facility in Fayetteville, Creating 19 Full-Time Jobs," February 22, 2018, https://fayedc.com/cambridge-lee-opening-new-facility-in-fayetteville-creating-19-full-time-jobs/. The Stokes News, "Wieland Copper to lay off 120 in Pine Hall," August 12, 2020, https://www.thestokesnews.com/news/26998/wieland-copper-to-lay-off-120-in-pine-hall. Vicky O. Misa, "GFCP welcomes apps after STI layoff,' October 16, 2019, https://amp.news-star.com/amp/2522022007.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.[46] Table I-6 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

Table I-6
SRC pipe and tube: Trade and financial data submitted by U.S. producers, by period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per unit; ratio is in percent

Item	Measure	2009	2015	2020
Capacity	Quantity	1,122,794	1,063,863	***
Production	Quantity	531,562	537,684	***
Capacity utilization	Ratio	47.3	50.5	***
U.S. shipments	Quantity	512,809	503,789	***
U.S. shipments	Value	1,602,849	1,750,506	***
U.S. shipments	Unit value	3,126	3,475	***
Net sales	Value	1,630,144	1,873,704	***
COGS	Value	1,523,536	1,733,382	***
COGS to net sales	Ratio	93.5	92.5	***
Gross profit or (loss)	Value	106,608	140,322	***
SG&A expenses	Value	61,715	82,717	***
Operating income or (loss)	Value	44,893	57,605	***
Operating income or (loss) to net sales	Ratio	2.8	3.1	***

Source: For the years 2009 and 2015, data are compiled using data submitted in the Commission's original investigations and first five-year reviews. For the year 2020, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, November 1, 2021, exh. 4.

Note: For 2020, trade and financial data only include data for SRC pipe and tube domestic producers, ***.

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

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the

[46] Individual company trade and financial data are presented in app. B.

subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if "appropriate circumstances" exist.[47] The domestic like product is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. In its original and full first five-year review determinations, the Commission defined one domestic like product, coextensive with Commerce's scope, consisting of all SRC pipe and tube.[48] The Domestic Industry is the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. In its original and full first five-year review determinations, the Commission defined a single domestic industry consisting of all domestic producers of seamless refined copper pipe and tube.[49]

U.S. imports

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 42 firms, which accounted for approximately 20 percent of total U.S. imports of SRC pipe and tube from China and Mexico during 2009.[50] Import data presented in the original investigations are based on official Commerce statistics. During the first five-year reviews, the Commission received U.S. importer questionnaires from 21 firms, which accounted for approximately 93 percent of the subject imports from China during 2014 and 21 percent in 2015, 95 percent of the subject imports from Mexico during 2014 and 100 percent in 2015, and 33 percent of the nonsubject imports from all other sources during 2014 and 32 percent in 2015.[51] Import data presented in the first reviews are based on official Commerce statistics.

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[47] Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).
[48] *Seamless Refined Copper Pipe and Tube from China and Mexico,* Inv. Nos. 731-TA-1174-1175 *(Final)*, USITC Publication 4193, November 2010, pp. I-11-I—12, First review publication, pp. I-6—I-7.
[49] *Seamless Refined Copper Pipe and Tube from China and Mexico,* Inv. Nos. 731-TA-1174-1175 *(Final)*, USITC Publication 4193, November 2010, pp. I-14, First review publication, pp. I-10.
[50] First review publication, p. I-25.
[51] First review publication, p. IV-1.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 36 potential U.S. importers of SRC pipe and tube.[52]

U.S. imports

Table I-7 presents the quantity, value, and unit value of U.S. imports from China and Mexico as well as the other top sources of U.S. imports (shown in descending order of 2020 imports by quantity).

[52] Domestic interested parties' response to the notice of institution, November 1, 2021, exh 3.

Table I-7
SRC pipe and tube: U.S. imports, by source and period

Quantity in 1,000 pounds; value in 1,000 dollars; unit value in dollars per units

U.S. imports from	Measure	2016	2017	2018	2019	2020
Mexico	Quantity	10,223	10,110	9,500	10,821	10,153
China	Quantity	576	641	1,189	902	489
Subject sources	Quantity	10,799	10,750	10,689	11,723	10,642
Vietnam	Quantity	29,024	34,470	40,377	44,627	64,064
Canada	Quantity	38,523	35,047	27,828	29,504	29,223
South Korea	Quantity	23,055	20,396	15,956	16,245	16,777
All other sources	Quantity	28,113	28,791	34,841	30,661	39,024
Nonsubject sources	Quantity	118,715	118,705	119,002	121,036	149,088
All import sources	Quantity	129,513	129,456	129,691	132,759	159,730
Mexico	Value	48,444	33,358	37,806	37,515	40,364
China	Value	4,791	2,515	2,888	5,581	4,818
Subject sources	Value	53,235	35,872	40,694	43,096	45,182
Vietnam	Value	39,469	79,030	113,731	142,996	151,767
Canada	Value	149,851	123,479	134,784	116,591	120,773
South Korea	Value	115,521	63,618	67,746	58,087	55,673
All other sources	Value	88,754	87,313	105,745	140,422	119,706
Nonsubject sources	Value	393,595	353,439	422,006	458,096	447,920
All import sources	Value	446,830	389,311	462700	501,192	493,101
Mexico	Unit value	3,630	3,263	3,740	3,949	3,730
China	Unit value	4,223	4,365	4,509	4,693	5,343
Subject sources	Unit value	3,676	3,322	3,785	4,032	3,854
Vietnam	Unit value	3,110	2,723	3,299	3,542	3,401
Canada	Unit value	3,591	3,205	3,846	4,190	4,093
South Korea	Unit value	3,210	2,759	3,321	3,640	3,427
All other sources	Unit value	3,587	3,106	3,673	4,030	3,904
Nonsubject sources	Unit value	3,418	2,977	3,555	3,849	3,701
All import sources	Unit value	3,447	3,006	3,574	3,865	3,714

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7411.10.1030 7411.10.1090 and accessed December 22,2021.

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

Note: On November 22, 2021, Commerce issued its antidumping duty orders with the final weighted-average dumping margins of 8.35 percent for SRC pipe and tube from Vietnam, 86 FR 44691, August 13, 2021.

Cumulation considerations[53]

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.[54]

U.S. imports of SRC pipe and tube from China and Mexico were present in all months during 2016-20.

Imports from Mexico entered primarily through the southern border of entry in all years from 2016 through 2020. Imports from China entered through all borders of entry in all years from 2016 through 2020.

Apparent U.S. consumption and market shares

Table I-8 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

[53] Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting numbers 7411.10.1030 7411.10.1090.

[54] In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

Table I-8
SRC pipe and tube: Apparent U.S. consumption and market shares, by source and period

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

Source	Measure	2009	2015	2020
U.S. producers	Quantity	512,809	503,789	***
China	Quantity	91,768	1,138	489
Mexico	Quantity	48,014	13,347	10,153
Subject sources	Quantity	139,782	14,485	10,642
Nonsubject sources	Quantity	45,426	115,158	149,088
Total imports	Quantity	185,209	129,643	159,730
Apparent U.S. consumption	Quantity	698,018	633,432	***
U.S. producers	Value	1,602,849	1,750,506	***
China	Value	244,101	4,849	3,001
Mexico	Value	131,261	48,445	36,880
Subject sources	Value	375,362	53,294	39,881
Nonsubject sources	Value	131,960	393,595	538,053
All import sources	Value	507,321	446,889	577,934
Apparent U.S. consumption	Value	2,110,170	2,197,395	***
U.S. producers	Share of quantity	73.5%	79.5%	***
China	Share of quantity	13.1%	0.2%	***
Mexico	Share of quantity	6.9%	2.1%	***
Subject sources	Share of quantity	20.0%	2.3%	***
Nonsubject sources	Share of quantity	6.5%	18.2%	***
All import sources	Share of quantity	26.5%	20.5%	***
U.S. producers	Share of value	76.0%	79.7%	***
China	Share of value	11.6%	0.2%	***
Mexico	Share of value	6.2%	2.2%	***
Subject sources	Share of value	17.8%	2.4%	***
Nonsubject sources	Share of value	6.3%	17.9%	***
All import sources	Share of value	24.0%	20.3%	***

Table continued on next page.

Source: For the years 2009 and 2015, data are compiled using data submitted in the Commission's original investigations and first five-year reviews. For 2020, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, December 1, 2021, exh 3.

Note: For 2020, apparent U.S. consumption is derived from U.S. shipments of imports, rather than U.S. imports.

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

The industry in China

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from eight firms, of the 18 known producers of SRC pipe and tube in China during 2009, accounting for approximately *** of SRC pipe and tube exports from China to the United States during 2009.[55] During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from 3 firms, which accounted for approximately *** percent of production of SRC pipe and tube in China during 2015.[56]

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of seven possible producers of SRC pipe and tube in China.[57]

Table I-9 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from China (by export destination in descending order of quantity for 2020). In 2020, Thailand and Taiwan were the top destination markets for SRC pipe and tube from China, accounting for 21.3 percent and 12.4 percent, respectively, of China's SRC pipe and tube exports under HS subheading 7411.10, by quantity. According to GTA data, China was the largest global exporter of SRC pipe and tube, by quantity, in 2020.

[55] Original confidential report, p. VII-3.

[56] S*eamless Refined CopperPipe and Tube from China and Mexico, Inv. Nos. 731-TA-1174-1175 (Final)*, Staff Report, INV-OO-101, November 3, 2016, "First review confidential report," p. IV-16.

[57] Domestic interested parties' response to the notice of institution, November 1, 2021, exh. 1.

Table I-9
SRC pipe and tube: Quantity of exports from China, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
Thailand	47,385	51,405	60,486	73,829	76,204
Taiwan	41,103	40,717	44,283	40,690	44,380
Malaysia	33,546	30,671	33,020	30,744	27,572
Japan	16,642	21,168	20,890	29,622	27,313
Indonesia	17,015	17,714	17,953	19,098	18,989
Australia	8,953	11,358	11,873	13,377	15,447
South Korea	8,096	15,185	16,547	16,949	14,219
Egypt	8,366	10,342	9,446	11,349	12,145
Turkey	1,729	3,964	4,800	6,169	9,706
Pakistan	6,175	8,282	6,707	7,950	7,314
All other markets	105,749	109,170	114,455	125,838	104,883
All markets	294,759	319,977	340,460	375,616	358,171

Source: Official exports statistics under HS subheading 7411.10 as reported by China Customs in the Global Trade Atlas database, accessed December 23, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

The industry in Mexico

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from five firms, which accounted for approximately *** percent of production of SRC tube and pipe in Mexico during 2009, and approximately *** percent of SRC pipe and tube exports from Mexico to the United States during 2009.[58] During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from four firms, which accounted for nearly all of production of SRC pipe and tube in Mexico during 2015, and nearly all of SRC pipe and tube exports from Mexico to the United States during 2015.[59]

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of 4 possible producers of SRC pipe and tube in Mexico.[60]

[58] Original confidential report, p. VII-6.
[59] First review confidential report, p. IV-16.
[60] Domestic interested parties' response to the notice of institution, November 1, 2021, exh. 1.

Table I-10 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from Mexico (by export destination in descending order of quantity for 2020). In 2020, the United States was the top destination market for SRC pipe and tube from Mexico, accounting for 83.0 percent of Mexico's SRC pipe and tube exports under HS subheading 7411.10, by quantity. According to GTA data, Mexico was the fifteenth largest global exporter of SRC pipe and tube, by quantity, in 2020.[61]

Table I-10
SRC pipe and tube: Quantity of exports from Mexico, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
United States	10,144	10,923	12,438	61,111	13,610
Chile	3,384	2,277	2,417	---	1,216
Colombia	7,420	5,655	6,107	1,959	1,151
Peru	822	738	1,023	214	215
Panama	791	893	1,041	155	166
Nicaragua	115	79	69	---	19
El Salvador	218	265	159	84	19
Venezuela	352	281	123	---	---
Uruguay	78	62	66	---	---
United Kingdom	453	428	499	---	---
All other markets	19,239	18,088	26,120	136	---
All markets	43,015	39,688	50,062	63,659	16,396

Source: Official exports statistics under HS subheading 7411.10 as reported by INEGI in the Global Trade Atlas database, accessed December 23, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

Third-country trade actions

In Canada, SRC pipe and tube originating in or exported from China and Mexico are subject to antidumping duties and SRC pipe and tube originating in or exported from China are also subject to countervailing duties.[62] On November 18, 2013, the Canadian Border Services Agency (CBSA) determined that imports of SRC pipe and tube originating in or exported from China and Mexico had been dumped and that imports of SRC pipe and tube originating in or

[61] Global Trade Atlas database, accessed December 22, 2021.

[62] The subject Canadian goods are defined as: "circular copper tube with an outer diameter of 0.2 inch to 4.25 inches (0.502 centimetre to 10.795 centimetres) excluding industrial and coated or insulated copper tube (copper tube)." Canada Border Services Agency, "Statement of reasons," p. 3, May 3, 2019, https://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/ct2018/ct2018-de-eng.pdf.

exported from China had been subsidized.[63] On December 18, 2013, the Canadian International Trade Tribunal (CITT) determined that the dumped or subsidized SRC pipe and tube had caused or threatened to cause material injury to the domestic industry.[64] As a result of these determinations, antidumping duties were set at 82.4 percent for imports of SRC pipe and tube originating in or exported from China and Mexico and countervailing duties were set at 25,239 renminbi per metric ton for imports of SRC pipe and tube originating in or exported from China.[65] Those antidumping and countervailing duty orders were renewed on September 25, 2019, following CBSA and CITT expiry review investigations.[66]

The global market

Canada

Table I-11 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from Canada (by export destination in descending order of quantity for 2020). In 2020, the United States was the top destination market for SRC pipe and tube from Canada, accounting for 99.4 percent of Canada's SRC pipe and tube exports under HS subheading 7411.10, by quantity. According to GTA data, Canada was the eleventh largest global exporter of SRC pipe and tube, by quantity, in 2020.[67]

[63] Canada Border Services Agency, "Statement of reasons," December 3, 2013, https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1401/ad1401-i13-fd-eng.html.

[64] Canadian International Trade Tribunal, "Dumping and Subsidizing," p. 29, January 2, 2014, https://decisions.citt-tcce.gc.ca/citt-tcce/a/en/353538/1/document.do.

[65] Canada Border Services Agency, "Statement of reasons," December 3, 2013, https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1401/ad1401-i13-fd-eng.html. Individual company duties for imports from China were set at: 7.5 percent and 6.1 percent antidumping duties for Shanghai Hailiang Copper Co., Ltd. and Zhejiang Hailiang Co., Ltd., respectively. 108.35 Renminbi per metric ton and 332.87 Renminbi per metric ton countervailing duties for Shanghai Hailiang Copper Co., Ltd. and Zhejiang Hailiang Co., Ltd., respectively. Individual company duties for imports from Mexico were set at: 23.5 percent antidumping duties for Nacional De Cobre, S.A. DE C.V.

[66] Canada Border Services Agency, "Statement of reasons," p. 2, May 3, 2019, https://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/ct2018/ct2018-de-eng.pdf. Canadian International Trade Tribunal, "Dumping and Subsidizing," p. 35–36, September 25, 2019, https://decisions.citt-tcce.gc.ca/citt-tcce/a/en/422180/1/document.do.

[67] Global Trade Atlas database, accessed December 22, 2021.

Table I-11
SRC pipe and tube: Quantity of exports from Canada, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
United States	38,731	35,114	27,865	29,659	29,248
Ethiopia	160	4	---	153	80
India	---	---	---	---	46
Sweden	6	28	23	13	19
United Kingdom	13	13	11	6	12
France	12	19	16	25	8
Poland	1	7	6	4	5
Australia	---	21	---	---	4
New Zealand	2	2	4	3	3
China	---	2	4	2	2
All other markets	2	54	243	189	3
All markets	38,927	35,263	28,172	30,054	29,431

Source: Official exports statistics under HS subheading 7411.10 as reported by Statistics Canada in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

Greece

Table I-12 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from Greece (by export destination in descending order of quantity for 2020). In 2020, the United Kingdom, France, Italy, and Germany were the top destination markets for SRC pipe and tube from Greece, accounting for 13.5 percent, 12.4 percent, 12.0 percent, and 10.3 percent, respectively, of Greece's SRC pipe and tube exports under HS subheading 7411.10, by quantity. According to GTA data, Greece was the third largest global exporter of SRC pipe and tube, by quantity, in 2020 (table I-16).

Table I-12
SRC pipe and tube: Quantity of exports from Greece, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
United Kingdom	19,057	20,059	22,944	22,360	20,812
France	14,446	16,454	18,151	18,939	19,040
Italy	12,860	17,311	20,205	19,366	18,514
Germany	12,533	12,305	14,425	14,256	15,822
Spain	10,502	11,627	13,091	13,078	11,960
Turkey	16,134	14,697	8,079	8,716	8,813
United States	9,549	9,340	10,780	6,426	7,065
Israel	5,236	5,589	4,928	5,382	6,232
Serbia	1,752	2,299	2,809	2,836	5,407
Romania	4,579	3,842	4,373	4,024	4,832
All other markets	28,032	28,699	31,193	36,549	35,615
All markets	134,680	142,222	150,978	151,930	154,112

Source: Official exports statistics under HS subheading 7411.10 as reported by Eurostat in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

South Korea

Table I-13 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from South Korea (by export destination in descending order of quantity for 2020). In 2020, the United States and Australia were the top destination markets for SRC pipe and tube from South Korea, accounting for 31.6 percent and 12.4 percent, respectively, of South Korea's SRC pipe and tube exports under HS subheading 7411.10, by quantity. According to GTA data, South Korea was the sixth largest global exporter of SRC pipe and tube, by quantity, in 2020 (table I-16).

Table I-13
SRC pipe and tube: Quantity of exports from South Korea, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
United States	26,241	25,207	23,958	21,714	25,065
Australia	13,934	14,725	12,088	12,851	9,801
United Kingdom	5,975	4,287	4,958	5,530	6,114
Thailand	6,192	7,142	4,105	4,002	4,648
United Arab Emirates	3,973	3,737	4,187	4,715	4,148
Saudi Arabia	2,604	3,056	3,788	4,121	3,413
Turkey	0	17	34	309	3,080
China	4,709	4,576	5,372	4,163	2,744
Hong Kong	2,872	3,534	3,346	3,255	2,619
Japan	3,366	3,991	3,419	2,919	2,279
All other markets	24,431	24,051	21,672	18,788	15,308
All markets	94,297	94,322	86,929	82,365	79,220

Source: Official exports statistics under HS subheading 7411.10 as reported by Korea Trade Statistics Promotion Institute (KTSPI) in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

Thailand

Table I-14 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from Thailand (by export destination in descending order of quantity for 2020). In 2020, Japan and the United States were the top destination markets for SRC pipe and tube from Thailand, accounting for 23.4 percent and 19.4 percent, respectively, of Thailand's SRC pipe and tube exports under HS subheading 7411.10, by quantity (table I-14). According to GTA data, Thailand was the seventh largest global exporter of SRC pipe and tube, by quantity, in 2020 (table I-16).

Table I-14
SRC pipe and tube: Quantity of exports from Thailand, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
Japan	13,397	15,110	19,331	19,344	16,437
United States	288	335	1,107	2,273	13,591
India	11,673	9,501	9,505	9,507	7,900
Vietnam	5,371	5,710	6,561	9,720	6,535
Malaysia	8,471	8,724	8,169	7,755	6,112
Czech Republic	3,330	2,957	3,559	4,133	3,212
United Kingdom	3,013	3,323	3,270	3,355	3,056
China	540	603	572	434	2,207
Indonesia	3,710	2,343	2,222	2,093	1,850
Egypt	3,505	2,816	2,633	1,399	1,703
All other markets	10,845	8,449	9,156	8,397	7,619
All markets	64,142	59,869	66,087	68,412	70,220

Source: Official exports statistics under HS subheading 7411.10 as reported by Thai Customs Department in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

Vietnam

Table I-15 presents export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products, from Vietnam (by export destination in descending order of quantity for 2020). In 2020, India and the United States were the top destination markets for SRC pipe and tube from Vietnam, accounting for 29.4 percent and 28.3 percent, respectively, of Vietnam's SRC pipe and tube exports under HS subheading 7411.10, by quantity (table I-15). According to GTA data, Vietnam was the second largest global exporter of SRC pipe and tube, by quantity, in 2020 (table I-16).

Table I-15
SRC pipe and tube: Quantity of exports from Vietnam, by destination and period

Quantity in 1,000 pounds

Destination market	2016	2017	2018	2019	2020
India	40,985	51,851	59,282	84,558	66,542
United States	29,004	34,496	40,418	44,650	64,244
China	11,649	22,338	25,101	33,483	34,207
South Korea	3,685	6,956	9,337	10,672	19,009
United Kingdom	4,242	5,944	6,885	10,008	7,374
Brazil	3,380	3,969	4,744	6,115	7,200
Australia	5,102	6,405	5,919	4,466	5,349
Russia	0	0	67	680	4,310
Thailand	175	4,149	1,609	4,390	3,810
Italy	2,905	2,883	5,764	5,108	3,664
All other markets	2,617	2,996	7,112	10,487	10,953
All markets	103,744	141,987	166,239	214,617	226,664

Source: Official imports statistics of imports from Vietnam (constructed export statistics for Vietnam) under HS subheading 7411.10 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

Global exports

Table I-16 presents global export data for GTA HS subheading 7411.10, a category that includes SRC pipe and tube and out-of-scope products (by source in descending order of quantity for 2020). China and Vietnam were the largest exporters in 2020 and accounted for 24.6 percent and 15.6 percent of total global exports by quantity, respectively. Mexico was the fifteenth largest exporter, representing 1.1 percent of total global exports in 2020.[68]

[68] Global Trade Atlas database, accessed December 22, 2021.

Table I-16
SRC pipe and tube: Quantity of global exports by country and period

Quantity in 1,000 pounds

Exporting country	2016	2017	2018	2019	2020
China	294,759	319,977	340,460	375,616	358,171
Vietnam	103,744	141,987	166,239	214,617	226,664
Greece	134,680	142,222	150,978	151,930	154,112
Germany	159,568	155,210	143,485	121,438	116,126
Italy	104,781	110,600	114,072	118,532	107,667
South Korea	94,297	94,322	86,929	82,365	79,220
Thailand	64,142	59,869	66,087	68,412	70,220
Malaysia	94,787	95,551	98,943	99,064	64,638
Austria	33,012	37,040	36,772	31,213	30,864
United States	32,435	35,565	35,618	30,198	29,908
All other exporters	322,421	297,314	294,010	284,266	200,125
All exporters	1,441,497	1,502,393	1,551,213	1,594,464	1,455,975

Source: Official exports statistics under HS subheading 7411.10, as reported by various national statistical authorities in the Global Trade Atlas database, accessed December 22, 2021. These data may be overstated as HS subheading 7411.10 may contain products outside the scope of these reviews.

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

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. 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 60201 November 1, 2021	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-11-01/pdf/2021-23744.pdf
86 FR 60287 November 1, 2021	*Seamless Refined Copper Pipe and Tube From China and Mexico; Institution of Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-11-01/pdf/2021-23682.pdf

APPENDIX B

COMPANY-SPECIFIC DATA

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APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-1
SRC pipe and tube: Summary data concerning the U.S. market, 2010-15, January to June 2015, and January to June 2016

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

	Reported data							
	Calendar year						January to June	
	2010	2011	2012	2013	2014	2015	2015	2016
U.S. consumption quantity:								
Amount	647,284	612,520	585,173	592,059	630,568	633,432	329,189	351,453
Producers' share (fn1)	77.0	79.7	78.8	77.8	77.0	79.5	79.2	79.5
Importers' share (fn1):								
China	6.4	3.3	3.4	3.3	3.5	0.2	0.1	0.2
Mexico	4.0	0.6	0.3	0.2	0.7	2.1	1.8	2.2
Subject sources	10.4	3.9	3.7	3.5	4.2	2.3	1.9	2.4
Nonsubject sources	12.5	16.4	17.5	18.7	18.8	18.2	18.9	18.1
All sources	23.0	20.3	21.2	22.2	23.0	20.5	20.8	20.5
U.S. consumption value:								
Amount	2,680,194	3,048,024	2,646,981	2,521,190	2,549,735	2,197,395	1,152,253	1,106,177
Producers' share (fn1)	78.2	80.0	79.2	78.2	77.5	79.7	82.4	76.7
Importers' share (fn1):								
China	5.9	3.1	3.2	3.1	3.3	0.2	0.1	0.3
Mexico	3.6	0.6	0.4	0.2	0.7	2.2	1.7	2.6
Subject sources	9.6	3.7	3.5	3.3	4.0	2.4	1.8	2.9
Nonsubject sources	12.2	16.3	17.3	18.5	18.5	17.9	15.8	20.4
All sources	21.8	20.0	20.8	21.8	22.5	20.3	17.6	23.3
U.S. imports from:								
China:								
Quantity	41,565	20,044	19,643	19,473	21,772	1,138	301	633
Value	159,289	95,572	84,257	77,041	83,664	4,849	1,286	2,818
Unit value	$3,832	$4,768	$4,289	$3,956	$3,843	$4,259	$4,273	$4,452
Ending inventory quantity	***	***	***	***	***	***	***	***
Mexico:								
Quantity	25,983	3,962	1,929	1,393	4,547	13,347	5,966	7,858
Value	97,276	18,039	9,408	6,226	18,569	48,445	19,493	29,083
Unit value	$3,744	$4,553	$4,877	$4,470	$4,084	$3,630	$3,267	$3,701
Ending inventory quantity	***	***	***	***	***	***	***	***
Subject sources:								
Quantity	67,548	24,006	21,572	20,866	26,319	14,485	6,267	8,491
Value	256,565	113,611	93,665	83,268	102,233	53,294	20,779	31,902
Unit value	$3,798	$4,733	$4,342	$3,991	$3,884	$3,679	$3,316	$3,757
Ending inventory quantity	***	***	***	***	***	***	***	***
Nonsubject sources:								
Quantity	81,201	100,622	102,225	110,798	118,837	115,158	62,327	63,453
Value	328,311	496,803	457,733	465,399	470,746	393,595	181,868	225,515
Unit value	$4,043	$4,937	$4,478	$4,200	$3,961	$3,418	$2,918	$3,554
Ending inventory quantity	***	***	***	***	***	***	***	***
All sources:								
Quantity	148,749	124,628	123,797	131,664	145,156	129,643	68,594	71,944
Value	584,876	610,414	551,397	548,666	572,980	446,889	202,648	257,417
Unit value	$3,932	$4,898	$4,454	$4,167	$3,947	$3,447	$2,954	$3,578
Ending inventory quantity	***	***	***	***	***	***	***	***
U.S. producers':								
Average capacity quantity	1,014,661	936,890	936,983	978,370	1,027,254	1,063,863	525,523	537,966
Production quantity	522,313	519,852	490,260	488,225	516,811	537,684	277,366	296,654
Capacity utilization (fn1)	51.5	55.5	52.3	49.9	50.3	50.5	52.8	55.1
U.S. shipments:								
Quantity	498,535	487,892	461,376	460,395	485,412	503,789	260,595	279,509
Value	2,095,318	2,437,610	2,095,584	1,972,524	1,976,755	1,750,506	949,605	848,760
Unit value	$4,203	$4,996	$4,542	$4,284	$4,072	$3,475	$3,644	$3,037
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***
Production workers	2,521	2,609	2,501	2,423	2,648	2,768	2,816	2,869
Hours worked (1,000s)	5,295	5,373	5,153	5,090	5,714	5,828	2,941	3,010
Wages paid ($1,000)	100,688	102,108	99,121	100,330	108,703	116,286	58,351	58,837
Hourly wages	$19.02	$19.00	$19.24	$19.71	$19.02	$19.95	$19.84	$19.55
Productivity (pounds per hour)	98.6	96.8	95.1	95.9	90.4	92.3	94.3	98.6
Unit labor costs	$193	$196	$202	$205	$210	$216	$210	$198
Net Sales:								
Quantity	521,774	517,989	489,091	487,925	509,329	535,125	278,066	296,438
Value	2,157,718	2,593,346	2,216,732	2,090,351	2,075,752	1,873,704	1,015,185	899,534
Unit value	$4,135	$5,007	$4,532	$4,284	$4,075	$3,501	$3,651	$3,034
Cost of goods sold (COGS)	2,025,097	2,412,607	2,081,655	1,949,440	1,923,396	1,733,382	934,700	822,305
Gross profit of (loss)	132,621	180,739	135,077	140,911	152,356	140,322	80,485	77,229
SG&A expenses	71,424	82,434	81,378	75,742	88,403	82,717	43,146	40,962
Operating income or (loss)	61,197	98,305	53,699	65,169	63,953	57,605	37,339	36,267
Capital expenditures	11,895	14,724	56,553	38,406	57,099	27,911	13,584	10,807
Unit COGS	$3,881	$4,658	$4,256	$3,995	$3,776	$3,239	$3,361	$2,774
Unit SG&A expenses	$137	$159	$166	$155	$174	$155	$155	$138
Unit operating income or (loss)	$117	$190	$110	$134	$126	$108	$134	$122
COGS/sales (fn1)	93.9	93.0	93.9	93.3	92.7	92.5	92.1	91.4
Operating income or (loss)/sales (fn1)	2.8	3.8	2.4	3.1	3.1	3.1	3.7	4.0

Table continued next page.

Table C-1--Continued
SRC pipe and tube: Summary data concerning the U.S. market, 2010-15, January to June 2015, and January to June 2016

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

	Period changes						
	Calendar year						Jan-Jun
	2010-15	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
U.S. consumption quantity:							
Amount	(2.1)	(5.4)	(4.5)	1.2	6.5	0.5	6.8
Producers' share (fn1)	2.5	2.6	(0.8)	(1.1)	(0.8)	2.6	0.4
Importers' share (fn1):							
China	(6.2)	(3.1)	0.1	(0.1)	0.2	(3.3)	0.1
Mexico	(1.9)	(3.4)	(0.3)	(0.1)	0.5	1.4	0.4
Subject sources	(8.1)	(6.5)	(0.2)	(0.2)	0.6	(1.9)	0.5
Nonsubject sources	5.6	3.9	1.0	1.2	0.1	(0.7)	(0.9)
All sources	(2.5)	(2.6)	0.8	1.1	0.8	(2.6)	(0.4)
U.S. consumption value:							
Amount	(18.0)	13.7	(13.2)	(4.8)	1.1	(13.8)	(4.0)
Producers' share (fn1)	1.5	1.8	(0.8)	(0.9)	(0.7)	2.1	(5.7)
Importers' share (fn1):							
China	(5.7)	(2.8)	0.0	(0.1)	0.2	(3.1)	0.1
Mexico	(1.4)	(3.0)	(0.2)	(0.1)	0.5	1.5	0.9
Subject sources	(7.1)	(5.8)	(0.2)	(0.2)	0.7	(1.6)	1.1
Nonsubject sources	5.7	4.0	1.0	1.2	0.0	(0.6)	4.6
All sources	(1.5)	(1.8)	0.8	0.9	0.7	(2.1)	5.7
U.S. imports from:							
China:							
Quantity	(97.3)	(51.8)	(2.0)	(0.9)	11.8	(94.8)	110.3
Value	(97.0)	(40.0)	(11.8)	(8.6)	8.6	(94.2)	119.1
Unit value	11.1	24.4	(10.0)	(7.8)	(2.9)	10.8	4.2
Ending inventory quantity	***	***	***	***	***	***	***
Mexico:							
Quantity	(48.6)	(84.8)	(51.3)	(27.8)	226.4	193.5	31.7
Value	(50.2)	(81.5)	(47.8)	(33.8)	198.2	160.9	49.2
Unit value	(3.0)	21.6	7.1	(8.3)	(8.6)	(11.1)	13.3
Ending inventory quantity	***	***	***	***	***	***	***
Subject sources:							
Quantity	(78.6)	(64.5)	(10.1)	(3.3)	26.1	(45.0)	35.5
Value	(79.2)	(55.7)	(17.6)	(11.1)	22.8	(47.9)	53.5
Unit value	(3.1)	24.6	(8.3)	(8.1)	(2.7)	(5.3)	13.3
Ending inventory quantity	***	***	***	***	***	***	***
Nonsubject sources:							
Quantity	41.8	23.9	1.6	8.4	7.3	(3.1)	1.8
Value	19.9	51.3	(7.9)	1.7	1.1	(16.4)	24.0
Unit value	(15.5)	22.1	(9.3)	(6.2)	(5.7)	(13.7)	21.8
Ending inventory quantity	***	***	***	***	***	***	***
All sources:							
Quantity	(12.8)	(16.2)	(0.7)	6.4	10.2	(10.7)	4.9
Value	(23.6)	4.4	(9.7)	(0.5)	4.4	(22.0)	27.0
Unit value	(12.3)	24.6	(9.1)	(6.4)	(5.3)	(12.7)	21.1
Ending inventory quantity	***	***	***	***	***	***	***
U.S. producers':							
Average capacity quantity	4.8	(7.7)	0.0	4.4	5.0	3.6	2.4
Production quantity	2.9	(0.5)	(5.7)	(0.4)	5.9	4.0	7.0
Capacity utilization (fn1)	(0.9)	4.0	(3.2)	(2.4)	0.4	0.2	2.4
U.S. shipments:							
Quantity	1.1	(2.1)	(5.4)	(0.2)	5.4	3.8	7.3
Value	(16.5)	16.3	(14.0)	(5.9)	0.2	(11.4)	(10.6)
Unit value	(17.3)	18.9	(9.1)	(5.7)	(5.0)	(14.7)	(16.7)
Export shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***
Production workers	9.8	3.5	(4.1)	(3.1)	9.3	4.5	1.9
Hours worked (1,000s)	10.1	1.5	(4.1)	(1.2)	12.3	2.0	2.3
Wages paid ($1,000)	15.5	1.4	(2.9)	1.2	8.3	7.0	0.8
Hourly wages	4.9	(0.1)	1.2	2.5	(3.5)	4.9	(1.5)
Productivity (1,000 pounds per hour)	(6.5)	(1.9)	(1.7)	0.8	(5.7)	2.0	4.5
Unit labor costs	12.2	1.9	2.9	1.6	2.4	2.8	(5.7)
Net Sales:							
Quantity	2.6	(0.7)	(5.6)	(0.2)	4.4	5.1	6.6
Value	(13.2)	20.2	(14.5)	(5.7)	(0.7)	(9.7)	(11.4)
Unit value	(15.3)	21.1	(9.5)	(5.5)	(4.9)	(14.1)	(16.9)
Cost of goods sold (COGS)	(14.4)	19.1	(13.7)	(6.4)	(1.3)	(9.9)	(12.0)
Gross profit of (loss)	5.8	36.3	(25.3)	4.3	8.1	(7.9)	(4.0)
SG&A expenses	15.8	15.4	(1.3)	(6.9)	16.7	(6.4)	(5.1)
Operating income or (loss)	(5.9)	60.6	(45.4)	21.4	(1.9)	(9.9)	(2.9)
Capital expenditures	134.6	23.8	284.1	(32.1)	48.7	(51.1)	(20.4)
Unit COGS	(16.5)	20.0	(8.6)	(6.1)	(5.5)	(14.2)	(17.5)
Unit SG&A expenses	12.9	16.3	4.6	(6.7)	11.8	(10.9)	(10.9)
Unit operating income or (loss)	(8.2)	61.8	(42.1)	21.6	(6.0)	(14.3)	(8.9)
COGS/sales (fn1)	(1.3)	(0.8)	0.9	(0.6)	(0.6)	(0.1)	(0.7)
Operating income or (loss)/sales (fn1)	0.2	1.0	(1.4)	0.7	(0.0)	(0.0)	0.4

Notes:
fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Undefined.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics (see part Part IV for details).

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

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

1. Have there been any significant changes in the supply and demand conditions for seamless refined copper pipe and tube that have occurred in the United States or in the market for seamless refined copper pipe and tube in China and/or Mexico since January 1, 2016?

Purchaser	Yes / No	Changes that have occurred
***	***	***.
***	***	***.
***	***	***.

2. Do you anticipate any significant changes in the supply and demand conditions for seamless refined copper pipe and tube in the United States or in the market for seamless refined copper pipe and tube in China and/or Mexico within a reasonably foreseeable time?

Purchaser	Yes / No	Changes that have occurred
***	***	***.
***	***	***.
***	***	***.