Lemon Juice from Argentina

Investigation No. 731-TA-1105 (Second Review)

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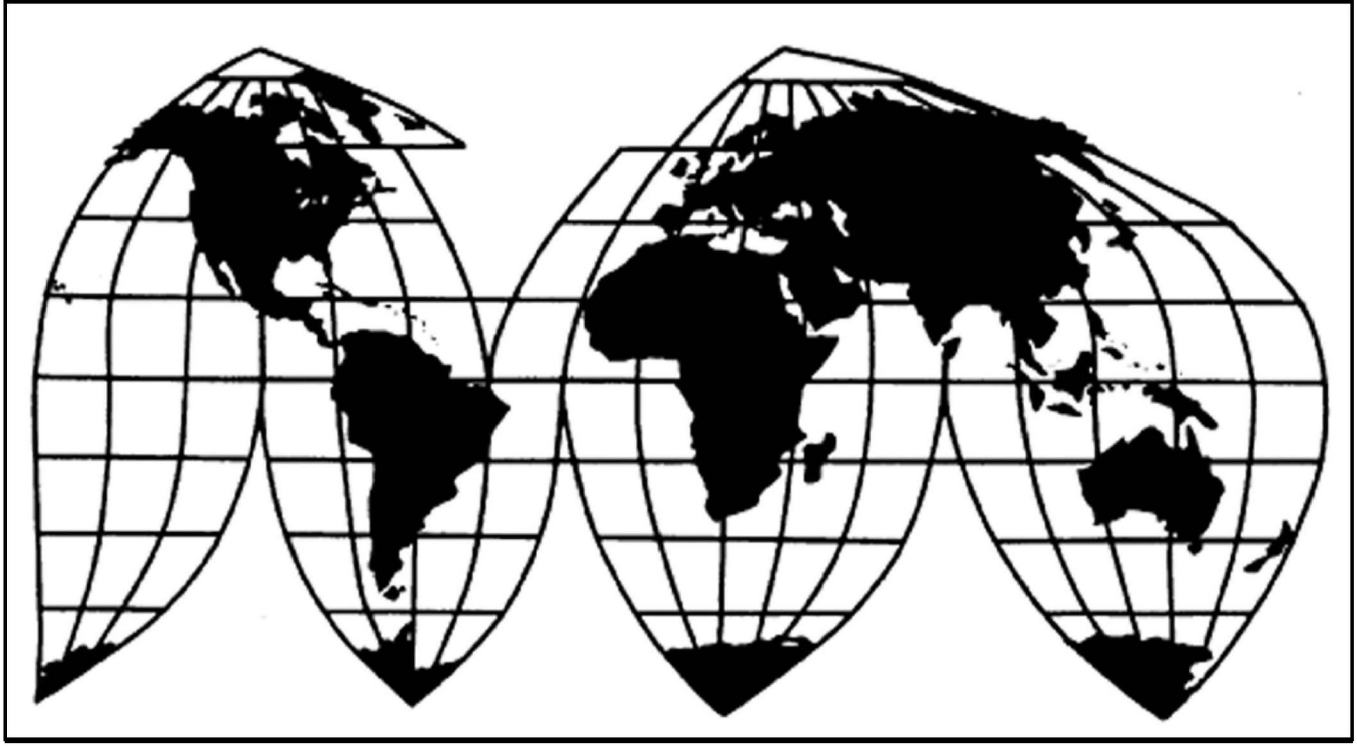
U.S. International Trade Commission



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Note.—Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1105 (Second Review)

Lemon Juice from Argentina

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that termination of the suspended investigation on lemon juice from Argentina would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[2]

BACKGROUND

The Commission instituted this review on September 1, 2021 (86 FR 49054) and determined on December 6, 2021 that it would conduct a full review (86 FR 71916, December 20, 2021). Notice of the scheduling of the Commission's review and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on March 25, 2022 (87 FR 17103). The Commission conducted its hearing on July 6, 2022. All persons who requested the opportunity were permitted to participate.

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

[2] Commissioner Amy A. Karpel not participating.

Views of the Commission

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that termination of the suspended antidumping duty investigation on lemon juice from Argentina 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 Preliminary Investigations: The original investigations of lemon juice from Argentina and Mexico were initiated based on antidumping duty petitions filed by Sunkist Growers, Inc. ("Sunkist") on September 21, 2006.[1] In November 2006, the Commission made preliminary determinations that there was a reasonable indication that an industry in the United States was materially injured by reason of imports of lemon juice from Argentina and Mexico that were alleged to be sold in the United States at less than fair value.[2]

The Suspension Agreements: On September 10, 2007, before the Commission reached final determinations in the original investigations, the U.S. Department of Commerce ("Commerce") suspended the antidumping duty investigation involving lemon juice from Argentina based on a suspension agreement it entered with S.A. San Miguel A.G.I.C.I. y F. ("San Miguel") and Citrusvil S.A. ("Citrusvil") to revise their prices to eliminate completely sales of lemon juice to the United States at less than fair value.[3] [4]

The signatories of the suspension agreement are producers and exporters that account for substantially all (not less than 85 percent) of the subject merchandise imported into the United States from Argentina. Commerce may at any time require additional

[1] Confidential Report, Memorandum INV-LL-046 (June 24, 2013) as revised by Memorandum INV-II-052 at I-2 (July 8, 2013) ("First Review CR") at I-2; Public Report, *Lemon Juice from Argentina and Mexico*, Inv. Nos. 731-TA-1105-1106 (Review), USITC Pub. 4418 at I-2 (Jul. 2013) ("*First Review Determinations")*.

[2] *Lemon Juice From Argentina and Mexico*, Inv. Nos. 731-TA-1105-1106, USITC Pub. 3891 (Nov. 2006) ("*Preliminary Determinations*").

[3] *Suspension of Antidumping Duty Investigation: Lemon Juice from Argentina*, 72 Fed. Reg. 53991 (Sep. 21, 2007) ("*Suspension Notice*").

[4] Similarly, on September 10, 2007, Commerce also suspended the antidumping duty investigation involving lemon juice from Mexico based on a suspension agreement it entered with The Coca-Cola Corporation and The Coca-Cola Export Corporation, Mexico Branch, to revise their prices to eliminate completely sales of lemon juice to the United States at less than fair value. *Suspension Notice*, 72 Fed. Reg. at 53995.

producers/exporters in Argentina to sign the agreement to ensure that not less than substantially all subject imports from Argentina into the United States are covered.[5] In 2009, Citromax Group and Citromax SACI ("Citromax") became a signatory to the Agreement with respect to subject imports from Argentina.[6]

Commerce establishes normal values once a year for each type of lemon juice to be exported from Argentina, and the subject imports cannot be sold in the United States below these values.[7]

First Reviews: The Commission instituted the first five-year reviews of the suspension agreements on lemon juice from both Argentina and Mexico on August 1, 2012, and in November 2012, it determined to conduct full reviews.[8] After exercising its discretion not to cumulate subject imports from Argentina and Mexico based upon differences in likely conditions of competition,[9] the Commission determined that termination of the suspended antidumping duty investigation on lemon juice from Argentina was likely to lead to the continuation or recurrence of material injury within a reasonably foreseeable time.[10] The Commission also determined that termination of the suspended antidumping duty investigation of lemon juice from Mexico was not likely to lead to the continuation or recurrence of material injury within a reasonably foreseeable time.[11] Consequently, Commerce continued the suspension agreement with respect to lemon juice from Argentina but terminated the suspended investigation with respect to lemon juice from Mexico.[12]

Current review: The Commission instituted the current five-year review with respect to lemon juice from Argentina on September 1, 2021.[13] The Commission received a response to its notice of institution from domestic producer Ventura Coastal LLC ("Ventura Coastal" or "Domestic Producer"). It also received responses from respondent interested parties Argenti

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[5] *Suspension Notice*, 72 Fed. Reg. at 53991.

[6] *First Review Determinations*, USITC Pub. 4418 at 3-4. Commerce also added a signatory to the Agreement with respect to subject imports from Mexico at that time. *Id.*

[7] *Suspension Notice*, 72 Fed. Reg. at 53992.

[8] *Lemon Juice from Argentina and Mexico*, 77 Fed. Reg. 45653 (Aug. 1, 2012); *Lemon Juice from Argentina and Mexico: Notice of Commission Determination to Conduct Full Five-Year Reviews*, 77 Fed. Reg. 67833 (Nov. 14, 2012).

[9] *First Review Determinations*, USITC Pub. 4418 at 12.

[10] *First Review Determinations*, USITC Pub. 4418 at 24.

[11] *First Review Determinations*, USITC Pub. 4418 at 27.

[12] *Lemon Juice From Argentina: Continuation of Suspended Antidumping Duty Investigation*, 78 Fed. Reg. 48145 (Aug. 7, 2013); *Lemon Juice From Mexico: Termination of Suspended Investigation*, 78 Fed. Reg. 48148 (Aug. 7, 2013).

[13] *Lemon Juice From Argentina: Institution of Five-Year Review*, 86 Fed. Reg. 49054 (Sep. 1, 2021).

Lemon S.A. ("Argenti Lemon"), Citromax, Citrusvil, COTA LTDA ("COTA"), F.G.F. Trapani S.A. ("FGF Trapani"), La Moraleja S.A. ("La Moraleja"), Latin Lemon S.R.L. ("Latin Lemon"), Ledesma S.A.A.I. ("Ledesma"), and San Miguel, foreign producers and exporters of subject merchandise, and from Coca-Cola, a U.S. importer of subject merchandise. The Commission found that both the domestic and respondent interested party group responses to its notice of institution were adequate.[14] Accordingly, the Commission determined to conduct a full review with respect to the suspended antidumping duty investigation on lemon juice from Argentina.[15]

The Commission received prehearing and posthearing submissions, including final comments, from Ventura Coastal.[16] Ventura Coastal also appeared at the hearing represented by counsel.[17]

The following Argentinian producers of lemon juice filed joint prehearing and posthearing submissions, as well as final comments, and appeared at the hearing represented by counsel: Acheral S.A., Argenti Lemon, Citromax, Citrusvil, Cooperativa de Productores de Fafi Viejo, FGF Trapani, La Moraleja, Latin Lemon, Ledesma, Litoral Citrus S.A., Pablo Jose Padilla (Padilla Citrus), San Miguel, and Vicente Trapani S.A. (collectively, "Argentinian Respondents").[18] Coca-Cola, a U.S. purchaser of lemon juice, also submitted prehearing and posthearing submissions, as well as final comments, and appeared at the hearing represented by counsel.[19]

U.S. industry data in this review are based on the questionnaire responses of four U.S. producers of lemon juice that are believed to account for the vast majority of domestic

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[14] *Notice of Commission Determination to Conduct a Full Five-Year Review: Lemon Juice from Argentina*, 86 Fed. Reg. 71916 (Dec. 20, 2021).

[15] *Notice of Commission Determination to Conduct a Full Five-Year Review: Lemon Juice from Argentina*, 86 Fed. Reg. 71916 (Dec. 20, 2021).

[16] *See* Ventura Coastal's Prehearing Brief, EDIS Doc. 774008 (June 24, 2022) ("Domestic Producer Prehearing Br."); Ventura Coastal's Posthearing Brief, EDIS Doc. 775520 (July 15, 2022) ("Domestic Producer Posthearing Br."); Ventura Coastal's Final Comments, EDIS Doc. 777413 (Aug. 8, 2022).

[17] In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted the hearing via video conference held on July 6, 2022, as set forth in procedures provided to the parties.

[18] *See* Argentinian Respondents' Prehearing Brief, EDIS Doc. 774014 (June 27, 2021) ("Argentinian Respondents Prehearing Br."); Argentinian Respondents' Posthearing Brief, EDIS Doc 775538 (July 15, 2022) ("Argentinian Respondents Posthearing Br."); Argentinian Respondents' Final Comments, EDIS Doc. 777423 (Aug. 8, 2022).

[19] Coca-Cola Prehearing Br., EDIS Doc. 774356 (June 30, 2022); Coca-Cola Posthearing Br., EDIS Doc. 775499 (Jul. 15, 2022); Coca-Cola Final Comments, EDIS Doc. 777267 (Aug. 5, 2022). In addition, ***. Confidential Report, Memorandum INV-UU-080 (Jul. 28, 2022), as revised by Memorandum INV-UU-082 (Aug. 9, 2022) ("CR") and Public Report, *Lemon Juice from Argentina*, USITC Pub. 5344 (Aug. 2022) ("PR"), at IV-1 n.1.

production of lemon juice in 2021.[20] U.S. import data and related information are based on Commerce's official import statistics.[21] The Commission also received questionnaire responses from 19 U.S. importers of lemon juice, accounting for approximately 63 percent of total U.S. imports of lemon juice and 77 percent of subject imports from Argentina, by quantity, during the 2019-2021 period.[22] Foreign industry data and related information are based on the questionnaire responses of 13 producers and exporters of lemon juice in Argentina, which estimate that they accounted for over 95 percent of lemon juice production in Argentina in 2021.[23]

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the "domestic like product" and the "industry."[24] The Tariff Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle."[25] The Commission's practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.[26]

1. The Subject Merchandise

Commerce has defined the imported merchandise within the scope of the suspended antidumping duty investigation under review as follows:

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[20] CR/PR at III-1.

[21] CR/PR at IV-1.

[22] CR/PR at IV-1.

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

[24] 19 U.S.C. § 1677(4)(A).

[25] 19 U.S.C. § 1677(10); *see*, *e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep't of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int'l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

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

> The product covered by the 2016 Agreement is lemon juice for further manufacture, with or without addition of preservatives, sugar, or other sweeteners, regardless of the GPL (grams per liter of citric acid) level of concentration, brix level, brix/acid ratio, pulp content, clarity, grade, horticulture method (e.g., organic or not), processed form (e.g., frozen or not-from concentrate), FDA standard of identity, the size of the container in which packed, or the method of packing.
>
> Excluded from the scope are: (1) Lemon juice at any level of concentration packed in retail-sized containers ready for sale to consumers, typically at a level of concentration of 48 GPL; and (2) beverage products such as lemonade that typically contain 20% or less lemon juice as an ingredient.[27]

Commerce has not conducted any changed circumstances reviews, scope rulings, anti-circumvention inquiries, or duty absorption findings since the original investigations.

In the United States, lemons are generally grown primarily for the fresh market.[28] Those lemons with imperfections or that fail to meet size or grade standards are shipped for processing into various products including lemon juice.[29] Lemon juice is sold to be used as an ingredient by food and beverage processing companies as well as producers of non-food products, such as household cleaners.[30]

Lemons are processed into juice with varying concentrations, acidity, and sugar content.[31] From concentrate lemon juice ("FCLJ") and not-from-concentrate lemon juice ("NFCLJ") are the two main types of lemon juice produced. FCLJ can be marketed as cloudy, containing up to 12 percent pulp, or clear or clarified, with no visible pulp.[32] It can be

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[27] *2016 Agreement Suspending the Antidumping Duty Investigation on Lemon Juice from Argentina: Final Results of the Expedited Second Sunset Review of the Suspension*, 87 Fed. Reg. 215 (Jan. 4, 2022).

[28] CR/PR at I-14.

[29] CR/PR at I-14. Historically, when the quantity of fresh lemons meeting market standards exceeds the demand for fresh lemons, additional lemons would be diverted to processing. However, as growth in demand for fresh lemons has exceeded growth in U.S. production, the practice of diverting additional lemons for processing may have diminished. *Id*.

[30] CR/PR at I-14.

[31] CR/PR at I-15.

[32] CR/PR at I-15.

concentrated to different levels, and the level of concentration is principally measured by acidity, as grams per liter of anhydrous citric acid ("GPL").[33] ***[34] FCLJ is more economically transported and stored than NFCLJ since removing the water reduces bulk and weight.[35] FCLJ is typically used as an ingredient in lemonades or other lemon-flavored beverages, or is reconstituted to single strength for packaging and sale.[36] NFCLJ is marketed as a premium product and higher priced than frozen concentrated or reconstituted juices, as NFCLJ has no water removed and does not require reconstitution.[37] The market for NFCLJ is growing, as lemon juice becomes a leading ingredient and flavor of choice in premium lemonades and juice blends demanded by consumers.[38]

Lemon juice and lemon oil are considered co-products, in that production of one generally necessitates production of the other, though the pricing of the two products tends to be independent of each other.[39] Lemon juice is extracted from the pulp while lemon oil is extracted from the peel.[40] While both lemon oil and lemon juice can be used in beverages, lemon oil is used to impart flavor while lemon juice is used to impart acidic tartness.[41]

[33] CR/PR at I-15. The typical levels for FCLJ are acidity levels of 400 GPL and 500 GPL, but concentration levels can be customized to customer specifications. *Id*.; *see also* Hearing Transcript ("Tr."), EDIS Doc. 775754 (July 10, 2022) at 109-110 (Gonzalez).

[34] CR/PR at I-21-22; *see also* Hearing Tr. at 20 (Borgers).

[35] CR/PR at I-24.

[36] CR/PR at I-15.

[37] CR/PR at I-15.

[38] CR/PR at I-15.

[39] CR/PR at I-15-16; *see also id*. at III-32. Further, the production of lemon oil generally results in the production of lemon juice, and vice versa. *See generally id*. Accordingly, the cost of producing lemon oil is generally offset by revenue generated by the co-product lemon juice, and vice versa. *See*, *e.g.*, *id*. at I-16 n.28 ("Performing oil extraction without juicing is not generally considered commercially viable, since without the additional revenue from juice, the cost of extracting the lemon oil would be prohibitive."), & III-32 (by-product revenue).

[40] CR/PR at I-16.

[41] CR/PR at I-16.

2. Prior Proceedings

In the original investigations, all parties agreed that a single domestic like product should be defined to include all lemon juice for further manufacturing in all concentrations, processed forms (*e.g.*, concentrated, frozen, and NFCLJ), and by all methods (organic and non-organic).[42] The Commission defined a single domestic like product consisting of all lemon juice for further manufacturing, coextensive with the scope of the investigations.[43]

In the first five-year reviews, the Commission found that there was no new information on the record that warranted revisiting the domestic like product definition. Absent any argument to the contrary, the Commission defined the domestic like product as certain lemon juice, coextensive with the scope of the reviews.[44]

3. Arguments of the Parties

Domestic Producer's Argument. In the current review, Domestic Producer agrees with the Commission's definition of domestic like product from the original investigations and first reviews as all lemon juice, coextensive with the scope.[45] Domestic Producer argues that FCLJ and NFCLJ are interchangeable in terms of end-uses, exhibit similar and interrelated pricing patterns, and may have comparable formulation costs.[46] Moreover, Domestic Producer emphasizes that some purchasers blend FCLJ and NFCLJ for use in the same product.[47]

Respondents' Argument. In the current review, various respondent parties contest the Commission's definition of the domestic like product from the original investigations and first reviews. Argenti Lemon and Citrusvil argue that the Commission should define two separate domestic like products corresponding to FCLJ and NFCLJ.[48] Argenti Lemon asserts that the

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[42] *Preliminary Determinations*, USITC Pub. 3891 at 5. All parties also agreed that the domestic like product should not be defined more broadly than the scope to include products such as lemon-oil. *Id*.

[43] *Preliminary Determinations*, USITC Pub. 3891 at 5-7. The Commission observed that all forms of lemon juice shared certain general physical characteristics and uses and were interchangeable in end uses, sold to food processors for further manufacturing, produced in similar production processes, and generally perceived to be similar products. *Id.*

[44] *First Review Determinations*, USITC Pub. 4418 at 6.

[45] Domestic Producer Prehearing Br. at 11.

[46] Domestic Producer Posthearing Br., Exhibit 1 Response to Commissioner Questions at 12-13.

[47] Domestic Producer Posthearing Br., Exhibit 1 Response to Commissioner Questions at 14-15, and Exhibits 10 & 11.

[48] Argenti Lemon Response to Notice of Institution at 8-9; Citrusvil Response to Notice of Institution at 8.

additional manufacturing involved in the production of FCLJ results in a product that differs from NFCLJ in terms of physical characteristics, customer perceptions, channels of distribution, end uses, and price.[49] As an example of these differences, it maintains that some customers may prefer FCLJ because it is less susceptible to microorganisms than NFCLJ and may be stored refrigerated instead of frozen, resulting in an energy cost savings.[50]

FGF Trapani, Latin Lemon, Ledesma, and San Miguel argue that the Commission should define a separate domestic like product corresponding to FCLJ.[51] They assert that there is low substitutability between FCLJ and NFCLJ, and that Argentina does not compete significantly with domestically produced NFCLJ because less than one percent of subject imports consist of NFCLJ.[52]

Citromax claims that the Commission may need to revisit its definition of the domestic like product in light of developments in product categories, applications, and consumer trends.[53]

4. Analysis and Conclusion

Physical Characteristics and Uses. The record in this review indicates that the physical characteristics and uses of domestically produced lemon juice have not changed since the original investigations and first reviews, although consumer demand for NFCLJ has increased.[54] There are similarities and differences between FCLJ and NFCLJ. ***.[55] According to Domestic Producer, FCLJ is physically similar to NFCLJ when reconstituted, although flavor degradation caused by the heat treatment process may make NFCLJ preferable to FCLJ in terms of flavor.[56] Reflecting their physical similarities, FCLJ and NFCLJ can be used in similar applications, such as

[49] Argenti Lemon Response at 8-9.

[50] Argenti Lemon Response at 9.

[51] FGF Trapani Response to Notice of Institution at 12-13; Latin Lemon Response to Notice of Institution at 11-13; Ledesma Response to Notice of Institution at 11-13; San Miguel Response to Notice of Institution at 14-16.

[52] FGF Trapani Response to Notice of Institution at 12-13; Latin Lemon Response to Notice of Institution at 11-13; Ledesma Response to Notice of Institution at 11-13; San Miguel Response to Notice of Institution at 14-16.

[53] Citromax Response to Notice of Institution at 9.

[54] *See* CR/PR at I-15, I-21-26.

[55] CR/PR at I-22; Hearing Tr. at 20 (Borgers).

[56] CR/PR at I-23, App. E at E-3 (***); Hearing Tr. at 171 (Maxfield) ("It's about 30 seconds at 185 degrees in pasteurization for NFC, which gives it a great flavor. It tastes like a fresh juice versus concentrate, which has all the water taken out and doesn't have the same profile.").

lemon flavored beverages, although NFCLJ may be more suitable for "premium" lemonades.[57] Domestic Producer and several responding importers reported that reconstituted FCLJ can be used in similar end uses as NFCLJ.[58]

Two of four responding domestic producers and a majority of responding importers (nine of 17) reported that FCLJ and NFCLJ are mostly or somewhat similar in terms of their physical characteristics and uses, while the balance reported that FCLJ and NFCLJ are never similar in terms of those factors.[59] Three of five responding purchasers reported that FCLJ and NFCLJ are never similar in terms of physical characteristics and uses, while the remaining two purchasers reported that they are fully or somewhat similar in terms of those factors.[60]

Manufacturing Facilities, Production Processes, and Production Employees. ***[61] With respect to manufacturing, *** reported that ***.[62] At the end of the process, however, ***.[63] Domestic producer Vita-Pakt Citrus Products Company ("Vita-Pakt") noted that ***, and it produces FCLJ and NFCLJ on the same machinery.[64] Domestic producer Peace River Citrus Products ("Peace River") reported ***, while Sun Orchard LLC, the *** of the four domestic producers, ***.[65]

All responding domestic producers and U.S. importers reported that FCLJ and NFCLJ are at least somewhat comparable in terms of manufacturing, with two of four responding U.S. producers and the majority of responding U.S. importers (eight of 15) reporting that they are mostly or fully comparable.[66] Three of five responding U.S. purchasers indicated that FCLJ and NFCLJ are somewhat comparable in terms of manufacturing, while the remaining two reported that they were never comparable.[67]

Channels of Distribution. FCLJ and NFCLJ were sold through similar channels of distribution during the period of review ("POR"), with *** of the domestic industry's U.S.

[57] CR/PR at I-23; Hearing Tr. at 20 (Borgers), 100 (Sangronis).
[58] CR/PR at E-4-5 (***).
[59] CR/PR at I-22, Table I-4.
[60] CR/PR at I-22, Table I-4.
[61] CR/PR at I-24.
[62] CR/PR at I-24, E-3; *see also* Hearing Tr. at 59 (Borgers).
[63] CR/PR at E-3.
[64] CR/PR at I-24, E-3.
[65] CR/PR at I-24, Table III-2 (firm-by-firm capacity, by period).
[66] CR/PR at I-22, Table I-4.
[67] CR/PR at I-22, Table I-4.

shipments of FCLJ and *** of its U.S. shipments of NFCLJ made to distributors.[68] Three of four responding U.S. producers, 14 of 15 importers, and all five responding U.S. purchasers, reported that the channels of distribution for FCLJ and NFCLJ were at least somewhat similar.[69] Moreover, two of four responding U.S. producers and four of five of responding U.S. purchasers described the channels of distribution as mostly or fully comparable.[70] Five of fifteen responding U.S. importers described the channels of distribution for FCLJ and NFCLJ as mostly or fully comparable, while one described them as never comparable.[71]

Interchangeability. The degree of interchangeability between FCLJ and NFCLJ varies depending on the customer and the end-use application. Ventura Coastal reported that ***, while acknowledging that ***.[72] Ventura Coastal also provided non-exhaustive lists of its U.S. customers that shifted their purchases from NFCLJ to FCLJ, as well as customers that purchase both NFCLJ and FCLJ, and provided examples of products that are produced using a mixture of NFCLJ and FCLJ.[73] Other responding domestic producers similarly reported that ***.[74] Several responding U.S. importers and U.S. purchasers also reported that there was some degree of interchangeability between FCLJ and NFCLJ in the same end use applications,[75] although others reported little or no interchangeability.[76]

Three of four responding U.S. producers, 10 of 17 importers, and four of five purchasers reported that FCLJ and NFCLJ are at least somewhat similar in terms of interchangeability.[77] The remainder reported that FCLJ and NFCLJ are never interchangeable.[78]

Producer and Customer Perceptions. There are similarities and differences between FCLJ and NFCLJ in terms of producer and customer perceptions. Producers and customers perceive NFCLJ as a higher-quality product that is more natural, while some customers perceive

[68] CR/PR at Table I-5. The domestic industry also shipped between *** percent of its U.S. shipments of NFCLJ to food processors/manufacturers, while this channel accounted for between *** percent of its U.S shipments of FCLJ. *Id.*

[69] CR/PR at Table I-22, Table I-4.

[70] CR/PR at Table I-22, Table I-4.

[71] CR/PR at Table I-22, Table I-4.

[72] CR/PR at E-3.

[73] *See* Domestic Producer Posthearing Brief, Exhibit 1 Response to Commissioner Questions at 13-16, Exhibits 10-13; Hearing Tr. at 55-56 (McDermott).

[74] CR/PR at E-3 (responses of ***).

[75] CR/PR at E-5-6, E-9 (***).

[76] CR/PR at E-5-6, E-9 (***).

[77] CR/PR at I-22, Table I-4.

[78] CR/PR at I-22, Table I-4.

FCLJ as more economical than NFCLJ because it is less expensive to transport and store.[79] Nevertheless, Domestic Producer claims that many of its U.S. customers purchase both FCLJ and NFCLJ, and provided examples of products made from a mixture of FCLJ and NFCLJ, suggesting that some customers perceive the products as similar.[80]

Two of four responding U.S. producers and eight of sixteen importers reported that FCLJ and NFCLJ are somewhat comparable in terms of producer and customer perceptions.[81] One of the two responding U.S. purchasers reported that they are at least somewhat comparable in terms of perceptions, with one purchaser indicating that they are fully comparable and a second indicating that they are somewhat comparable.[82] The other responding producers, importers, and purchasers reported that producer and customer perceptions of FCLJ and NFCLJ are never comparable.[83]

Price. During each year of the POR, the average unit value ("AUV") of the domestic industry's U.S. shipments of NFCLJ was higher than the AUV of its U.S. shipments of FCLJ by an average $*** per gallon concentrated basis at 400 GPL.[84] Two of four responding U.S. producers reported that FCLJ and NFCLJ are at least somewhat comparable in terms of price, while the other half reported that they are never comparable in terms of price.[85] Eleven of 15 responding importers and four of five purchasers reported that FCLJ and NFCLJ are never comparable in terms of price, although the remaining four responding importers and one responding purchaser reported that they are at least somewhat comparable in terms of this factor.[86]

Conclusion. The record shows both similarities and differences between FCLJ and NFCLJ. In terms of similarities, all lemon juice is made from juice extracted from lemons and sold to be used as an ingredient in food and beverage products as well as in non-food products, such as household cleaners.[87] Once FCLJ has been reconstituted, it can be used in similar applications

[79] CR/PR at I-24.

[80] *See* Domestic Producer Posthearing Brief, Exhibit 1 at 13-16, Exhibits 10-13; Hearing Tr. at 55-56 (McDermott).

[81] CR/PR at I-22, Table I-4.

[82] CR/PR at I-22, Table I-4.

[83] CR/PR at I-22, Table I-4.

[84] CR/PR at I-25, Table I-6. Consistent with AUV data, the domestic sales prices for product 3, a NFCLJ product, were generally higher than the domestic sales prices for products 1, 2, and 4, which are FCLJ products. *See id.* at Table V-8.

[85] CR/PR at I-22, Table I-4.

[86] CR/PR at I-22, Table I-4.

[87] CR/PR at I-14.

as NFCLJ, including beverages,[88] although market participants generally acknowledge that NFCLJ has a superior flavor.[89] The record also indicates that FCLJ and NFCLJ are purchased by the same customers, and mixed in some of the same products, reflecting similar customer perceptions and some degree of interchangeability between FCLJ and NFCLJ.[90]

Further, the record indicates that FCLJ and NFCLJ are generally produced in the same manufacturing facilities using similar production processes, beginning with the extraction of juice from fresh lemons.[91] FCLJ and NFCLJ also share similar channels of distribution, being shipped by domestic producers primarily to distributors.[92]

There are also differences between FCLJ and NFCLJ. As noted above, some market participants note that the flavor profile between FCLJ and NFCLJ differs, and customers may require NFCLJ for certain higher-end applications and pursuant to labeling requirements.[93] The flavor differences and customer perceptions of quality and economy between FCLJ and NFCLJ may cause some customers to prefer one type of juice over the other in particular applications, but these differences do not preclude the use of either product in certain applications based on their physical similarities. In terms of production processes, after lemon juice is extracted from fresh lemons, FCLJ is finished on an evaporator (to remove water) in order to concentrate the juice, while NFCLJ is pasteurized.[94] While FCLJ and NFCLJ are both shipped to distributors, a *** of the domestic industry's shipments of NFCLJ is shipped to food processors/manufacturers, while *** domestically produced FCLJ is shipped to such customers.[95] Market participants generally agree that consumers perceive NFCLJ to be a premium product, and NFCLJ commands a higher price than FCLJ.[96]

On balance, the record shows that there are more similarities than differences between FCLJ and NFCLJ in terms of the Commission's domestic like product factors. Accordingly, we again define a single domestic like product comprising certain lemon juice, coextensive with the scope of this review.

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[88] CR/PR at 14-15.

[89] CR/PR at I-23, App. E at E-3 (***).

[90] CR/PR at Tables III-9 & III-11; *see* Domestic Producer Posthearing Brief, Exhibit 1 Response to Commissioner Questions at 13-16, Exhibits 10-13; Hearing Tr. at 55-56 (McDermott).

[91] CR/PR at I-14-19.

[92] CR/PR at I-23, Table I-5.

[93] CR/PR at E-3, E-5, & E-9.

[94] CR/PR at I-14-19, 24.

[95] CR/PR at I-23, Table I-5.

[96] CR/PR at App. E.

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."[97] 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.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[98] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[99]

In the preliminary phase of the original investigations, the Commission considered whether Ventura Coastal should be excluded from the domestic industry pursuant to the related parties provision based on its importation of subject lemon juice during the period of investigation. The Commission found that appropriate circumstances did not exist to exclude it because its primary interest appeared to lie in domestic production and it imported to maintain

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[97] 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.

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

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

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

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

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

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

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

a complete product line.[100] Accordingly, the Commission defined the domestic industry as consisting of all domestic producers of lemon juice for further manufacture, corresponding to the scope in the investigations.[101]

In the first reviews, the Commission found that no domestic producer was subject to the related parties provision. Accordingly, it defined the domestic industry to include all domestic producers of lemon juice for further manufacture.[102]

In the current review, no party has addressed the definition of domestic industry. Although no U.S. producer is related to foreign producers or U.S. importers of subject merchandise,[103] one U.S. producer, ***, is subject to the related parties provision because it directly imported subject merchandise.[104] It also purchased subject merchandise from U.S. importers.[105]

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[100] *Preliminary Determinations*, USITC Pub. 3891 at 12.

[101] *Preliminary Determinations*, USITC Pub. 3891 at 8. The Commission also concluded in the preliminary phase of the original investigations that lemon growers were not part of the domestic lemon juice industry under the grower/processor provision of the statute, 19 U.S.C. § 1677(4)(E). The requirement that the raw agricultural product be substantially devoted to production of the processed product in order for growers to be included in the industry was not met as most lemons were sold fresh rather than processed into lemon juice or other products. *Preliminary Determinations*, USITC Pub. 3891 at 8-11, *citing* 19 U.S.C. § 1677(4)(E)(i) & (ii).

[102] *First Review Determinations*, USITC Pub. 4418 at 7. In the first reviews, the Commission reasoned that although ***, the record did not indicate that ***. Consequently, the Commission found that ***. *First Review Determinations*, USITC Pub. 4418 at 7 n.30.

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

[104] CR/PR at Table III-8.

[105] CR/PR at Table III-10. A domestic producer shall be considered to be a related party if it directly or indirectly controls an exporter, importer, or third party. 19 U.S.C. § 1677(4)(B). A domestic producer that does not itself import subject merchandise or does not share a corporate affiliation with an importer may nonetheless be deemed a related party if it controls large volumes of subject imports. *See* SAA at 858. The Commission has found such control to exist, for example, where the domestic producer's purchases were responsible for a predominant proportion of an importer's subject imports and the importer's subject imports were substantial. *See, e.g.*, *Iron Construction Castings from Brazil, Canada, and China*, Inv. Nos. 701-TA-248, 731-TA-262-263, 265 (Fourth Review), USITC Pub. 4655 at 11 (Dec. 2016); *Chlorinated Isocyanurates from China and Spain*, Inv. Nos. 731-TA-1082-1083 (Second Review), USITC Pub. 4646 at 12 (Nov. 2016).

*** reported purchasing subject imports in quantities of *** gallons concentrated basis at 400 GPL in 2019; *** gallons concentrated basis at 400 GPL in 2020; and *** gallons concentrated basis at 400 GPL in 2021. CR/PR at Table III-10. *** provided a questionnaire response. Even if *** purchases accounted for *** of one of these importer's subject imports, the total volume of subject imports purchased by *** accounted for only *** percent of total imports of subject merchandise in 2021. CR/PR at Table III-10. Given the record, these purchases of subject imports were likely not substantial to warrant consideration under the related parties provision. In addition, we also consider below and find that appropriate circumstances do not exist to exclude *** from the domestic industry, (Continued…)

*** was the *** domestic producer in 2021, accounting for almost ***, *i.e.*, *** percent of U.S. production of lemon juice that year.[106] *** directly imported subject merchandise in quantities of *** gallons concentrated basis at 400 GPL in 2020, equivalent to *** percent of its domestic production, and *** gallons concentrated basis at 400 GPL in 2021, equivalent to *** percent of its domestic production.[107] *** explained that it directly imported and purchased subject merchandise during the POR ***.[108] *** continuation of the suspension agreement.[109]

Although *** ratios of imports of subject merchandise to domestic production increased over the POR, these ratios remained relatively small at the end of the period. Given this, as well as *** large size and support for continuation of the suspension agreement, *** primary interest appears to be in domestic production rather than importation. Moreover, no party has argued for its exclusion. Accordingly, we find that appropriate circumstances do not exist to exclude *** from the domestic industry.

We therefore define the domestic industry as all U.S. producers of lemon juice for further manufacture.

III. Termination of the Suspended Antidumping Duty Investigation 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 and/or terminate a suspended antidumping or countervailing duty investigation 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 and/or termination of a suspended antidumping or countervailing duty investigation "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable

(…Continued)
pursuant to the related parties provision, on the separate basis of its importation of subject merchandise.

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

[107] CR/PR at Table III-8.

[108] CR/PR at Tables III-9 & III-11.

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

time."[110] 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."[111] Thus, the likelihood standard is prospective in nature.[112] 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.[113]

The statute states that "the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time."[114] 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."[115]

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

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[110] 19 U.S.C. § 1675a(a).

[111] 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.

[112] 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.

[113] *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'").

[114] 19 U.S.C. § 1675a(a)(5).

[115] 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*.

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."[116] 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).[117] 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.[118]

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.[119] In doing so, the Commission must consider "all relevant economic factors," including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.[120]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[121]

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[116] 19 U.S.C. § 1675a(a)(1).

[117] 19 U.S.C. § 1675a(a)(1). Commerce has not issued any duty absorption findings since imposition of the orders. CR/PR at I-11 n.8.

[118] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[119] 19 U.S.C. § 1675a(a)(2).

[120] 19 U.S.C. § 1675a(a)(2)(A-D).

[121] *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 (Continued…)

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[122] 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.[123]

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."[124] The following conditions of competition inform our determinations.

1. Demand Conditions

Original Preliminary Investigations. In the original preliminary determinations, the Commission observed that processing of lemon juice in the United States was not necessarily triggered by the demand for the juice itself but seemed, rather, to be based on the availability of lemons for processing, demand for lemon oil, and the high cost of disposing of lemons not

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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.

[122] 19 U.S.C. § 1675a(a)(4).

[123] 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.

[124] 19 U.S.C. § 1675a(a)(4).

needed for the fresh market. In the United States, lemons were generally grown for the more profitable fresh market and then, when sorted and graded at the packinghouse, lemons with imperfections or that failed to meet size or grade standards for sale as fresh lemons were separated for processing into various products including lemon juice.[125] The Commission found that factors affecting the supply of lemon juice included the size of the lemon crop, the quality of lemons harvested, the demand for lemons in the fresh market, and the demand for lemon oil, a co-product of lemon juice.[126] Apparent U.S. consumption of lemon juice fluctuated during the period and declined overall.[127]

The Commission also found that lemons were perishable and could only be stored for a few months in cold storage before they had to be sold to the fresh market or, in light of the high cost of alternate means of disposing of lemons, further processed into lemon juice, lemon oil, and various by-products, such as lemon pulp, lemon peel, pectin, and animal feed.[128] The increasing demand for lemon oil reportedly resulted in an oversupply of its lemon juice co-product in the U.S. market. Similar to fresh lemons, disposal of lemon juice was very difficult and costly. Lemon juice placed in inventory had to be sold before it reached its maximum shelf life, typically one to two years. As inventoried lemon juice reached its maximum shelf life, it was sold at a discount.[129]

First Reviews. In the first reviews, the Commission found that lemon juice was used as an ingredient in beverages, particularly lemonade and soft drinks, and other foods, such as salad dressings, sauces, and baked goods. It was also used in non-food products, such as household cleaners.[130] The Commission also found that the processing of lemon juice was not necessarily driven by demand for the juice itself but rather by supply-related factors, such as the availability of lemons for processing, the demand for lemon oil, and the high cost of alternate means of disposing of lemons not needed for the fresh market.[131] It found that in years in which supply exceeded demand, producers put frozen concentrate lemon juice in inventory, where it could last up to two years. The longer it was held in inventory, however,

[125] *Preliminary Determinations*, USITC Pub. 3891 at 16; *First Review Determinations*, USITC Pub. 4418 at 16-17.

[126] *Preliminary Determinations*, USITC Pub. 3891 at 15-17; *First Review Determinations*, USITC Pub. 4418 at 16-17.

[127] *Preliminary Determinations*, USITC Pub. 3891 at 18.

[128] *Preliminary Determinations*, USITC Pub. 3891 at 16.

[129] *Preliminary Determinations*, USITC Pub. 3891 at 16-17.

[130] *First Review Determinations*, USITC Pub. 4418 at 17.

[131] *First Review Determinations*, USITC Pub. 4418 at 17-18.

the greater the discount at which the frozen concentrate had to be sold because purchasers had to blend the older juice with fresher juice for it to be usable.[132]

The Commission found that 63 percent of U.S. grown lemons were sold fresh and 37 percent were processed into lemon juice and other processed products.[133] It noted that disposal of lemons not destined for the fresh market was very costly and restricted by environmental regulations in the United States, which limit the amount of fresh fruit that can be disposed of in landfills. While composting was an alternative means of disposal, composting capacity in the United States was limited.[134] Thus, lemons not destined for the fresh market were generally processed into lemon juice, its co-product lemon oil, and various byproducts, such as peel.[135] Apparent U.S. consumption increased from *** gallons in 2007 to *** gallons in 2011 and then declined to *** gallons in 2012, reflecting an overall net increase of *** percent.[136]

Current Review. In the current review, lemon juice continues to be used as an ingredient in a variety of end products, including beverages, sauces, dressings, and household cleaners.[137] U.S. demand for lemon juice is, therefore, primarily driven by the demand for downstream products in which it is used.[138] Both responding U.S. producers reported that demand for lemon juice fluctuated since January 1, 2016, while the majority of responding importers (nine of 15), purchasers (four of five), and foreign producers (four of six) reported that demand for all lemon juice increased since January 1, 2016.[139]

Regarding different forms of lemon juice, the record indicates that consumer demand for NFCLJ increased since January 2016.[140] A majority of responding U.S. producers (two of three), importers (nine of 13), purchasers (two of three), and foreign producers (six of seven) indicated that demand for NFCLJ increased during this time.[141] However, market participants' responses regarding the demand for FCLJ during the period were somewhat mixed. The only responding U.S. producer reported that demand for FCLJ fluctuated.[142] Responding importers'

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[132] *First Review Determinations*, USITC Pub. 4418 at 18.

[133] *First Review Determinations*, USITC Pub. 4418 at 17.

[134] *First Review Determinations*, USITC Pub. 4418 at 17.

[135] *First Review Determinations*, USITC Pub. 4418 at 17.

[136] *First Review Determinations*, USITC Pub. 4418 at 18. The spike in apparent U.S. consumption in 2011 is reportedly attributable at least in part to ***. *Id*. at 18 n.112.

[137] CR/PR at II-1, II-7.

[138] CR/PR at II-7.

[139] CR/PR at Table II-4.

[140] CR/PR at I-15.

[141] CR/PR at Table II-4.

[142] CR/PR at Table II-4.

responses concerning FCLJ were mixed, with a plurality (six of 14) reporting that there was no change in demand for FCLJ, four of 14 reporting that demand for FCLJ increased, and two of 14 each reporting that demand for FCLJ had decreased or fluctuated.[143] Two of four responding purchasers reported that demand for FCLJ increased during this time. Most responding foreign producers (seven of 11) also reported that demand for FCLJ increased since January 2016.[144]

Apparent U.S. consumption increased each year for which data were collected, with an overall increase of *** percent, by quantity, during the POR. Apparent U.S. consumption of lemon juice was *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021.[145]

Generally, most market participants expect demand for lemon juice to increase or show no change.[146] Only one market participant (an importer) expects demand to decrease, while some expect it to fluctuate. Both responding U.S. producers expect demand for lemon juice to fluctuate.[147] A plurality of responding importers (five of 14) expect demand for lemon juice to increase, while only one of 14 expects demand to decrease.[148] Two of four responding purchasers expect demand for lemon juice to increase, while one expects no change in demand and one expects demand to fluctuate.[149] Most responding foreign producers (four of seven) expect demand for lemon juice to increase, while two expect no change in demand and one expects demand to fluctuate.[150]

2. Supply Conditions

Original Preliminary Investigations. In the original preliminary determinations, the Commission observed that the domestic industry historically supplied only a portion of the U.S. lemon juice market, with the remainder supplied by imports. Domestic processors' share of the U.S. market fluctuated over the period of the preliminary investigations and declined overall.[151]

First Reviews. In the first reviews, the Commission also found that the domestic industry historically supplied only a portion of the U.S. supply of lemon juice, with the

[143] CR/PR at Table II-4.
[144] CR/PR at Table II-4.
[145] CR/PR at Table I-10.
[146] CR/PR at Table II-6.
[147] CR/PR at Table II-6.
[148] CR/PR at Table II-6.
[149] CR/PR at Table II-6.
[150] CR/PR at Table II-6.
[151] *Preliminary Determinations*, USITC Pub. 3891 at 17.

remainder supplied by imports.[152] The Commission found that domestic processors' share of the U.S. market declined irregularly, as the domestic industry went from being the largest source of lemon juice at the beginning of the first POR to the second largest by the end; conversely, subject import market share increased irregularly and became the largest source of supply by the end of the first POR.[153] Nonsubject import market share declined irregularly during the first POR, as nonsubject imports remained the smallest source of supply.[154] The leading sources of nonsubject imports in 2012, in descending order of market share, were South Africa, Peru, Italy, and Brazil.[155]

Current Review. During the current POR, the domestic industry accounted for the smallest share of the U.S. lemon juice market.[156] U.S. producers' market share, by quantity, fluctuated but increased overall during the period for which data were collected; it was *** percent of apparent U.S. consumption in 2019, *** percent in 2020, and *** percent in 2021.[157] The domestic industry reported one plant opening (***) and two plant expansions (***) during the POR.[158] U.S. producers' capacity increased overall, from *** gallons in 2019 and 2020 to *** gallons in 2021.[159]

Subject imports were the second largest source of supply to the U.S. market in each of the years for which data were collected.[160] Their market share, by quantity, was *** percent of apparent U.S. consumption in 2019, *** percent in 2020, and *** percent in 2021.[161]

Nonsubject imports were the largest source of supply to the U.S. market in each year for which data were collected.[162] Their market share, by quantity, was *** percent of apparent U.S. consumption in 2019, *** percent in 2020, and *** percent in 2021.[163] In 2021, the largest sources of nonsubject imports were Mexico, South Africa, and Brazil.[164]

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[152] *First Review Determinations*, USITC Pub. 4418 at 17.
[153] *First Review Determinations*, USITC Pub. 4418 at 17.
[154] *First Review Determinations*, USITC Pub. 4418 at 17.
[155] *First Review Determinations*, USITC Pub. 4418 at 17.
[156] CR/PR at Table I-10.
[157] CR/PR at Table I-10.
[158] CR/PR at Table III-1.
[159] CR/PR at Table III-2.
[160] CR/PR at Table I-10.
[161] CR/PR at Table I-19.
[162] CR/PR at Table I-10.
[163] CR/PR at Table I-10.
[164] CR/PR at II-6. The Commission is currently conducting the final phase of ongoing antidumping duty investigations concerning imports of lemon juice from Brazil and South Africa. *See Lemon Juice from Brazil and South Africa*, USITC Pub. 5285 (Feb. 2022). The Commission's final (Continued…)

The domestic industry's supply of lemon juice is a function of the crop size of fresh lemons available for processing as well as the availability of inventories of lemon juice, which may be crucial in the event that there is a downturn in the crop size of fresh lemons in any given year.[165] All four responding U.S. producers and the majority of responding importers (15 of 18) and purchasers (four of six) reported that they had not experienced supply constraints since January 2016.[166]

As discussed above, lemon juice may be produced as a concentrated juice (FCLJ) or a not-from-concentrate juice (NFCLJ).[167] FCLJ may be produced to different concentration levels, with the primary levels at 400 GPL and 500 GPL.[168] The domestic industry and subject imports reported at least some shipments of lemon juice in all forms and concentration levels. While both the domestic industry and subject producers made substantial shipments of FCLJ concentrated at 400 GPL, the domestic industry also reported substantial shipments of NFCLJ but reported no shipments of FCLJ at 500 GPL, while importers reported substantial shipments of FCLJ at 500 GPL imported from Argentina but reported *** shipments of subject imports of NFCLJ.[169]

(…Continued)
determination in the South Africa investigation currently is scheduled to be issued by December 2022; the Commission's final determination in the Brazil investigation is expected to be in early 2023.

[165] CR/PR at II-3. Disposal of fresh lemons is difficult due to government regulations. *Id*. at I-19. U.S. producers freeze lemon juice to store it for up to two years to provide a constant supply of lemon juice to the U.S. market. *Id*. at II-3. The size of the fresh lemon crop can vary from year to year based on a variety of factors including crop damaging conditions such as freezes, storms, or droughts. *Id*. at II-3. In order to provide a stable supply of lemon juice in years of lower crop yield, U.S. producers usually carry over 25 percent of production from one season to the next as inventory. *Id.* at II-3.

[166] CR/PR at II-6-7.

[167] *See* CR/PR at I-15, V-7.

[168] *See* CR/PR at I-15.

[169] CR/PR at Tables V-8, D-1, and D-2. For NFCLJ, the domestic industry shipped *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021; U.S. importers' U.S. shipments of subject imports were *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021. *Id*. at Tables D-1 and D-2. For FCLJ at 400 GPL, the domestic industry shipped *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021; U.S. importers' U.S. shipments of subject imports were *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021. *Id*. For FCLJ at 500 GPL, U.S. importers' U.S. shipments of subject imports were *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021. *Id*.; *see also* CR/PR at Table V-8 (product 4).

3. Substitutability and Other Conditions

Original Preliminary Investigations. In the original preliminary determinations, the Commission observed that all responding domestic producers and a majority of responding importers indicated that subject imports were always or frequently interchangeable with the domestic like product.[170] It found that market participants, however, did not agree on the importance of price in purchasing decisions.[171] The Commission also identified several possible substitutes for lemon juice, including citric acid, lime juice, other natural and artificial flavorings, sugar, and orange juice.[172] It noted that use of these substitutes for lemon juice may limit price increases, cause beverage producers to reformulate their product, impact labelling requirements, and reduce the marketing value of many juice products.[173]

First Reviews. In the first reviews, the Commission found that the majority of U.S. shipments of the domestic like product and of subject imports from Argentina and Mexico were of cloudy frozen FCLJ.[174] It observed that a majority of market participants (domestic producers, importers, and purchasers) reported that domestically produced lemon juice was always or frequently interchangeable with lemon juice from Argentina and Mexico and that subject imports from Argentina and Mexico were always or frequently interchangeable.[175] In comparisons involving the domestic like product and subject imports from Argentina and Mexico with respect to 25 purchasing factors, a majority or plurality of purchasers rated the products comparable in nearly all instances.[176] All responding purchasers identified price as very important in their purchasing decisions, although factors such as quality meeting industry standards, availability, and reliability of supply were also frequently identified as very important.[177] Price was also reported as one of the top purchasing factors, although quality exceeding industry standards and availability (including reliability and ensured supply) were

[170] *Preliminary Determinations*, USITC Pub. 3891 at 19.
[171] *Preliminary Determinations*, USITC Pub. 3891 at 19.
[172] *Preliminary Determinations*, USITC Pub. 3891 at 19-20.
[173] *Preliminary Determinations*, USITC Pub. 3891 at 20.
[174] *First Review Determinations*, USITC Pub. 4418 at 18.
[175] *First Review Determinations*, USITC Pub. 4418 at 18.
[176] *First Review Determinations*, USITC Pub. 4418 at 18. The exceptions were that a majority of purchasers rated the U.S. product superior to the Argentinian product in terms of delivery time, a majority rated the U.S. product superior to the Mexican product in terms of availability, and a majority rated the Argentinian product superior to the Mexican product in terms of availability of clear juice and technical support/service. *Id.* Ratings were mixed for the U.S. product compared to the Mexican product in terms of technical support/service, and for the Argentinian product compared to the Mexican product in terms of availability (including availability of specific types). *Id.* at 18 n.116.
[177] *First Review Determinations*, USITC Pub. 4418 at 18-19.

identified by purchasers more often than price as the first or second most important factor in purchasing decisions.[178] Accordingly, the Commission found that price was at least a moderately important factor in purchasing decisions.[179]

Current Review. In this review, we find that there is at least a moderate degree of substitutability between domestically produced lemon juice and subject imports, with a higher degree of substitutability likely within lemon juice of the same form and concentration.

All responding U.S. producers, importers, and purchasers reported that lemon juice from the United States and Argentina were at least sometimes interchangeable.[180] Factors reported by market participants as limiting interchangeability include labeling requirements by country of origin, differences in acidity by country of origin, and differences in color or flavor profiles by country of origin.[181]

The record indicates that price is an important factor in purchasing decisions, although other factors are important as well.[182] Most purchasers (five of seven) listed price as a very important factor in purchasing decisions and two purchasers listed price as a somewhat important factor.[183] However, availability, product consistency, quality meets industry standards, and reliability of supply were the most frequently cited factors as very important in purchasing decisions (seven purchasers each). Most responding U.S. producers, importers, and purchasers reported that there were at least sometimes significant differences other than price between domestically produced lemon juice and subject imports from Argentina, such as differences in acidity, color, or flavor.[184] Despite these differences, most purchasers and all customers reported that they only sometimes or never made purchasing decisions based on country of origin.[185] With regards to quality, all responding purchasers reported that both subject imports and the domestic like product always or usually met minimum quality specifications.[186]

A majority of responding market participants reported that the lemon juice market was subject to business cycles, primarily related to the lemon growing season, seasonal demand,

[178] *First Review Determinations*, USITC Pub. 4418 at 19.
[179] *First Review Determinations*, USITC Pub. 4418 at 19.
[180] CR/PR at Tables II-14-16.
[181] CR/PR at II-24-25.
[182] CR/PR at Table II-8.
[183] CR/PR at Table II-10.
[184] CR/PR at II-24-25, Tables II-17-19.
[185] CR/PR at Table II-8.
[186] CR/PR at Table II-11.

and seasonal crop fluctuations.[187] One U.S. producer and several importers reported that the demand for lemon juice tends to peak in the summer months, along with the sale of lemonade.[188] With respect to the harvesting season, the fresh lemon harvest in the United States is now spread throughout the year, while the harvest season generally only runs from April through August in Argentina.[189]

During the POR, while the domestic like product was sold predominantly to distributors, it was also sold to food or beverage manufacturers.[190] By comparison, while subject imports were sold primarily to food or beverage manufacturers, they were also sold to distributors.[191]

U.S. producers primarily sold lemon juice using short-term contracts, with lesser but substantial quantities sold through spot sales, and the remaining quantities sold through long-term and annual contracts.[192] Importers primarily sold subject merchandise using short-term and annual contracts, with lesser but appreciable amounts sold through spot sales.[193]

U.S. producers reported that they primarily sell lemon juice from inventory (*** percent of their commercial shipments), with lead times averaging less than a day.[194] Importers reported that most of their commercial shipments were produced-to-order, with lead times averaging *** days.[195] Foreign producers reported that most of their commercial shipments were produced-to-order, with lead times averaging *** days.[196]

The quantity of U.S. producers' and subject producers' end-of-period inventories fluctuated but increased overall from 2019 to 2021.[197] The quantity of U.S. importers' end-of-period inventories of subject imports fluctuated but decreased overall.[198] The shelf-life or storage-life for lemon juice in inventory is approximately two to three years, depending on the

[187] CR/PR at II-8-9.

[188] CR/PR at II-8-9.

[189] CR/PR at I-16; Hearing Tr. at 26 (McDermott), 127 (Borgers), and 99-100 (Sangronis). The extended lemon harvest season in the United States compared to the prior reviews is due to the expansion of Peace River, which has invested in lemon groves in Florida that are able to produce fruit nearly year-round. *See* CR/PR at III-1; Hearing Tr. at 26 (McDermott), 127 (Borgers), and 99-100 (Sangronis).

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

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

[192] CR/PR at Table V-3.

[193] CR/PR at Table V-3.

[194] CR/PR at II-19.

[195] CR/PR at II-19.

[196] CR/PR at II-19.

[197] CR/PR at Tables III-7 & IV-8.

[198] CR/PR at Table IV-3.

form of the juice.[199] In practice, the cost of storing frozen FCLJ is expensive and may limit how long it is kept in inventory.[200]

Four of seven purchasers identified U.S. transportation costs as a very important factor in purchasing decisions.[201] Purchasers' responses on comparability of this factor, however, were mixed. A plurality of responding purchasers (three of seven) reported that the domestic like product was inferior to subject imports for U.S. transportation costs, while two of seven reported that they were comparable, and two of seven reporting that the domestic like product was superior to subject imports in terms of U.S. transportation costs.[202] The transportation costs for shipping lemon juice from Argentina to the United States averaged 6.9 percent in 2021.[203]

Raw materials represented the largest share of the domestic industry's cost of goods sold ("COGS") for lemon juice throughout the period for which data were collected, accounting for a period low of *** percent in 2021 and a period high of *** percent in 2019.[204] The main raw material input for lemon juice is fresh lemons.[205] As discussed above, lemons that fail to meet the size or grade standards for sale as fresh lemons are typically used for processing into lemon juice.[206]

Finally, manufacturers of lemon juice in the United States must typically plan for disposal of the lemon peel and other solid wastes from the lemons in compliance with local and national environmental requirements.[207] Lemons cannot be disposed of in landfills due to their high moisture content, though they may be composted.[208] Lemon juice disposal is also

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[199] Hearing Tr. at 81 (Borgers); Argentinian Producers Posthearing Br. at 4.

[200] *See* Hearing Tr. at 81 (Borgers).

[201] CR/PR at Table II-10.

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

[203] CR/PR at V-2.

[204] CR/PR at III-29.

[205] CR/PR at Table III-18. Ventura Coastal, which accounted for approximately *** percent of U.S. lemon juice production in 2021, reported ***. *Id*. at Tables I-7 & III-19. Sun Orchard, which accounted for approximately *** percent of U.S. lemon juice production in 2021, reported ***. *Id*. at Tables I-7 & III-19. Peace River, which accounted for approximately *** percent of U.S. lemon juice production in 2021, reported that ***. *Id*. at Tables I-7 & III-19. Vita-Pakt, which accounted for approximately *** percent of U.S. lemon juice production in 2021, reported that ***. *Id*. at Tables I-7 & III-19.

[206] CR/PR at I-14.

[207] CR/PR at I-19.

[208] CR/PR at I-19. Exporters of lemon juice from Argentina were unable to identify any prohibition on the disposal of lemons in Argentina. Argentinian Producers Posthearing Br. at Exhibit 1, Responses to Commission Questions, at 47.

regulated in the United States, as the juice must be treated prior to disposal due to its high sugar and acid content.[209]

C. Likely Volume of Subject Imports

Original Preliminary Investigations. The Commission observed that the quantity of cumulated subject imports from Argentina and Mexico declined by 4.6 percent from 2003 to 2005, while apparent U.S. consumption declined by *** percent. Consequently, the market share held by cumulated subject imports increased from *** percent in 2003 to *** percent in 2005, and the ratio of subject imports relative to U.S. production increased from *** percent in 2003 to *** percent in 2005. Moreover, U.S. importers' inventories of subject merchandise increased *** from *** gallons in 2003 to *** gallons in 2005.[210] The increase in subject imports' market share was accompanied by an overall decline in the domestic producers' market share, from *** percent in 2003 to *** percent in 2005. Thus, subject imports gained market share at the expense of the domestic industry.[211] The Commission concluded that cumulated subject import volume was significant, both in absolute terms and relative to consumption and production in the United States.[212]

First Reviews. In the first reviews, the Commission found that the volume of subject imports from Argentina increased substantially, by 428.4 percent, during the period of review, from 471,000 gallons in 2007 to 2.5 million gallons in 2012.[213] As a share of apparent U.S. consumption, subject imports from Argentina increased from *** percent in 2007 to *** percent in 2012.[214] The Commission observed that the United States grew in importance as an export market for the Argentinian industry during the first period of review, as the share of Argentinian producers' total shipments accounted for by exports to the United States increased from *** percent in 2007 to *** percent in 2012. It found that the Argentinian industry held a large volume of lemon juice in inventory, *** gallons of lemon juice (equivalent to *** percent of apparent U.S. consumption), at the end of the POR. Additionally, the Commission found that the suspension agreement and the floor prices it imposed on subject imports from Argentina

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[209] CR/PR at I-19.

[210] *Preliminary Determinations*, USITC Pub. 3891 at 20-21.

[211] *Preliminary Determinations*, USITC Pub. 3891 at 21. Nonsubject imports, both in absolute terms and relative to U.S. consumption, declined from 2003 to 2005. *Id*.

[212] *Preliminary Determinations*, USITC Pub. 3891 at 21.

[213] *First Review Determinations*, USITC Pub. at 21. In the first review, the Commission made separate findings with regard to subject imports from Mexico. *See id*. at 25-27.

[214] *First Review Determinations*, USITC Pub. at 19.

had a restraining effect on the volume of subject imports from Argentina. For these reasons, the Commission found that the volume of subject imports from Argentina would likely be significant if the suspended antidumping duty investigation on lemon juice from Argentina were terminated.

Current Review. Despite the restraining effect of the suspension agreement, subject imports not only remained in the U.S. market but were at greater quantities than in the original investigations and first reviews.[215] Compared to the prior proceedings, subject imports by quantity were substantially higher at 3.4 million gallons in 2021 compared with 2.0 million gallons in 2006 and 2.5 million gallons in 2012.[216] In this review, the volume of subject imports fluctuated but increased overall from 3.2 million gallons (or *** percent of apparent U.S. consumption) in 2019 to 3.5 million gallons (or *** percent of apparent U.S. consumption) in 2020 and 3.4 million gallons (or *** percent of apparent U.S. consumption) in 2021.[217] Thus, subject imports from Argentina already are in the U.S. market in significant volumes, and the record shows they have the ability to supply even larger volumes.

The Argentinian industry possesses significant capacity to produce lemon juice, reaching 22.3 million gallons in 2019, 22.6 million gallons in 2020, and 23.1 million gallons in 2021, more than double the volume of apparent U.S. consumption at its highest level in 2021 (*** gallons).[218] The subject industry also possesses an ample supply of fresh lemons available for processing.[219] While lemons are sold primarily in the fresh market in many countries, Argentina's lemons are primarily sold for processing; producers in Argentina typically process 72.3 percent of the country's fresh lemon and lime production, compared to less than 30 percent typical in other countries.[220] Moreover, the subject industry reported two plant openings, one acquisition, and the addition of certain processing equipment, including ***, since January 2016.[221]

Several factors indicate that Argentinian producers have the incentive to continue to increase exports of lemon juice to the United States if the suspended investigation were terminated. First, the subject industry is highly export-oriented, with the majority (over 87

[215] *See* CR/PR at Table I-2.
[216] CR/PR at Table I-2.
[217] CR/PR at Table I-10.
[218] *See* CR/PR at Tables I-10 & IV-8.
[219] Hearing Tr. at 176-177 (Saravia).
[220] CR/PR at IV-16.
[221] CR/PR at Table IV-7.

percent) of their total shipments destined for export markets.[222] The subject industry's export shipments to non-U.S. markets also increased over the POR.[223] The record indicates that the European Union ("EU") and the United States have historically been Argentinian producers' primary markets.[224] The subject industry's home market shipments, as a share of its total shipments, declined each year for which data were collected.[225]

Second, the United States continues to be an important export market for the subject industry, even with the suspension agreement in place. Substantial shipments of subject imports entered the U.S. market during each year for which data were collected, and accounted for between *** percent of total Argentinian shipments of lemon juice from 2019 to 2021.[226] Based on AUV data, exports to the U.S. market are at higher values than other destinations, suggesting that the U.S. market is attractively priced compared to other export markets.[227]

Third, the Argentinian industry held a very large volume of lemon juice in inventory at the end of the POR. Argentinian producers' total end-of-period inventories reached 11.7 million gallons of lemon juice, more than double its end-of-period inventories during the first reviews and exceeding apparent U.S. consumption of *** gallons in 2021.[228] Argentinian producers report that the majority (*** percent) of their total inventories are allocated or otherwise dedicated to existing contracts in 2021.[229] Nonetheless, the remaining *** percent of unallocated inventories was *** gallons in 2021, equivalent to *** percent of apparent U.S. consumption and *** percent of total U.S. shipments that year.[230] U.S. importers also maintained inventories of subject imports throughout the period, ranging from 261,000 gallons

[222] CR/PR at Table IV-8. The subject industry's exports to the United States were *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021. *Id*.

[223] CR/PR at Table IV-8. The subject industry's exports to non-U.S. markets were *** gallons in 2019 and *** gallons in 2020 and 2021. *Id*.

[224] Hearing Tr. at 102 (Moresco); Domestic Producer Posthearing Br. at 2; Argentinian Respondents Posthearing Br. at Exhibit 1, Answers to Commission Questions, at 45; CR/PR at Table IV-8. The record indicates that the lemon juice from Argentina being sold in the EU, the other major export market which is not subject to a suspension agreement, is at low prices of $***, which are ***. Ventura Coastal's Confidential Posthearing Brief, EDIS Doc. 775438 (July 14, 2022) at 2-3. Thus, lemon juice from Argentina is being sold in the EU ***.

[225] CR/PR at Table IV-8. The subject industry's home market shipments were *** gallons in 2019, *** gallons in 2020, and *** gallons in 2021. *Id*.

[226] CR/PR at Table I-10.

[227] CR/PR at Table IV-8.

[228] CR/PR at Tables I-10 & IV-9. End-of-period inventories of 11.7 million gallons equated to *** percent of apparent U.S. consumption in 2021. *Id.*

[229] CR/PR at Table IV-9.

[230] *Derived from* CR/PR at Tables 1-10, IV-9, & III-5.

to 347,000 gallons.[231] Additionally, the limited shelf life of lemon juice and the high costs of storage may limit the time frame within which inventories will need to be drawn down.[232] Given the Argentinian producers' substantial quantities of end-of-period inventories (and in particular unallocated inventories) and the producers' continued interest in the U.S. market, these substantial inventories of lemon juice will likely result in additional volumes of subject imports if the suspended investigation were terminated.

Based on the foregoing, including the Argentinian producers' behavior during the original investigations; their substantial production capacity, available capacity, substantial inventories, and export orientation; and the attractiveness of the U.S. market and the importance of this market to the Argentinian producers, we find that the likely volume would be significant in absolute terms and relative to consumption in the United States if the suspended investigation were terminated.[233]

D. Likely Price Effects of Subject Imports

Original Preliminary Investigations.

The Commission found that there had been mixed price underselling of the domestic like product by the cumulated subject imports. Cumulated subject imports undersold the domestic like product in 71 of the 113 (or 62.8 percent of) monthly comparisons, at margins of underselling ranging from 0.3 percent to 51.8 percent.[234] The Commission also found an overall decline in prices for both the domestic like product and the subject imports over the period of investigation. Therefore, the Commission found that there was some evidence that subject imports were depressing domestic lemon juice prices.[235] In addition, the overall increase in the domestic industry's unit COGS and COGS as a share of net sales, at the same time that significant volumes of lower-priced subject imports entered the U.S. market, suggested price

[231] CR/PR at Table IV-3.

[232] *See* Hearing Tr. at 81 (Borgers); Argentinian Producers Posthearing Br. at 4.

[233] There are no known barriers to the importation of subject merchandise into countries other than the United States. CR/PR at IV-16. There is limited potential for product-shifting by Argentinian producers of lemon juice. Three responding producers in Argentina reported producing other products on the same equipment and machinery used to product lemon juice; as a share of total production, out-of-scope production accounted for less than *** percent of overall production on the same equipment and machinery used to produce lemon juice. *Id*. at IV-15.

[234] *Preliminary Determinations*, USITC Pub. 3891 at 22.

[235] *Preliminary Determinations,* USITC Pub. 3891 at 21-22.

suppression in the form of a cost-price squeeze due in part to subject imports. The Commission concluded that the subject imports had significant adverse effects on domestic prices.[236]

First Reviews. In the first reviews, the Commission found that subject imports from Argentina undersold the domestic like product in 18 of 30 (or 60.0 percent of) quarterly comparisons and oversold the domestic like product in 12 of 30 (or 40.0 percent of) comparisons during the POR.[237] Much of the reported underselling during the POR concerned product 2, a product for which shipment quantities for both the domestic like product and the subject imports were relatively modest.[238] With respect to product 1, the largest volume product from all sources, the Argentinian product undersold the domestic like product in 9 of 20 (or 45.0 percent of) comparisons and oversold it in 11 of 20 (or 55.0 percent of) comparisons.[239] The Commission recalled that the underselling data were also mixed in the preliminary phase of the original investigations.[240] In light of these data, the Commission found that the mixed underselling by the subject imports from Argentina that prevailed during the original period of investigation and the first POR would be likely to continue if the suspended investigation were terminated.[241]

The Commission observed that at the end of the POR, subject imports from Argentina were priced closer to the price floors of the suspension agreement than at any other time during the period.[242] Based on its finding that subject producers were likely to increase their exports to the U.S. market after termination,[243] the Commission found that the resulting increased supply of subject imports in the U.S. market would likely reduce domestic prices due to the substitutability and importance of price in purchasing decisions and because an increased supply of lemon juice was not likely to stimulate additional demand for the product.[244] The Commission found that the likely substantial available supply of low-priced subject imports upon termination of the suspended investigation would force the domestic industry to either lower prices or forego necessary price increases in order to sell its lemon juice during the limited time that it may be kept in inventory. Consequently, the Commission concluded that the likely increased supply of subject imports from Argentina upon termination

[236] *Preliminary Determinations,* USITC Pub. 3891 at 22-23.
[237] *First Review Determinations*, USITC Pub. 4418 at 21.
[238] *First Review Determinations*, USITC Pub. 4418 at 21-22.
[239] *First Review Determinations*, USITC Pub. 4418 at 22.
[240] *First Review Determinations*, USITC Pub. 4418 at 22.
[241] *First Review Determinations*, USITC Pub. 4418 at 22.
[242] *First Review Determinations*, USITC Pub. 4418 at 22.
[243] *First Review Determinations*, USITC Pub. 4418 at 22.
[244] *First Review Determinations*, USITC Pub. 4418 at 22.

of the suspended investigation would likely have significant price-depressing or price-suppressing effects.[245]

Current Review. As discussed above, there is at least a moderate degree of substitutability between domestically produced lemon juice and subject imports, with a higher degree of substitutability likely between lemon juices of the same form and concentration. Additionally, price is among the important purchasing factors. The Commission collected pricing data for four pricing products in this review.[246] Three U.S. producers and 14 importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[247] Pricing data reported by these firms accounted for approximately 93.1 percent of U.S. producers' U.S. commercial shipments of lemon juice and 85.6 percent of U.S. commercial shipments of subject imports from Argentina in 2021.[248] Domestic product and subject imports competed most directly—with roughly equivalent sales volumes—in pricing products 1 and 2; on the other hand, pricing product 3 (the only NFCLJ pricing product) was the highest volume product for U.S. producers and lowest volume product for the subject imports, while pricing product 4 (the only pricing product with a concentration of 500 GPL) was the lowest volume U.S. product and the highest volume product for subject imports.[249]

The pricing data collected in this review show underselling in a majority of instances, accounting for 25 of 28 instances, *i.e.*, 89.2 percent.[250] This underselling occurred at margins ranging from 5.8 to 64.2 percent and averaging 22.7 percent.[251] In the remaining three instances of overselling, *i.e.*, 10.7 percent, subject imports oversold the domestic product by margins from 0.4 to 5.3 percent and averaging 2.3 percent.[252] There was 3.4 million gallons of

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[245] *First Review Determinations*, USITC Pub. 4418 at 22.

[246] CR/PR at V-7. The four pricing products are as follows:

Product 1. – Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Product 2. – Clarified frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Product 3. – Cloudy NFCLJ, non-organic, for further manufacture, sold in 6000 gallon tanker.

Product 4. – Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 500 GPL. *Id*.

[247] CR/PR at V-7.

[248] CR/PR at V-7.

[249] CR/PR at V-16 and Table V-8.

[250] CR/PR at V-19, Tables V-4-8.

[251] CR/PR at V-19, Tables V-4-8.

[252] CR/PR at V-19, Tables V-4-8. All three instances of overselling where in reported for pricing product 1; the instances were in 2020 Q4, 2021 Q3 and 2021 Q4. CR/PR at Table V-4.

lemon juice from Argentina in the underselling quarters and 506,579 gallons of subject imports in the overselling quarters. In sum, notwithstanding the price discipline of the suspension agreement, subject imports undersold the domestic like product in a majority of available comparisons and at larger quantities than overselling. In light of the underselling in both the original period of investigation and the current POR, the importance of price in purchasing decisions, and the moderate degree of substitutability, we find that subject imports would likely significantly undersell the domestic like product if the suspended investigation were terminated.

The record also shows that prices for lemon juice generally decreased from January 2019 to December 2021.[253] Declines in prices for the domestically produced pricing products ranged from *** percent while declines in subject import prices for pricing products 1 and 4 were *** percent, respectively, from 2019 to 2021; subject import prices for pricing product 2 increased by *** percent over this same time.[254] These price declines occurred as apparent U.S. consumption of lemon juice increased by *** percent from 2019 to 2021.[255]

The domestic industry's COGS-to-net-sales ratio generally decreased during the period for which data were collected, decreasing from *** percent in 2019 to *** percent in 2020 and it was *** percent in 2021.[256] This improvement in the industry's ratio was driven by declining costs; although the U.S. producers' net sales AUV declined by *** percent from 2019 to 2021, their unit COGS declined to a greater extent (*** percent).[257] According to ***.[258] Moreover, raw material costs, which represent the largest component of COGS, declined as a share of net sales from *** percent in 2019 to *** percent in 2020 and *** percent in 2021.[259]

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[253] CR/PR at V-16.

[254] CR/PR at V-16 and Table V-8. From January 2019 to December 2021, U.S. prices for product 1 declined by *** percent while subject import prices declined by *** percent; U.S. prices for product 2 declined by *** percent while subject import prices increased by *** percent; U.S. prices for product 3 declined by *** percent while subject imports reported no change in price as it only recorded sales of product 3 in one quarter; U.S. prices for product 4 reported no change in price, as the domestic industry only reported sales of product 4 in only 3 quarters and subject import prices for product 4 declined by *** percent. *Id*.

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

[256] CR/PR at Table III-15.

[257] CR/PR at Tables III-15 and C-1. The AUVs of U.S. producers' U.S. shipments declined from $*** in 2019 to $*** in 2020 and $*** in 2021; the unit COGS declined from $*** in 2019 to $*** in 2020 and $*** in 2021. *Id.* There is reportedly no correlation between the price of fresh lemons and the price of lemon juice, and the price of lemons used in the production of lemon juice is not publicly available. CR/PR at V-1.

[258] CR/PR at III-29-30.

[259] CR/PR at Table III-15.

Prices for subject imports generally declined throughout the period for which data were collected and by the end of the POR, subject imports from Argentina were priced at levels near to the price floors of the suspension agreement.[260] One importer, ***, specifically reported using the suspension agreement's floor price to set prices in the U.S. market.[261] Evidently, the prices set by the suspension agreement effectively act as a constraint on subject producers' ability to further reduce the already low prices of subject imports.[262] In addition, we have previously found that, in the event of termination of the suspended investigation, the subject producers in Argentina likely will have the ability and incentive to increase their supply of lemon juice to the United States.[263] Absent the restraining effect of the suspension agreement, subject producers in Argentina will have an incentive to drop prices below current floor levels to sell these additional volumes.[264]

Given the substitutability of the products and the importance of price in purchasing decisions, the likely increased supply of low-priced lemon juice from Argentina in the U.S. market will likely affect prices for the domestic like product. Because lemon juice is an ingredient in other products, any increased supply of lemon juice is unlikely to stimulate substantial additional demand for the product.[265] Therefore, if the suspended investigation were terminated, the likely significant supply of low-priced subject imports would likely force the domestic industry to lower prices or lose sales. Consequently, we conclude that if the suspended investigation was terminated, likely additional volumes of subject imports would

[260] CR/PR at Table V-8; *see* Hearing Tr. at 13 (Arkan).

[261] CR/PR at V-4.

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

[263] *See, above,* Section III.C. Argentinian Respondents have also appeared to express interest in regaining market share from nonsubject imports. *See* Argentinian Respondents Posthearing Br. at Exhibit 1, Responses to Commission Questions, at 30-33.

[264] Argentinian Respondents argue that they will not need to drop prices when orders are put in place on nonsubject lemon juice from Brazil and South Africa. *See* Argentinian Respondents Posthearing Br. at 2-3; Hearing Tr. at 95 (Menegaz), 133 (Borgers), 159 (Dougan), 187 (Pickard). As a preliminary matter, we note that the premise of the argument is highly speculative. The Commission's final phase of its investigations regarding lemon juice from Brazil and South Africa is pending and thus there is no basis to know its outcome. Moreover, the low prices at which lemon juice from Argentina is being sold in the EU, which are *** below the current price floors in the U.S. market, are evidence of subject producers' ability and willingness to price lemon juice below the price floors in the absence a suspension agreement. *See* Domestic Producer Posthearing Br. at 2-3. Further, the prices at which Argentina is selling lemon juice in the EU is reportedly below the cost of conversion for the domestic industry. Hearing Tr. at 71 (McDermott).

[265] *See* CR/PR at II-27.

likely enter the United States and that would likely undersell the domestic like product, forcing the domestic industry to lower prices or forgo prices increases, or risk losing market share.

Given these facts, we find that the likely volumes of subject imports would have significant price effects on the domestic industry if the suspended investigation were terminated.

E. Likely Impact of Subject Imports

Original Preliminary Investigations. The Commission found that the performance indicators for the domestic industry producing lemon juice generally declined overall from 2003 to 2005, although some indicators fluctuated between years.[266] The Commission concluded that subject imports had an adverse impact on the condition of the domestic industry during the period of investigation. It found that the absolute and relative volume of subject imports were significant, that subject imports gained market share at the expense of the domestic industry, and that subject imports depressed prices for the domestic like product to a significant degree. The depressed prices, combined with the pattern of mixed underselling, caused declines in the domestic industry's financial performance over the period of investigation.[267]

Accordingly, the Commission determined that there was a reasonable indication that the domestic industry was materially injured by reason of subject imports of lemon juice from Argentina and Mexico that were alleged to be sold in the United States at less than fair value.

First Reviews. In the first reviews, the Commission found that the domestic industry was not in a vulnerable condition.[268] Although many of the domestic industry's performance indicators had fluctuated during the POR, the Commission noted that declines in certain financial indicators in 2012 were a result of a reorganization in the industry and the inclusion of costs for Sunkist operations that were not included prior to formation of the Ventura Coastal, LLC joint venture.[269]

Referencing its finding that subject import volume would likely be significant after termination,[270] the Commission found that increased subject imports from Argentina absent the discipline of the suspension agreement would likely result in a significant decline in U.S. prices

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[266] *Preliminary Determinations*, USITC Pub. 3891 at 23.
[267] *Preliminary Determinations*, USITC Pub. 3891 at 26-27.
[268] *First Review Determinations*, USITC Pub. 4418 at 24.
[269] *First Review Determinations*, USITC Pub. 4418 at 22-24.
[270] *First Review Determinations*, USITC Pub. 4418 at 24.

for lemon juice.[271] To compete with the likely volumes of subject imports and to dispose of its own production, the Commission explained, the domestic industry would need to cut prices or forego needed price increases, and/or incur higher inventory costs, reducing the industry's revenues and causing a deterioration in its financial performance.[272] The Commission therefore found that termination of the suspended investigation would likely have a significant adverse impact on the domestic industry.[273]

The Commission considered the role of factors other than subject imports so as not to attribute likely injury from other factors to the subject imports.[274] It observed that the nonsubject imports in the U.S. market had not prevented the domestic industry from achieving strong operating performance, and found that their continued presence in the event the suspended investigation was terminated would not preclude subject imports from increasing their presence in the U.S. market and/or forcing the domestic industry to lower or restrain prices.[275] Accordingly, the Commission determined that termination of the suspended antidumping duty investigation on lemon juice from Argentina would likely lead to continuation or recurrence of material injury within a reasonably foreseeable time.[276]

Current Review. The domestic industry's production capacity increased from *** gallons in 2019 and 2020 to *** gallons in 2021. Production fluctuated but decreased overall, and was *** gallons in 2019, *** gallons 2020, and *** gallons in 2021. Its capacity utilization also fluctuated but decreased overall, and was *** percent in 2019, *** percent in 2020, and *** percent in 2021. U.S. producers' U.S. shipments were *** gallons in 2019 and 2020 and increased to *** million gallons in 2021.[277] As a share of apparent U.S. consumption, U.S. producers' U.S. shipments were *** percent in 2019, *** percent in 2020, and *** percent in 2021.[278] U.S. producers' end-of-period inventories fluctuated but increased overall and were *** gallons (equal to *** percent of total shipments) in 2019, *** gallons (equal to *** percent of total shipments) in 2020, and *** gallons (equal to *** percent of total shipments) in 2021.[279]

[271] *First Review Determinations*, USITC Pub. 4418 at 24.
[272] *First Review Determinations*, USITC Pub. 4418 at 24.
[273] *First Review Determinations*, USITC Pub. 4418 at 24.
[274] *First Review Determinations*, USITC Pub. 4418 at 24.
[275] *First Review Determinations*, USITC Pub. 4418 at 24.
[276] *First Review Determinations*, USITC Pub. 4418 at 24.
[277] CR/PR at Table III-5.
[278] CR/PR at Tables I-10 & I II-5.
[279] CR/PR at Table III-7.

During the POR, the number of production and related workers decreased from *** workers in 2019 to *** workers in 2020 and *** workers in 2021.[280] Total hours worked fluctuated but decreased overall, and were *** hours in 2019, *** hours in 2020, and *** hours in 2021.[281] Total wages paid also fluctuated but decreased overall, and were $*** in 2019, $*** in 2020, and $*** in 2021.[282] By contrast, hourly wages fluctuated but increased overall, and were $*** in 2019, $*** in 2020, and $*** in 2021.[283] The domestic industry's productivity increased from *** gallons per hour ("GPH") in 2019 to *** GPH in 2020 and *** GPH in 2021.[284]

The domestic industry's total net sales value fluctuated but increased overall, and was $*** in 2019, $*** in 2020, and $*** in 2021.[285] At the same time, unit net sales value decreased and was $*** per gallon in 2019, $*** per gallon in 2020, and $*** per gallon in 2021.[286] The domestic industry's gross profit increased from $*** in 2019, $*** in 2020, and $*** in 2021.[287] Its operating income increased from $*** in 2019 to $*** in 2020 and $*** in 2021.[288] The ratio of operating income to net sales fluctuated but also increased overall, and was *** percent in 2019, *** percent in 2020, and *** percent in 2021.[289] The industry's net income also increased from $*** in 2019 to $*** in 2020 and $*** in 2021.[290] The ratio of net income to net sales fluctuated but also increased overall, and was *** percent in 2019, *** percent in 2020, and *** percent in 2021.[291] The domestic industry's return on assets increased during the period from *** percent in 2019 to *** percent in 2020 and *** percent in 2021.[292] Its capital expenditures fluctuated but increased overall, and were $*** in 2019, $*** in 2020, and $*** in 2021.[293] No firm reported research and development expenses.[294]

[280] CR/PR at Table III-14.
[281] CR/PR at Table III-14.
[282] CR/PR at Table III-14.
[283] CR/PR at Table III-14.
[284] CR/PR at Table III-14.
[285] CR/PR at Table III-15.
[286] CR/PR at Table III-15.
[287] CR/PR at Table III-15.
[288] CR/PR at Table III-15.
[289] CR/PR at Table III-15.
[290] CR/PR at Table III-15.
[291] CR/PR at Table III-15.
[292] CR/PR at Table III-24.
[293] CR/PR at Table III-21.
[294] CR/PR at III-36.

Three of four responding U.S. producers reported significant effects from the COVID-19 pandemic, including ***.[295]

In considering the vulnerability of the domestic industry pursuant to 19 U.S.C. § 1675a(a)(1)(C), we observe that the record is mixed. On the one hand, the industry's market share fluctuated but increased overall. Productivity, net sales, and gross profits also increased, as did operating and net income, both absolutely and as a share of net sales. Despite increased profitability and an increase in apparent U.S. consumption, the industry's prices declined throughout the POR. In addition, the domestic industry's inventories fluctuated and increased overall, and subject imports not only remained in the U.S. market but increased in volume.

As explained above, we find that the volume of subject imports from Argentina would likely be significant in the reasonably foreseeable future if the suspended investigations were terminated. Moreover, because of the nature of the U.S. lemon juice market, increased subject imports from Argentina absent the discipline of the suspension agreement will likely result in a significant decline in U.S. prices for lemon juice and exacerbate the declines the already occurred during the POR. To compete with the likely volumes of subject imports and to dispose of its own production, the domestic industry would need to cut prices or forego needed price increases, and/or incur higher inventory costs. The resulting loss of revenues would likely cause deterioration in the financial performance of the domestic industry. Therefore, we find that termination of the suspended antidumping duty investigation would likely have a significant impact on the domestic industry.[296]

We have also considered the role of factors other than subject imports so as not to attribute likely injury from other factors to the subject imports. Nonsubject imports increased during the POR in terms of both volume and market share.[297] The AUVs for nonsubject imports were consistently higher than subject import AUVs and on par with domestic AUVs.[298] The

[295] CR/PR at Table III-20. *** reported ***. *Id.*

[296] To the extent that Argentinian Respondents argue that the domestic industry is insulated from competition from subject imports due to attenuated competition between FCLJ and NFCLJ, the record indicates that both the domestic industry and subject imports produce and sell substantial quantities of FCLJ in the U.S. market. Argentinian Respondents Posthearing Br. at 13; CR/PR at Table V-8 and Figures V-2, V-3, & V-5. The record also indicates that the frozen FCLJ imported from Argentina is a good substitute for the domestic product and that they compete on the basis of price. CR/PR at Tables II-13-17.

[297] CR/PR at Table I-10. Nonsubject import volume increased from 3.4 million gallons in 2019 to 3.8 million gallons in 2020 and 4.4 million gallons in 2021. Nonsubject imports as a share of apparent U.S. consumption increased from *** percent in 2019 to *** percent in 2020 and *** percent in 2021. *Id.*

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

nonsubject imports' continued presence in the event the suspended investigation was terminated would not preclude subject imports from increasing their presence in the U.S. market, taking market share from the domestic industry or forcing the domestic industry to lower prices in order to retain sales and market share. Given the moderate degree of substitutability between subject imports and the domestic like product, the likely significant increase in low-priced subject imports likely would come, at least in part, at the domestic industry's expense.

Argentinian Respondents assert that, as a result of the anticipated determinations and imposition of antidumping duty orders on imports of lemon juice from Brazil and South Africa, such imports will largely exit the U.S. lemon juice market and subject imports from Argentina could increase in volume without impacting the domestic industry's market share.[299] They contend that the domestic industry processed the entire quantity of lemons available to it during the POR and could not have supplied greater quantities of lemon juice to the U.S. market;[300] as a result, Argentinian Respondents contend that an increase in volume of subject imports would likely fill a vacuum left by the withdrawal of nonsubject imports from Brazil and South Africa, rather than harming the domestic industry.[301]

As we noted above, the investigations regarding imports of lemon juice from Brazil and South Africa are currently pending before the Commission and consideration of this counterfactual argument would be highly speculative. We note, however, in making this argument, Argentinian Respondents appear to confirm their continued interest in increasing their presence in the U.S. market and suggest that the Commission should allow low priced imports from Argentina to replace allegedly unfairly traded imports from other countries (Brazil

[299] Argentinian Respondents Prehearing Br. at 41; Argentinian Respondents Posthearing Br. at Exhibit 1, Responses to Commission Questions, at 30-33.

[300] Argentinian Respondents Prehearing Br. at 53; Hearing Tr. at 45 (Borgers). Although Argentinian Respondents argue that an increase in volume of subject imports would not impact the domestic industry's market share, we note that the domestic industry's end-of-period inventories increased during this review and, accordingly, the domestic industry would likely be able to supply additional quantities of lemon juice in an expanding market. We also note that the U.S. acreage of lemons, the raw material for lemon juice, has been expanding and in turn, this has promoted increased domestic lemon juice production. CR/PR at III-1; Hearing Tr. at 26-27 (McDermott); Petitioner's Final Comments at 8 & n.27. Notably, there has been a regional shift in U.S. production with producers in Florida entering the market. *Id.* at II-9; *see also id*. at Table F-1 at F-5 9 (***); *see also id*. at II-8 (U.S. producer *** reported that producers in Florida, which have lower logistical costs, have entered the U.S. market). Further, "similar developments are underway in California … acreage in California has increased by around 6 to 7 percent on an absolute basis since the 2017-2018 marketing season." Hearing Tr. at 27 (McDermott).

[301] Argentinian Respondents Prehearing Br. at 41, 53.

and South Africa) rather than allowing the domestic industry an opportunity to capture that market share. Simply put, we are unpersuaded by the Respondents' speculative argument that the domestic industry would be no worse off if the suspended investigation were terminated *and* antidumping duty orders were imposed on imports of lemon juice from Brazil and South Africa. To the contrary, the record suggests otherwise.

In sum, we conclude that, if the suspended antidumping duty investigation were terminated, subject imports from Argentina would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

For the above reasons, we determine that termination of the suspended antidumping duty investigation on lemon juice from Argentina would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Part I: Introduction

Background

On September 1, 2021, the U.S. International Trade Commission ("Commission" or "USITC") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted a review to determine whether termination of the suspended antidumping duty order on lemon juice from Argentina would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] [3] On December 6, 2021, the Commission determined that it would conduct a full review pursuant to section 751(c)(5) of the Act. [4] Table I-1 presents information relating to the background and schedule of this proceeding.[5]

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

[2] 86 FR 49054, September 1, 2021. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[3] In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of a five-year revie w of the suspended antidumping investigation. 86 FR 48983, September 1, 2021.

[4] 86 FR 71916, December 20, 2021. The Commission found that both the domestic and respondent interested party group responses to its notice of institution were adequate.

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

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

Effective date	Action
September 10, 2007	Commerce's suspension of the antidumping duty investigation on lemon juice from Argentina (72 FR 53991, September 21, 2007)
August 7, 2013	Commerce's continuation of Suspension of antidumping duty investigation (78 FR 48145, August 7, 2013)
October 20, 2016	Commerce's continuation of Suspension of antidumping duty investigation (81 FR 74395, October 26, 2016)
September 1, 2021	Commission's institution of five-year review (86 FR 49054, September 1, 2021)
September 1, 2021	Commerce's initiation of five-year review (86 FR 48983, September 1, 2021)
December 6, 2021	Commission's determinations to conduct a full five-year review (86 FR 71916, December 20, 2021)
December 29, 2021	Commerce's final results of expedited five-year review of the suspension agreement (87 FR 215, January 4, 2022)
March 21, 2022	Commission's scheduling of the review (87 FR 17103, March 25, 2022)
July 6, 2022	Commission's hearing
August 10, 2022	Commission's vote
August 29, 2022	Commission's determination and views

The original investigations

The original investigations concerning imports of lemon juice from Argentina and Mexico resulted from petitions filed on September 21, 2006, with Commerce and the Commission by Sunkist, Sherman Oaks, California.[6] On September 10, 2007, before the Commission reached determinations in the final phase of the original investigations, Commerce suspended the antidumping duty investigation involving lemon juice from Argentina. It entered into a suspension agreement with San Miguel and Citrusvil to revise their prices to eliminate completely sales of lemon juice to the United States at less than fair value ("LTFV").[7] On September 10, 2007, Commerce also suspended the antidumping duty investigation involving lemon juice from Mexico. It entered into a suspension agreement with Coca-Cola and The Coca-Cola Export Corporation, Mexico Branch to revise their prices to eliminate completely sales of lemon juice to the United States at LTFV.[8]

[6] Investigation Nos. 731-TA-1105-1106 (Final): Lemon Juice from Argentina and Mexico, Confidential Prehearing Report, INV-EE-120, September 4, 2007 ("Original confidential prehearing report"), p. I-1. The suspension agreements concerning lemon juice from Argentina and Mexico were signed before the Commission completed its final investigations. Data presented from the original investigations throughout this report are from the prehearing staff report.

[7] 72 FR 53991, September 21, 2007. On September 17, 2009, Citromax SACI acceded to the 2007 suspension agreement. On July 11, 2014, La Moraleja and COTA acceded to the 2007 suspension agreement. 81 FR 74395, October 26, 2016.

[8] 72 FR 53995, September 21, 2007.

Subsequent five-year reviews

On November 5, 2012, the Commission determined that it would conduct full reviews to determine whether termination of the suspended investigations on lemon juice from Argentina and Mexico would be likely to lead to continuation or recurrence of material injury within a reasonable foreseeable time.[9] On December 7, 2012, following an expedited five-year review on the suspended investigation on lemon juice from Argentina, Commerce determined termination of that suspended antidumping duty investigation would be likely to lead to continuation or recurrence of dumping.[10] On June 28, 2013, following a full five-year review on the suspended investigation on lemon juice from Mexico, Commerce determined that termination of that suspended antidumping duty investigation would be likely to lead to continuation or recurrence of dumping.[11] On July 26, 2013, following full five-year reviews, the Commission determined that termination of the suspended antidumping duty investigation on lemon juice from Argentina would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[12] The Commission also determined on July 26, 2013 that termination of the suspended antidumping duty investigation on lemon juice from Mexico would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[13] As a result of the determinations by Commerce and the Commission, Commerce issued a continuation of the suspended antidumping duty investigation on lemon juice from Argentina effective August 7, 2013.[14] On October 20, 2016, Commerce issued another continuation of the suspended antidumping duty investigation on lemon juice from Argentina and signed a new suspension agreement with substantially all growers/exporters of lemon juice from Argentina, replacing the 2007 suspension agreement. The 2016 suspension agreement is between Commerce and signatory producers/exporters accounting for substantially all imports of lemon juice from Argentina, wherein each signatory producer/exporter agreed to revise its prices to eliminate completely the injurious effects of exports of the subject merchandise to the United States.[15]

[9] 77 FR 67833, November 14, 2012.

[10] 77 FR 73021, December 7, 2012.

[11] 78 FR 38944, June 28, 2013.

[12] Commissioner Daniel R. Pearson made a negative determination with respect to the suspended investigation on lemon juice from Argentina.

[13] 78 FR 46610, August 1, 2013.

[14] 78 FR 48145, August 7, 2013.

[15] 81 FR 74395, October 26, 2016.

Previous and related investigations

Lemon Juice from Brazil and South Africa is currently under investigation at Commerce and the Commission. On December 30, 2021, Ventura Coastal LLC ("Ventura Coastal"), Ventura, California, filed petitions with the Commission and Commerce, alleging that an industry in the United States is materially injured by reason of LTFV imports of lemon juice from Brazil and South Africa. On February 11, 2022, the Commission determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of lemon juice from Brazil and South Africa.[16] The Commission's final phase investigations have yet to be scheduled.

Summary data

Table I-2 presents a summary of data from the original investigations, prior reviews, and the current full five-year review. Summary data from the original proceeding and the current review appear in Appendix C. U.S. producers U.S. shipments by quantity, were higher in 2021 compared to 2006 and lowest in 2012. Total U.S. imports, by quantity, were 123.3 percent higher in 2021 compared to 2006 and 70.0 percent higher in 2021 compared to 2012. U.S. imports from Argentina, by quantity, were 70.4 percent higher in 2021 compared to 2006 and 35.4 percent higher in 2021 compared to 2012. U.S. producers' share of apparent U.S. consumption, by quantity, was *** percentage points lower in 2021 compared to 2006 and *** percentage points higher in 2021 compared to 2012. U.S. producers' production *** percent lower in 2021 compared to 2006 and *** percent higher in 2021 compared to 2012.

[16] 87 FR 9378, February 18, 2022.

Table I-2
Lemon juice: Comparative data from the original investigations and subsequent reviews to-date, by terminal years

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Item	Measure	2006	2012	2021
Apparent consumption	Quantity	6,144	***	***
U.S. producers market share	Share of quantity	43.5	***	***
Argentina market share	Share of quantity	32.2	***	***
Nonsubject market share	Share of quantity	24.3	***	***
Import market share	Share of quantity	56.5	***	***
Apparent consumption	Value	44,292	***	***
U.S. producers market share	Share of value	35.4	***	***
Argentina market share	Share of value	35.5	***	***
Nonsubject market share	Share of value	29.1	***	***
Import market share	Share of value	64.6	***	***
Argentina	Quantity	1,977	2,487	3,369
Argentina	Value	15,727	45,566	65,486
Argentina	Unit value	7.96	18.32	19.44
Nonsubject sources	Quantity	1,495	2,075	4,386
Nonsubject sources	Value	12,868	35,749	98,682
Nonsubject sources	Unit value	8.61	17.23	22.50
All import sources	Quantity	3,472	4,562	7,754
All import sources	Value	28,595	81,315	164,168
All import sources	Unit value	8.24	17.82	21.17

Table continued.

Table I-2 Continued
Lemon juice: Comparative data from the original investigations and subsequent reviews to-date, by terminal years

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Item	Measure	2006	2012	2021
Capacity	Quantity	***	***	***
Production	Quantity	***	***	***
Capacity utilization	Ratio	***	***	***
Producer U.S. shipments	Quantity	***	***	***
Producer U.S. shipments	Value	***	***	***
Producer U.S. shipments	Unit value	***	***	***
Producer inventories	Quantity	***	***	***
Producer inventory ratio to total shipments	Ratio	***	***	***
Production workers (number)	Noted in label	***	***	***
Hours worked (in 1,000 hours)	Noted in label	***	***	***
Wages paid (1,000 dollars)	Value	***	***	***
Hourly wages (dollars per hour)	Value	***	***	***
Productivity (gallons concentrated basis @400 GPL per hour)	Noted in label	***	***	***
Net sales	Quantity	***	***	***
Net sales	Value	***	***	***
Net sales	Unit value	***	***	***
Cost of goods sold	Value	***	***	***
Gross profit or (loss)	Value	***	***	***
SG&A expense	Value	***	***	***
Operating income or (loss)	Value	***	***	***
Unit COGS	Unit value	***	***	***
Unit operating income	Unit value	***	***	***
COGS/ Sales	Ratio	***	***	***
Operating income or (loss)/ Sales	Ratio	***	***	***

Source: Office of Investigations memorandum INV-LL-046 (June 24, 2013), official U.S. import statistics, and compiled from data submitted in response to Commission questionnaires.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Data for 2006 are from the last year of the original investigations; 2012 from the last year of the first review; and 2021 the last year of this review, the second review.

Table I-3 and figure I-1 present historical shipments of lemon juice during 2016-21. Overall, during 2016-21, U.S. producers' U.S. shipments of lemon juice and U.S. imports of lemon juice from nonsubject sources increased by *** percent and 28.1 percent, respectively. Meanwhile, overall, during 2016-21, U.S. imports of lemon juice from Argentina decreased by 17.7 percent. As a share of total shipments of lemon juice, U.S. producers' U.S. shipments ranged between *** percent of total shipments in 2018 and *** percent of total shipments in 2021.

Table I-3
Lemon juice: Historical U.S. shipments on quantity, by period and source

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Source	Measure	2016	2017	2018
U.S. producers	Quantity	***	***	***
Argentina	Quantity	4,095	3,269	4,190
Nonsubject sources	Quantity	3,423	4,302	4,160
All import sources	Quantity	7,518	7,571	8,349
All sources	Quantity	***	***	***
U.S. producers	Share	***	***	***
Argentina	Share	***	***	***
Nonsubject sources	Share	***	***	***
All import sources	Share	***	***	***
All sources	Share	100.0	100.0	100.0

Table continued.

Table I-3 Continued
Lemon juice: Historical U.S. shipments on quantity, by period and source

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Quantity	***	***	***
Argentina	Quantity	3,193	3,498	3,369
Nonsubject sources	Quantity	3,428	3,843	4,386
All import sources	Quantity	6,622	7,341	7,754
All sources	Quantity	***	***	***
U.S. producers	Share	***	***	***
Argentina	Share	***	***	***
Nonsubject sources	Share	***	***	***
All import sources	Share	***	***	***
All sources	Share	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022; and from data submitted in response to Commission questionnaires. Imports are based on the imports for consumption data series. A conversion factor of 0.03359 was used to convert liters to gallons.

Figure I-1
Lemon juice: Historical U.S. shipments on quantity, by period and source

* * * * * * *

Statutory criteria

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

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

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

(B) existing inventories of the subject merchandise, or likely increases in inventories,

(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and

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

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

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and

(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

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

(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

(C) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.

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

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

Organization of report

Information obtained during the course of the review that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for lemon juice as collected in the reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of four U.S. producers of lemon juice that are believed to have accounted for the vast majority of domestic production of lemon juice in 2021. U.S. import data and related information are based on Commerce's official import statistics and the questionnaire responses of 19 U.S. importers of lemon juice that are believed to have accounted for approximately 77 percent of the total subject U.S. imports during 2021. Foreign industry data and related information are based on the questionnaire responses of 13 producers of lemon juice in Argentina and accounted for over 95 percent of total production. Responses by U.S. producers, importers, purchasers, and foreign producers of lemon juice to a series of questions concerning the significance of the existing suspension agreement and the likely effects of termination of such agreement are presented in appendix F.

Commerce's reviews[17]

Five-year review

Commerce has issued the final results of its expedited review with respect to Argentina.[18] Commerce determined that termination of the 2016 Agreement and suspended investigation of lemon juice from Argentina would likely lead to continuation or recurrence of dumping, and that the magnitude of the weighted-average dumping margins likely to prevail are up to 128.50 percent.[19]

The subject merchandise

Commerce's scope

Commerce has defined the scope covered by the agreement suspending the antidumping duty investigation on lemon juice from Argentina as follows:

> *The product covered by the 2016 Agreement is lemon juice for further manufacture, with or without addition of preservatives, sugar, or other sweeteners, regardless of the GPL (grams per liter of citric acid) level of concentration, brix level, brix/acid ratio, pulp content, clarity, grade, horticulture method (e.g., organic or not), processed form (e.g., frozen or not-from concentrate), FDA standard of identity, the size of the container in which packed, or the method of packing.*
>
> *Excluded from the scope are: (1) Lemon juice at any level of concentration packed in retail-sized containers ready for sale to consumers, typically at a level of concentration of 48 GPL; and (2) beverage products such as lemonade that typically contain 20% or less lemon juice as an ingredient.*[20]

[17] Commerce has not conducted any changed circumstances review or scope rulings, since the completion of the last five-year review. In addition, Commerce has not issued any duty absorption findings, any company revocations, anti-circumvention findings since the order was suspended.

[18] 87 FR 215, January 4, 2022.

[19] Ibid.

[20] 87 FR 215, January 4, 2022.

Tariff treatment

Lemon juice covered by this investigation is provided for in HTS subheadings 2009.31.40, 2009.31.60, and 2009.39.60 and is imported under HTS statistical reporting numbers 2009.31.4000 (other not concentrated citrus juice), 2009.31.6020 (concentrated lemon juice, frozen), 2009.31.6040 (concentrated lemon juice, other than frozen), 2009.39.6020 (other lemon juice, frozen), and 2009.39.6040 (other lemon juice, other than frozen).[21] Unconcentrated lemon juice of a Brix value not exceeding 20 (HTS 2009.31.40) from Argentina is subject to a column 1-general duty rate of 3.4 cents per liter. Concentrated lemon juice of a Brix value not exceeding 20, whether frozen or not (2009.31.60) from Argentina is subject to a column 1-general duty rate of 7.9 cents per liter. Finally, lemon juice of a Brix value of 20 or greater, whether frozen or not (2009.39.60) from Argentina is subject to a column 1-general duty rate of 7.9 cents per liter. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

[21] HTS heading 2009 covers fruit, nut or vegetable juices, unfermented and not containing added spirit, whether or not containing sugar or other sweetening matter. All three covered subheadings include such citrus juices other than orange, grapefruit, or lime, which are separately enumerated in earlier provisions of this heading. HTS statistical reporting number 2009.31.4000 contains out of scope unconcentrated single fruit citrus juices in addition to lemon juice.

The product

Description and uses[22]

Lemon juice is extracted from fresh lemons (*citrus limon*). U.S. commercial lemon production is concentrated in California (50,000 bearing acres) and Arizona (7,300 bearing acres).[23] Lemons in the United States are grown primarily for the fresh market; those with imperfections or that fail to meet size or grade standards are culled from the fresh market and shipped for processing into various products including lemon juice.[24] Historically, when the quantity of fresh lemons meeting fresh market standards exceeded the quantity of fresh lemons demanded, additional lemons would be diverted to processing; this practice, however, may have diminished as growth in demand for fresh lemons and limes has exceeded growth in U.S. domestic production.[25]

Lemon juice has a particularly high acid content compared to other citrus juices, typically above 4.5 percent by weight; thus, it is not typically consumed alone at full strength like orange juice. Lemon juice is primarily used as an ingredient in beverages, particularly lemonade and soft drinks, and other foods such as salad dressings, sauces, and baked goods. Lemon juice is sold to be used as an ingredient by food and beverage manufacturing companies but is also sold to producers of non-food products such as household cleaners. Lemon juice is also sold at retail grocers to be used as an ingredient for in-home food and beverage preparation.

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[22] Unless otherwise noted, this information is based on Lemon Juice from Argentina and Mexico, Investigation Nos. 731-TA-1105-1106 (Review), USITC Publication 4418, July 2013 ("First review publication"), pp. I-9-I-11.

[23] USDA, NASS, Quick Stats database, https://quickstats.nass.usda.gov/, accessed October 26, 2021.

[24] Other processed lemon products include lemon oil and its fractions, lemon peel, and pectin. Over 400 specialty products can be made from lemons, but a much smaller number have established commercial markets. Pectin, derived from lemon peel, is widely used in the food industry as a thickening agent, and pectin pomace is used as a source of dietary fiber that, when pelletized, can be fed to cattle. Pulp wash is used in the beverage industry to add fruit solids and a cloudy appearance to juice drinks, while vitamin C, folic acid, carotenoids, flavonoids, naringin, and hesperidin can be extracted from lemon peel to be used in the health food and vitamin industries.

[25] Fresh lemon and lime production averaged nearly 835,000 MT from marketing year 2012/13 to MY2020/21, ranging from 748,000 MT in MY2013/14 to 983,000 MT in MY2019/20. Meanwhile, fresh domestic consumption averaged nearly 1.2 million MT over the same period, ranging from 926,000 MT in MY 2012/13 to more than 1.4 million MT in MY2019/20. Thus, the domestic shortage has increased from 99,000 MT in MY2012/13 to 618,000 MT in MY 2020/21. Note that the U.S. marketing year for fresh lemons and limes is August through July. USDA, FAS, "Production, Supply, and Demand database," https://apps.fas.usda.gov/psdonline/app/index.html#/app/home, accessed July 21, 2022.

Fresh lemons are processed into juice with varying concentration levels, acidity, and sugar content. Concentrated lemon juice and not-from-concentrate ("NFC") lemon juice are the two main types produced. Concentrated lemon juice has water removed to reduce bulk and weight. In addition, highly concentrated lemon juice is less susceptible to growth of microorganisms and may be stored refrigerated rather than frozen. These characteristics of concentrated lemon juice reduce costs related to shipping and storage. Concentrated lemon juice can be marketed as cloudy—containing up to 12 percent pulp—or clear or clarified, which has no visible pulp. Grams per liter of anhydrous citric acid ("GPL") is the primary measure of concentration. The typical GPL level for concentrated lemon juice is an acidity level of 400 GPL to 500 GPL, but concentration level can be customized to customer specifications. Concentrated juice is typically used as an ingredient in lemonades or other lemon-flavored beverages or reconstituted to single strength for packaging and sale.

Not from concentrate (NFC) juice is marketed as a premium product, higher priced, alternative to frozen concentrated or reconstituted juices as it has no water removed and does not require reconstitution. After extraction and pasteurization, NFC lemon juice is packaged for sale or stored aseptically (oxygen-purged environment). The market for NFC lemon juice is growing as lemon juice becomes a leading ingredient and flavor of choice in premium lemonades and juice blends demanded by consumers.[26]

Organic lemon juice is also sold commercially.[27] The lemons used for juice labeled as organic must be grown and processed based on USDA's National Organic Program (NOP) provisions. These provisions specify cultivation methods in the lemon orchard that prohibit the use of various pesticides or chemical fertilizers and require segregation of lemons at the processing plant. Moreover, manufacturing equipment that has been exposed to non-organic juice must be thoroughly cleaned before being used to process organic juice. Organic lemon juice generally sells for a higher price than non-organic juice, reflecting a higher cost of growing organic lemons, which typically have lower yields and efficiencies in growing and harvesting than conventionally grown lemons. Organic lemon juice accounts for a small percentage of annual sales in the United States.

Lemon juice and lemon oil are considered co-products in that production of one generally necessitates production of the other, though the pricing of the two products is

[26] Calder, "A Star Is Born. Lemon Juice Gets the Red-Carpet Treatment," January 18, 2018.

[27] Ventura Coastal's product list includes organic lemon juice products. Ventura Coastal, "Products, Lemon Juices, Concentrates, Pulp, Puree, Essence, & Oils, https://venturacoastal.com/lemon-products, accessed November 2, 2021.

generally independent of each other.[28] Lemon juice and lemon oil have different chemical profiles. Lemon juice is extracted from the lemon's pulp while oil is extracted from the lemon's peel. Lemon oil is generally used as a flavor enhancer in beverages, foods, and household cleaning supplies. While both can be used in beverages; lemon oil is used to impart flavor, while lemon juice is used to impart acidic tartness.

Manufacturing process[29]

Lemons are grown in orchards, harvested, and transported to a packing house for grading and sorting. Unlike other citrus fruits, such as limes and juice oranges that are typically grown in humid tropical climates, lemons tend to grow in arid, subtropical regions such as those in California and Arizona in the United States, and in northwest Argentina. In the United States, the lemon harvest is spread throughout the year across several growing regions, while it runs from April through August in Argentina because of one main growing region.[30] Lemons are grown primarily for the fresh market in the United States, with around 30 percent typically processed into juice each year, while Argentina processes around 70 percent of the lemons grown each year.[31]

The supply and demand for fresh lemons may vary from year to year based on growing and market conditions, which can then impact the availability of fresh lemons available for processing. The 2021 U.S. lemon crop decreased by 18 percent from the prior year due to adverse growing conditions.[32] COVID-19 restrictions on bars, restaurants, schools, cruise lines, and other commercial food-service operations that were subject to closures and limited

[28] In general, citrus fruit processing is designed for the collection of juice, with the peel oil being a by-product, as is the case with lemons, oranges, grapefruit, and Persian limes. The growth of lemon juice production in Argentina has, historically, been driven by increased global demand for lemon oil, a key ingredient in cola soft drinks. Approximately 50 percent of Argentina's essential lemon oil production is marketed with a leading soft drink company under a long-term agreed price scheme that is not subject to market supply and demand. Performing oil extraction without juicing is not generally considered commercially viable, since without the additional revenue from juice, the cost of extracting the lemon oil would be prohibitive. Futch and Singerman, "Citrus Production in Argentina," September 29, 2017; Calvo, Daniel, "Lemon Juice… to buy, or not to buy, that is the question," Fruit Juice Focus, July/August 2020.

[29] Unless otherwise noted, this information is based on first review publication, pp. I-9-I-11.

[30] Hearing, p 26 (McDermott); Hearing, p 127 (Borgers); Hearing, p 99-100 (Sangronis).

[31] USDA, Foreign Agricultural Service, PS&D database, accessed June 8, 2022.

[32] U.S. production of fresh lemons was 884,000 short tons in 2021, a 12 percent decrease since 2019. USDA, NASS Quickstats, accessed July 8, 2022; Kramer, Simnitt, & Calvin, *Fruit and Tree Nuts Outlook: September* 2021, USDA ERS Situation and Outlook Report No. FTS-373, September 29, 2021.

capacities almost eliminated the demand for an entire class and size of fresh lemons, resulting in an increase in the supply of lemons available for processing in the United States.[33]

Similarly in Argentina, production decreased by 16 percent in the 2019/2020 marketing year (MY) due to high temperatures and crop cycles but has increased by 21 percent the following MY resulting from highly favorable growing conditions.[34] The change in volume of fresh lemons for processing corresponded with these fluctuations in overall fresh lemon production.[35] Since an import ban on fresh lemons from Argentina was lifted in the United States in 2017, Argentina has become the largest import source of fresh lemons in the U.S. market.[36] Lemon juice manufacturers in Argentina report that this has partially limited the supply of fresh lemons available for processing into juice.[37]

Generally, the packing house is where fresh-market lemons are distinguished from lemons for processing. Lemons for processing are usually culled from fresh-market lemons based on imperfections in appearance or failure to meet size or grade standards.[38] After grading and sorting at the packing shed, lemons designated for processing are shipped via truck to processing plants. Commercial processing plants that produce lemon juice may also process

[33] *Citrus Industry Magazine*, "Lemons Hit Hard by COVID-19 Losses," May 14, 2020.

[34] Lemon trees tend to produce a heavy crop one year, followed by a lighter crop the next. Argentina produced 1.65 million metric tons of fresh lemons in the 2021/2022 MY, an 8 percent decrease over the prior MY, and a nearly 11 percent increase since 2019/2020. USDA, FAS, PS&D database, accessed July 8, 2022; Balbi, *Argentina: Citrus Semi-annual*, USDA FAS GAIN Report No. AR2019-0051, June 14, 2021. Balbi, *Argentina: Citrus Annual*, USDA FAS GAIN Report No. AR2021-0036, December 21, 2021.

[35] Balbi, *Argentina: Citrus Semi-annual*, USDA FAS GAIN Report No. AR2019-0051, June 14, 2021. Balbi, *Argentina: Citrus Annual*, USDA FAS GAIN Report No. AR2021-0036, December 21, 2021.

[36] The United States imported 73,104 metric tons of fresh lemons from Argentina in 2021, representing 38 percent of fresh lemon imports. Argentine exports of fresh lemons to the United States in 2021 represents 4.4 percent of total lemon production in the 2021/2022 MY. USITC/DOC Dataweb, HTS 0805.50.2010, 0805.50.2030, accessed July 7, 2022; Blabi, *Argentina: Citrus Annual*, USDA FAS GAIN Report No. AR2019-0046, January 1, 2020; USDA, FAS, PS&D database, accessed July 8, 2022.

[37] Growers in Argentina have planted new lemon trees and increased the density of their orchards in recent years, likely helping to alleviate any lasting fresh lemon supply constraints for juice processors. Hearing, p 131 (Borgers); Hearing p 7 (Lunazzi); Balbi, *Argentina: Citrus Semi-annual*, USDA FAS GAIN Report No. AR2019-0051, June 14, 2021. Balbi, *Argentina: Citrus Annual*, USDA FAS GAIN Report No. AR2021-0036, December 21, 2021; Blabi, *Argentina: Citrus Annual*, USDA FAS GAIN Report No. AR2019-0046, January 1, 2020.

[38] Lemons for the fresh market are often sorted to meet exact size requirements over a large range of sizes. For example, many of the largest lemons produced in the United States are exported to Japan for use as gifts, whereas small lemons are often sold to bars and restaurants for use as condiments for drinks and garnish for food.

other citrus fruits such as oranges, grapefruit, and limes.[39] Fruit is unloaded from the trucks, brush-washed, and is again graded and sized before entering the juice/oil extractors. Several lemon extraction systems are used globally, but the most widely used in the United States is the FMC (now JBT) system.[40] JBT produces four different extractor models designed to extract juice and oil from citrus fruit of specific sizes, ranging from one inch in diameter to 5.5 inches in diameter, including limes, lemons, oranges, and grapefruit.[41]

The JBT extraction method is the only method that does not involve first cutting the fruit into halves.[42] The fruit is first inserted into a two-part fingered cup that supports and squeezes the exterior of the fruit throughout the squeeze cycle. Plugs are cut into the top and bottom of the fruit to allow separation of the internal components from the peel. Pressure from the cups forces the juice and pulp into a strainer tube inserted into the bottom plug. While pulp and juice are forced into the strainer tube, the peel is cut into strips and sprayed with a fine water mist to extract the oil and create an emulsion that flows away from the peel. Juice never contacts the peel during this process. Fruit is separated into four streams, juice, peels, cores (pulp, rag, and seeds), and oil emulsion.[43]

The Brown Oil Extractor (BOE) is another extraction method used in the United States and South America. The BOE method differs from the JBT method in that juice and oil are extracted in sequential steps rather than simultaneously. The BOE method extracts oil first by gently puncturing the peel of the whole fruit with thousands of stainless-steel needle points, rupturing the oil sacks, and releasing the oil, which is emulsified in a water spray. Juice is

[39] In most countries, lemon processing takes place only during several months of the year immediately following harvest and, therefore, citrus juicing plants process other fruits on the off-season from lemons. U.S. lemons, however, are harvested throughout most of the year due to variations in growing conditions in California and Arizona.

[40] JBT was spun-off from FMC Technologies into a separate publicly traded company in 2008. JBT's Liquid Foods Division designs, manufactures, tests, and services systems for processing fruit and vegetable juices; has operations in 15 countries. JBT Citrus Systems claims its extractors are used to produce 75 percent of the world's juice production in 35 countries. JBT Liquid Foods, "An Overview: Fruit and Vegetable Processing, Preservation Solutions, Dairy Solutions, High Pressure Processing (HPP)," https://www.jbtc.com/foodtech/markets/juices-and-beverages/, accessed November 2, 2021; JBT Food Tech, "Citrus Juice Extractor," https://www.jbtc.com/foodtech/products-and-solutions/products/juicers-finishers-and-extractors/citrus-juice-extractor/, accessed November 2, 2021.

[41] JBT Food Tech, "Citrus Juice Extractor," https://www.jbtc.com/foodtech/products-and-solutions/products/juicers-finishers-and-extractors/citrus-juice-extractor/, accessed November 2, 2021.

[42] Citrech, "Citrus Juices Processing Technology," accessed November 2, 2021.

[43] Rag is the stringy central portion and membranous walls of a citrus fruit. Citrech, "Citrus Juices Processing Technology," accessed November 2, 2021.

extracted by then cutting the fruit in half, positioning the halves in cups, and then extracting juice and pulp with serrated reamers.[44]

A third extraction method, used primarily in Europe, is called the Pelatrice method. This method does not require a preliminary size calibration of the fruit and is also sequential rather than simultaneous. Oil is recovered by passing the fruit through a stainless-steel grating system under a water spray creating an oil emulsion. The de-oiled fruit is then cut in half and pressed against a fixed sieve by counter-rotating steel cylinders. Juice quality and yield is lower than with the FMC and Brown systems.[45]

After extraction, lemon juice is further processed in a centrifuge to remove any remaining bits of seed, peel, and excess pulp. At this point, juice may be pasteurized resulting in NFC lemon juice, or it can be evaporated to remove water to produce lemon juice concentrate of a specified GPL and then pasteurized. Clarified lemon juice is ultrafiltered before pasteurization to eliminate all pulp content, and then concentrated through evaporation and pasteurization. Concentrated and NFC lemon juice are stored in silos, bins, or steel drums, under frozen or aseptically chilled conditions.

The extraction of additional lemon derivatives or oil fractions requires further specialized equipment. This equipment must generally have been incorporated into a plant's design to produce these specialized products. Lemon processing plant design must also be careful to plan for economical disposal of the peel and other solid wastes from the lemons, usually in compliance with local and national environmental requirements. Lemons cannot be disposed of in landfills because of their high moisture content but may be composted. Lemon juice disposal is regulated in the United States at the Federal, State, and local levels and must be pretreated prior to disposal due to its high sugar and acid content.

Lemon processing generally takes place at juice/oil extraction plants near growing areas which are concentrated in California and Arizona in the United States. Since the last review in 2013, on average, about 239,000 tons of lemons have been processed representing 26 percent of total U.S. lemon production. While total production of lemons has generally remained flat since 2013, the quantity used in the fresh market has increased by 15 percent.[46] Processing quantities and shares have also varied. Though the quantity of lemons that were processed peaked in 2020 at 332,000 tons (30.6 percent), the share of lemons that were processed was greater in both 2013 and 2015, exceeding 32.0 percent. The quantity of lemons processed, and

[44] Citrech, "Citrus Juices Processing Technology," accessed November 2, 2021.

[45] Citrech, "Citrus Juices Processing Technology," accessed November 2, 2021.

[46] Total production of fresh lemons decreased by 3 percent between 2013 and 2021 but increased 19 percent between 2013 and 2020.

the share processed were both the lowest in 2021 when 174,000 tons (19.7 percent) were processed.[47] During the first review, 37 percent of U.S. lemons were processed, and up to 46 percent were processed in the ten years preceding the review.

Traditional citrus juice sales—primarily orange juice—have been in decline for several years because of changing consumer habits such as reduced breakfast consumption opportunities.[48] Lemon juice, however, is benefiting from increased demand for new and unique flavors, including lemon, in the food and beverage industries.[49] Lemon juice demand has typically been greatest during the summer months when more lemonade is consumed. U.S. per capita availability of lemon juice is relatively low relative to orange juice, averaging 0.19 gallons per capita for lemon juice compared with 2.73 gallons per capita for orange juice since 2013.[50] While per capita availability varied between 0.14 to 0.21 gallons per person, since the original investigation in 2007, it has generally increased at an average annual rate of 0.05 gallons per capita.

[47] USDA, NASS, "Quick Stats database," accessed July 27, 2022.

[48] Fruit Juice Focus, "USA Juice Market Update," March/April 2020, http://www.fruitjuicefocus.com/, accessed November 2 ,2021.

[49] Calder, "A Star Is Born. Lemon Juice Gets the Red-Carpet Treatment," January 18, 2018; Fruit Juice Focus, "Citrus Pectin Market," November/December 2019, http://www.fruitjuicefocus.com/, accessed November 2, 2021.

[50] USDA, ERS, "Food Availability (Per Capita) Data System, Fruit Juices," https://www.ers.usda.gov/data-products/food-availability-per-capita-data-system/, accessed November 7, 2021.

Domestic like product issues

In its original preliminary determinations, the Commission defined a single domestic like product consisting of all lemon juice for further manufacturing, coextensive with the scope of the investigation. In its first five-year review determinations of the suspended antidumping duty investigations, the Commission defined the domestic like product as consisting of certain lemon juice, coextensive with the scope of the reviews.[51] In its notice of institution in this current five-year review, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[52] The domestic interested party agreed with the current definition of the domestic like product.[53] Argenti Lemon and Citrusvil indicated that concentrated lemon juice and non-concentrated lemon juice are different domestic like products[54] F.G.F, Latin Lemon, Ledesma, and San Miguel indicated that the domestic like product should only include concentrated lemon juice.[55] Citromax Group commented on the Commission's definition of the domestic like product and indicated that the domestic like product may need revisiting.[56]

The Commission's decision regarding the appropriate domestic product(s) that are "like" the subject imported product is based on a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) common manufacturing facilities, production processes, and production employees; (5) customer and producer perceptions; and (6) price. Information regarding these factors is discussed below.

The Commission asked U.S. producers, importers, and purchasers to comment on the comparability of not from concentrate lemon juice ("NFCLJ") and from concentrate lemon juice ("FCLJ"), based on the Commission's six like product factors. As shown in table I-4, the majority of responding U.S. producers reported "somewhat" or "never" for all six like product factors while responses from importers and purchasers were mixed. For additional information on responses from U.S. producers, importers, and purchasers see Appendix E.

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[51] First review publication, p. 6.

[52] 86 FR 49054, September 1, 2021.

[53] Domestic interested party's response to the notice of institution, October 1, 2021, p. 9

[54] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, p. 8.

[55] Respondent interested party F.G.F's response to the notice of institution, October 1, 2021, p. 13; Respondent interested party Latin Lemon's response to the notice of institution, October 1, 2021, p. 13; Respondent interested party Ledesma's response to the notice of institution, October 1, 2021, p. 13; and Respondent interested party San Miguel's response to the notice of institution, October 1, 2021, p. 13.

[56] Respondent interested party Citromax Group's response to the notice of institution, September 30, 2021, p. 9; and Respondent interested party Citrusvil's response to the notice of institution, October 1, 2021, p. 8.

Table I-4
NFCLJ vs. FCLJ: U.S. producers' and U.S. purchasers' comparisons of NFCLJ and FCLJ

Factor	Firm type	Fully	Mostly	Somewhat	Never
Physical characteristics	U.S. producers	0	1	1	2
Physical characteristics	U.S. importers	0	3	6	8
Physical characteristics	U.S. purchasers	1	0	1	3
Interchangeability	U.S. producers	0	1	2	1
Interchangeability	U.S. importers	0	2	8	7
Interchangeability	U.S. purchasers	1	0	3	1
Channels	U.S. producers	1	1	1	1
Channels	U.S. importers	1	4	9	1
Channels	U.S. purchasers	4	0	1	0
Manufacturing	U.S. producers	1	1	2	0
Manufacturing	U.S. importers	1	7	7	0
Manufacturing	U.S. purchasers	0	0	3	2
Perceptions	U.S. producers	0	0	2	2
Perceptions	U.S. importers	0	0	8	8
Perceptions	U.S. purchasers	1	0	1	2
Price	U.S. producers	0	0	2	2
Price	U.S. importers	1	0	3	11
Price	U.S. purchasers	0	0	1	4

Note: F=Fully comparable, M=Mostly comparable, S=Somewhat comparable, N=Never or not-at-all comparable.

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

Physical characteristics and uses

The domestic interested party states that ***.[57] Where FCLJ is further processed with an evaporator NFCLJ is further processed with a pasteurizer.[58] Respondent Argenti Lemon indicates that the additional manufacturing involved in concentrating lemon juice imparts significant physical differences.[59]

[57] *** U.S. producer questionnaire response, section V-1.

[58] Hearing transcript, (Borgers), p. 68.

[59] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, p. 8.

Interchangeability

The domestic interested party reports that ***.[60] The domestic interested party also indicates that the ***.[61] Respondent Argenti Lemon reports that NFCLJ is used in "premium" lemonades, whereas FCLJ is sold to firms that dilute and reconstitute the lemon juice for resale as reconstituted single-strength lemon juice or use it in lemon-flavored beverages and soft drinks.[62] In addition respondents FGF Trapani, Latin Lemon, Ledesma, and San Miguel note that substitutability of FCLJ and NFCLJ juice is low.[63]

Channels of distribution

Table I-5 presents U.S. producers' shipments of NFCLJ and FCLJ by channels of distribution. During the period for which data were collected, a majority U.S. producers' U.S. shipments of NFCLJ were to distributors while more than *** percent of U.S. producers' U.S. shipments of FCLJ were to distributors.

Table I-5
Lemon juice: Share of U.S. producers' U.S. shipments by channel of distribution within source, by period

Channel	2019	2020	2021
NFCLJ: Share to distributors	***	***	***
NFCLJ: Share to food processors/manufacturers	***	***	***
NFCLJ: Share to cleaning products manufacturers	***	***	***
FCLJ: Share to distributors	***	***	***
FCLJ: Share to food processors/manufacturers	***	***	***
FCLJ: Share to cleaning products manufacturers	***	***	***

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

[60] *** U.S. producer questionnaire response, section V-1.

[61] Ibid.

[62] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, p. 9.

[63] Respondent interested party Trapani's response to the notice of institution, October 1, 2021, p. 13; Respondent interested party Latin Lemon's response to the notice of institution, October 1, 2021, p. 13; Respondent interested party Ledesma's response to the notice of institution, October 1, 2021, p. 13; and Respondent interested party San Miguel's response to the notice of institution, October 1, 2021, p. 16.

Customer and producer perceptions

The domestic interested party reports that, ***.[64] In addition the domestic interested party notes that NFCLJ and FCLJ do end up in the same products and consumer perception along with price that influence its customers' decisions.[65] Respondent Argenti Lemon reports that certain customers prefer FCLJ because the lower water content makes it lighter than NFCLJ and therefore is more economical to transport.[66] In addition some customers may prefer FCLJ as it is less susceptible to microorganisms than NFCLJ and may be stored refrigerated instead of frozen, resulting in energy cost savings.[67] In addition respondent Citromax indicates that consumer trends are developing to a more natural product.[68]

Manufacturing facilities, production process, and production employees

The domestic interested party reports that NFCLJ and FCLJ are run on the same extraction lines in the same facilities with the same labor and at the end of the process NFCLJ is pasturized and stored and FCLJ is run through an evaporator to concentrate.[69] ***. Sun Orchard LLC ("Sun Orchard") ***.[70]

[64] *** U.S. producer questionnaire response, section V-1.

[65] Hearing transcript, (McDermott), pp. 55-56.

[66] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, p. 8.

[67] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, pp. 8-9.

[68] Respondent interested party Citromax's response to the notice of institution, September 30, 2021, p. 9.

[69] *** U.S. producer questionnaire response, section II-3f; and Hearing transcript, (McDermott), p. 56.

[70] *** U.S. producer questionnaire response, section II-3f.

Price

Table I-6 presents the unit value of U.S. producers' U.S. shipments of NFCLJ and FCLJ. During the period for which data were collected U.S. producers' U.S. shipments of NFCLJ were over $*** per gallon concentrated basis @400 GPL higher than FCLJ.

Table I-6
Lemon juice: U.S. producers' U.S. shipments unit value of NFCLJ and FCLJ, by period

Unit value in dollars per gallon concentrated basis @400 GPL

Product	2019	2020	2021
NFCLJ	***	***	***
FCLJ	***	***	***

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

U.S. market participants

U.S. producers

During the original investigations, three firms supplied the Commission with information on their U.S. operations with respect to lemon juice. These firms accounted for over *** percent of U.S. production of lemon juice during January 2004 through June 2007.[71] During the first full five-year reviews concerning imports from Argentina and Mexico, the Commission received questionnaire responses from two firms (Sunkist and Ventura Coastal), which were believed to account for approximately *** percent of U.S. lemon juice production in 2012.[72]

In this current proceeding, the Commission issued U.S. producers' questionnaires to five firms, four of which provided the Commission with information on their product operations. These firms are believed to account for the vast majority of U.S. production of lemon juice in 2021. Presented in table I-7 is a list of current domestic producers of product and each company's position on continuation of the suspension agreement, production locations(s), related and/or affiliated firms, and share of reported production of lemon juice in 2021.

Table I-7
Lemon juice: U.S. producers, position on continuation of the suspension agreement, U.S. production locations, and shares of reported U.S. production, 2021, by firm

Shares in percent

Firm	Position on continuation of the suspension agreement	Production location(s)	Share of production
Peace River	***	Bartow FL	***
Sun Orchard	***	Haines City, FL Tempe, AZ	***
Ventura Coastal	***	Visalia, CA Tipton, CA	***
Vita-Pakt	***	Lindsay, CA	***
All firms	Various	Various	100.0

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

[71] The three U.S. producers that supplied the Commission with usable questionnaire information during the original investigations were: (Sunkist, Ventura Coastal, and ***).

[72] In 2012, Ventura Coastal entered into a joint venture with Sunkist that pooled all citrus fruit juice operations (including Sunkist's facility in Tipton, California) under Ventura Coastal's management. ***. Investigation Nos. 731-TA-1105-1106 (Review): Lemon Juice from Argentina and Mexico, Confidential Report, INV-LL-046, June 24, 2013, as revised in INV-LL-052, July 8, 2013 ("First review confidential report"), pp. I-17-I-18 and *About Ventura Coastal,* http://venturacoastal.com/about/news/, retrieved September 7, 2021.

As indicated in table I-8, no U.S. producers are related to foreign producers of the subject merchandise or U.S. importers of the subject merchandise. In addition, as discussed in greater detail in Part III, one U.S. producer directly imports the subject merchandise and purchases the subject merchandise from U.S. importers.

Table I-8
Lemon juice: U.S. producer's ownership, related and/or affiliated firms

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

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

U.S. importers

In the original investigations, 12 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of lemon juice, accounting for the vast majority of U.S. imports of lemon juice from Argentina during 2021. Of the responding U.S. importers, one was a domestic producer: Ventura Coastal. In the first review, seven U.S. importing firms supplied the Commission with usable information on their operations involving the importation of lemon juice, accounting for 49.1 percent of U.S. imports of lemon juice from Argentina during 2007-12.

In the current proceeding, the Commission issued U.S. importers' questionnaires to 64 firms believed to be importers of lemon juice, as well as to all U.S. producers of lemon juice. Usable questionnaire responses were received from 19 firms, representing over 75 percent of U.S. imports from Argentina. Table I-9 lists all responding U.S. importers of lemon juice from Argentina and other sources, their locations, and their shares of U.S. imports in 2021.

Table I-9
Lemon juice: U.S. importers, their headquarters, and share of imports within each source, 2021

Shares in percent

Firm	Headquarters	Argentina	Nonsubject sources	All import sources
Argenti Lemon	Tucuman, Argentina	***	***	***
BMT	New York, NY	***	***	***
Citromax	Carlstadt, NJ	***	***	***
Citrus Team	Austin, TX	***	***	***
Citrusvil	Tucuman, Argentina	***	***	***
FGF Trapani	Tafí Viejo - Tucumán, Argentina	***	***	***
Food Partners	Winter Haven, FL	***	***	***
Global Natural	Livingston Manor, NY	***	***	***
Greenwood	Niles, IL	***	***	***
La Moraleja	Salta, Argentina	***	***	***
Ledesma	Ciudad Autonoma De Buenos Aires, Argentina	***	***	***
LDC	Orlando, FL	***	***	***
Phoenix	Ontario, CA	***	***	***
Prodalim	Winter Garden, FL	***	***	***
Purkel	Markham, ON	***	***	***
Rahal	Oakbrook Terrace, IL	***	***	***
San Miguel	Munro, Buenos Aires, Argentina	***	***	***
Tradin Organics	Scotts Valley, CA	***	***	***
Ventura Coastal	Ventura, CA	***	***	***
All firms	Various	100.0	100.0	100.0

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

U.S. purchasers

The Commission received seven usable questionnaire responses from firms that bought lemon juice during January 1, 2016-December 31, 2021.[73] Two responding purchasers are distributors, one is a food producer, three are lemonade producers, and one is a beverage producer that produces other beverages apart from lemonade. In general, responding U.S. purchasers were located in the Southeast, Midwest, and Pacific coast regions of the United States. The responding purchasers represented firms in a variety of domestic industries, including food and beverage production. Large purchasers of lemon juice include *** and ***.

[73] Of the seven responding purchasers, all purchased the domestic product, four purchased imports of the subject merchandise from Argentina, and six purchased imports of lemon juice from other sources.

Apparent U.S. consumption and market shares

Quantity

Table I-10 and figure I-2 present data on apparent U.S. consumption and U.S. market shares by quantity for lemon juice. During 2019-21, apparent U.S. consumption increased, in terms of quantity, by *** percent (*** percent by value). U.S. producers' market share, in terms of quantity, decreased by *** percentage points from 2019 to 2020 then increased by *** percentage points from 2020 to 2021, ending *** percentage points higher in 2021 than in 2019. The market share of subject imports, in terms of quantity, increased by *** percentage points from 2019 to 2020 then decreased by *** percentage points from 2020 to 2021, ending *** percentage points lower in 2021 than in 2019. The market share of nonsubject imports, in terms of quantity, increased by *** percentage points during 2019-21.

Table I-10
Lemon juice: Apparent U.S. consumption and market shares based on quantity, by source and period

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Quantity	***	***	***
Argentina	Quantity	3,193	3,498	3,369
Nonsubject sources	Quantity	3,428	3,843	4,386
All import sources	Quantity	6,622	7,341	7,754
All sources	Quantity	***	***	***
U.S. producers	Share	***	***	***
Argentina	Share	***	***	***
Nonsubject sources	Share	***	***	***
All import sources	Share	***	***	***
All sources	Share	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Imports are based on the imports for consumption data series. A conversion factor of 0.03359 was used to convert liters to gallons.

Figure I-2
Lemon juice: Apparent U.S. consumption based on quantity, by source and period

* * * * * * *

Value

Table I-11 and figure I-3 present data on apparent U.S. consumption and U.S. market shares by value for lemon juice. Apparent U.S. consumption, in terms of value, decreased by *** percent from 2019 to 2020 then increased by *** percent from 2020 to 2021 and overall during 2019-21, apparent U.S. consumption increased *** percent. U.S. producers' market share, in terms of value, decreased by *** percentage points from 2019 to 2020 then increased by *** percentage points from 2020 to 2021, ending *** percentage points lower in 2021 than in 2019. The market share of subject imports, in terms of value, increased by *** percentage points from 2019 to 2020 then decreased by *** percentage points from 2020 to 2021, ending *** percentage points lower in 2021 than in 2019. The market share of nonsubject imports, in terms of value, increased by *** percentage points during 2019-21.

Table I-11
Lemon juice: Apparent U.S. consumption and market shares based on value, by source and period

Value in 1,000 dollars; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Value	***	***	***
Argentina	Value	69,690	69,232	65,486
Nonsubject sources	Value	82,135	89,313	98,682
All import sources	Value	151,825	158,546	164,168
All sources	Value	***	***	***
U.S. producers	Share of value	***	***	***
Argentina	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***
All sources	Share of value	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Imports are based on the imports for consumption data series.

Figure I-3
Lemon juice: Apparent U.S. consumption based on value, by source and period

* * * * * * *

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

U.S. market characteristics

Lemon juice is sold in two forms: lemon juice concentrate ("FCLJ") and not from concentrate lemon juice ("NFCLJ"). These forms may be either clarified or cloudy, as identified by the pulp content. Lemon juice is used as an ingredient in beverages, particularly lemonade and soft drinks, and other foods, such as salad dressings, sauces, and baked goods. Lemon juice is sold to food and beverage processing companies, for use as an ingredient, as well as to producers of non-food products, such as household cleaners. Repackaged, reconstituted lemon juice is also sold at retail grocers to be used as an ingredient in home food and beverage preparation.[1]

Apparent U.S. consumption of lemon juice increased in terms of quantity and value since 2019. Overall, apparent U.S. consumption in 2021 was *** percent higher in terms of quantity and *** percent higher in terms of value than in 2019.

Channels of distribution

U.S. producers sold the majority of their lemon juice to distributors and the remainder to food processors/manufacturers. Importers sold mainly to food processors/manufacturers, and the remainder to distributors, as shown in table II-1.

[1] Lemon Juice from Argentina and Mexico, 731-TA-1105-1106 (Review), USITC Publication 4418, June 24, 2013, p. II-1.

Table II-1
Lemon juice: Share of U.S. producer's and importer's U.S. shipments by source, channel of distribution, and period

Shares in percent

* * * * * * *

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

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

Geographic distribution

U.S. producers and importers reported selling lemon juice to all regions of the United States (table II-2). For U.S. producers, *** percent of sales were within 100 miles of their production facility, *** percent were between 101 and 1,000 miles, and *** percent were over 1,000 miles. Importers sold *** percent within 100 miles of their U.S. point of shipment, *** percent between 101 and 1,000 miles, and *** percent over 1,000 miles.

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

Number of firms reporting

Region	U.S. producers	Argentina
Northeast	2	13
Midwest	2	9
Southeast	4	14
Central Southwest	2	9
Mountain	2	3
Pacific Coast	3	11
Other	1	1
All regions (except Other)	2	3
Reporting firms	4	17

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

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

Supply and demand considerations

U.S. supply

Lemon juice production depends on the amount of lemons grown and the share of those lemons that go to processing.[2] Lemons typically go to processing because they are unsuitable for the fresh lemon market because of defects or failure to meet the size or grade standards for sale as fresh lemons. As lemons are perishable, lemon juice processors must have sufficient capacity to process the volumes of lemons that growers deliver during peak harvest seasons. Approximately 65 to 70 percent of lemons are processed within 24 to 48 hours of harvesting, with the remaining 30 to 35 percent processed within 2 to 4 weeks. U.S. lemon juice producers idle processing capacity during the harvest when the volumes of lemons delivered are lower and there are lower volumes of lemons to process. This leads to spikes in capacity utilization and periods of underutilization based on agricultural production schedules.

Lemon juice producers freeze lemon juice to store it for up to two years to provide a constant supply of lemon juice to the U.S. market. Fresh lemon crop size can vary from year to year based on a variety of factors including crop damaging conditions such as freezes, storms, or droughts. To provide a stable supply of lemon juice in years of lower crop yield, U.S. producers usually carry over 25 percent of production from one season to the next as inventory.

[2] The information in this paragraph and the following paragraph is from conference testimony cited in Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, January 20, 2021, p. II-4.

Table II-3 provides a summary of the supply factors regarding lemon juice from U.S. producers and from Argentina. As seen in the table, reported capacity to produce lemon juice in Argentina is higher than reported U.S. capacity. Although the Argentine producers reported much higher capacity utilization rates than U.S. producers, the Argentine producers reported capacity utilization based on *** per year and U.S. producers reported capacity utilization on an annual basis. U.S. producers ship nearly all of their lemon juice to the U.S. home market whereas Argentine producers export most of their lemon juice to non-U.S. markets.

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

Quantity in 1,000 gallons concentrated basis @ 400 GPL, ratio and share in percent

* * * * * * *

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

Note: Responding U.S. producers accounted for more than 75 percent of U.S. production of lemon juice in 2021. Responding foreign producer/exporter firms accounted for 75 percent of U.S. imports of lemon juice from Argentina during 2021. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary Data and Data Sources."

Domestic production

Based on available information, U.S. producers of lemon juice have the ability to respond to changes in demand with small-to-moderate changes in the quantity of shipments of lemon juice to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and moderate inventory levels. The very limited ability to divert shipments from other markets and the limited quantities of lemons available for processing mitigate the responsiveness of supply.

U.S. producers reported increased levels of production capacity and decreased production, leading to decreased capacity utilization from 2019 to 2021. U.S. lemon juice

production is constrained by the availability of lemons as the domestic industry stated that they use all lemons available for lemon juice production.[3] U.S. producers' inventories relative to total shipments increased from 2019 to 2021. It is unlikely that U.S. producers would reduce inventories below a certain level, regardless of price, due to the seasonal nature of lemon juice production and the business necessity of providing a steady supply of lemon juice to the U.S. market. Exports of U.S.-produced lemon juice remained below *** percent of total shipments throughout 2019-21. The majority of responding U.S. producers reported that they were able to process other citrus varieties (such as oranges and grapefruit) on the same equipment used to process lemons. However, due to different agricultural production cycles, citrus varieties do not displace each other as they are not available for processing at the same time of year.[4] Therefore, the ability to switch production to or from other products to lemon juice is unlikely to impact U.S. producers' ability to respond to changes in demand.

Subject imports from Argentina

Based on available information, producers of lemon juice from Argentina have the ability to respond to changes in demand with moderate changes in the quantity of shipments of lemon juice to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of some unused capacity, high inventory levels[5], and the ability to shift shipments from alternate markets. Limited quantities of lemons available for processing mitigate the responsiveness of supply.

Argentine producers reported increased production capacity and increased production, leading to an increase in capacity utilization from 2019 to 2021. Argentine producers reported selling just over *** of total shipments in their home market, just under *** to markets other than the United States, and the remaining *** to the U.S. market in 2021. While the majority of foreign producers reported that there was no difference between

[3] Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, January 20, 2021, p. II-6.

[4] Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, January 20, 2021, p. II-6.

[5] Foreign producers reported that the majority of their inventories of NFCLJ and FCLJ were allocated under contracts. Only *** foreign producers reported the allocation of inventory of NFCLJ. Foreign producer *** reported that *** percent of its NFCLJ inventories were allocated under contract, *** reported that *** percent of its NFCLJ inventories were allocated under contract, and *** reported that *** percent of its NFCLJ inventories were allocated under contract. Foreign producers reported that inventories of FCLJ under contract ranged from *** to *** percent, with the majority of foreign producers (8 of 13) reporting at least *** percent of inventories of FCLJ were allocated under contract.

the product range, mix, or marketing of their lemon juice exports and there have been no changes since January 1, 2016; several foreign producers stressed that business relationships would limit their ability to shift lemon juice from other markets to the U.S. market. Foreign producer *** reported that it takes at least 3 years to develop a new customer and complete new supplier certifications. Foreign producer *** reported that relationships between suppliers and customers are built through many years and it is difficult to shift product from one market to another. Although the majority of responding Argentine producers (7 of 13) reported that they were able to process other citrus varieties (such as oranges, limes, or grapefruit) on the same equipment used to process lemons, five producers (***) reported that other citrus varieties are not readily available for processing in the regions around their processing facilities.

The majority of foreign producers (8 of 13) reported that there had been changes in the factors affecting the availability of Argentine-produced lemon juice in the U.S. market since January 1, 2016. Seven foreign producers reported that the limited availability of shipping capacity or the increased cost of shipping had limited the availability of Argentine-produced lemon juice in the U.S. market. Foreign producers *** reported that Argentine lemon juice production was limited by the availability of fruit for processing. Foreign *** reported that the price of energy and labor in Argentina had impacted the availability of Argentine lemon juice in the U.S. market.

The majority of foreign producers (12 of 13) reported that they do not anticipate any changes in the availability of Argentine-produced lemon juice to the U.S. market. All responding foreign producers reported that they do not face competition from imports of lemon juice in the Argentine market.

Imports from nonsubject sources

Nonsubject imports accounted for 60.1 percent of total U.S. imports in 2021 by value. The largest sources of nonsubject imports in 2021 were Mexico, South Africa, and Brazil. Combined, these countries accounted for 52.3 percent of nonsubject imports in 2021.

Supply constraints

All responding U.S. producers (4 of 4) and the majority of importers (15 of 18) reported that they had not experienced supply constraints since January 1, 2016. Importer *** reported that NFC lemon juice customers were allocated quantities when sourcing NFC lemon juice from California because supplies were tight. Importer *** reported that

COVID-19 impacted logistics and the supplier's ability to meet required quality standards. Importer *** reported that COVID-19 had caused supply chain disruptions.

The majority of responding purchasers (4 of 6) reported that they had not experienced supply constraints since January 1, 2016. Purchaser *** reported that there was a drought in Argentina that impacted lemon production in 2014-2015 that had impacted the supply of lemon juice from Argentina for years after, as lemon growers gradually recovered. Purchaser *** reported that lemon juice is not available from California between July and September. Purchaser *** also reported that it had been unable to source lemon juice from Brazil through importer Ventura.

New suppliers

Three of seven purchasers indicated that new suppliers entered the U.S. market since January 1, 2016, and three expect additional entrants. Purchaser *** reported that it developed new suppliers in Spain and Brazil as alternate sources of NFCLJ. Purchasers reported that Peace River had entered the market as a new domestic supplier since January 1, 2016. Purchasers reported the following new market entrants from outside the United States since January 1, 2016: Rio Grande, Quirante, Goknur, Gota Doce, Padilla, and SA Veracruz.

U.S. demand

Based on available information, the overall demand for lemon juice is likely to experience small changes in response to changes in price. The main contributing factors to the low responsiveness of demand to price are the limited range of substitute products and the difficulty of using substitutes in food products (which would require changing labels and might impact the flavor or other characteristics of the food or drink).[6]

End uses and cost share

U.S. demand for lemon juice depends on the demand for U.S.-produced downstream products. Reported end uses include beverages, sauces, and dressings. Lemon juice accounts for a varying cost of the end-use products in which it is used, depending on the amount of lemon juice used in the end-use product.[7]

[6] Lemon Juice from Argentina and Mexico, 731-TA-1105-1106 (Review), USITC Publication 4418, June 24, 2013, p. II-13.

[7] Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, February 2022, p. II-9.

One responding U.S. producer, two importers, and one purchaser reported changes in end uses. U.S. producer *** reported that the food service industry has experienced labor shortages and as a result restaurants and bars are transitioning from fresh lemons to lemon juice in gallon, half-gallon, and quart sized containers for use in food and craft beverages. Importer *** reported that increased focus on health and natural ingredients has caused firms to replace various ingredients with lemon juice. Purchaser *** reported that it is continually creating new products that use lemon juice. Purchaser *** reported that it had discontinued certain products that used lemon juice and had transitioned some other products to FCLJ from NFCLJ.

Of all responding firms, only one importer reported that it anticipated changes in end uses. Importer *** reported that it anticipates that lemon juice will continue to replace citric acid in beverages that make natural label claims.

Foreign producers reported that there is no difference in end uses between the lemon juice they sell to the Argentine market and the U.S. market. The majority of responding foreign producers reported that there have been no changes to the end uses of lemon juice since January 1, 2016, and that no changes are anticipated in the future.

Business cycles

All responding U.S. producers (4 of 4), the majority of importers (13 of 18), and the majority of purchasers (6 of 7) indicated that the market was subject to business cycles or conditions of competition. Specifically, the majority of U.S. producers reported that the lemon juice market was subject to business cycles. U.S. producer *** reported that seasonal crop fluctuations, logistical costs, availability, and demand are factors that drive business cycles. U.S. producer *** reported that there are increased sales of lemon juice in the summer when the weather is hot and there is increased demand for lemonade. Only one U.S. producer, ***, reported that the lemon juice market was subject to distinct conditions of competition; it reported the differing crop seasons in Spain, the United States, and Mexico. Half of responding U.S. producers reported that business cycles or conditions of competition had changed since January 1, 2016. U.S. producer *** reported that producers in Florida, which have lower logistical costs, have entered the U.S. market. U.S. producer *** reported that COVID-19 has increased freight prices by as much as four times previous levels.

Thirteen of 18 responding importers reported that the lemon juice market was subject to business cycles. Importer *** reported that the 7-10 years it takes for a lemon tree to reach full production causes a lag between supply and demand. Importer ***

reported that this cycle is from 5-10 yealrs. Importers *** reported that lemon juice production was subject to agricultural production schedules and growing seasons, while importers *** reported that demand for lemon juice is seasonal and tends to peak in the summer months. Seven of 18 responding importers reported that the lemon juice market was subject to distinct conditions of competition. Importer *** reported that these conditions include labor cost, exchange rates, distance to markets, logistics, and infrastructure. Importer *** reported that the varying supply from each country was a distinct condition of competition. Importer *** reported that environmental conditions and the demand of the fresh lemon market were conditions of competition. Nine of 14 importers reported that business cycles or conditions of competition had changed since January 1, 2016. Importer *** reported that Mexico, Brazil, and South Africa increased their juice production so it can supply more juice to the U.S. market. Importer *** reported that there was increased supply for different origins. Importer *** reported that there had been a regional shift in U.S. production with producers in Florida entering the market. Importer *** reported that demand for lemon juice had increased as beverage companies increasingly replace citric acid with lemon juice.

Six of seven purchasers reported that the lemon juice market was subject to business cycles. Purchaser *** reported that the lemon juice market is influenced by crop cycles and weather events. Purchasers *** reported that the demand for lemon juice peaks in the summer months when lemonade consumption is high. All responding purchasers reported that the lemon juice market was not subject to distinct conditions of competition. Three of seven purchasers reported that business cycles had changed since January 1, 2016. Purchaser *** reported that the lemon juice market is highly segmented into NFCLJ and FCLJ and that U.S. producers are insulated from competition from NFCLJ imports as high-water content prevents imports from being competitive in the U.S. market due to shipping costs. Purchaser *** reported that it purchases 500 GPL lemon juice which U.S. producer Ventura Coastal has only recently been able to supply. Purchaser *** reported that it had increased inventory levels in anticipation of shortages and supply chain disruptions caused by the COVID-19 pandemic.

Demand trends

All responding U.S. producers reported that the overall domestic demand for lemon juice had fluctuated since January 1, 2016 (table II-4). However, the majority of responding U.S. producers reported that domestic demand for NFCLJ increased while all responding U.S.

producers reported that domestic demand for FCLJ had fluctuated since January 1, 2016. U.S. producer *** reported that the growth of *** and other NFC brands had caused the demand for NFCLJ to increase. U.S. producer *** reported that lemon juice is a healthier alternative to salt as an ingredient in marinades which has increased demand for NFCLJ, and that labor shortages and higher labor costs in restaurants and bars have caused firms to switch to lemon juice instead of squeezing fresh lemons. U.S. producer *** reported that the demand for lemon juice is dependent on the demand for the end products that use lemon juice as an ingredient.

The majority of importers reported that the overall demand for lemon juice, NFCLJ and FCLJ had increased or remained constant since 2016. Importers reporting increased demand for NFCLJ cited consumer preferences for single strength juices instead of concentrates, increased demand for natural and healthier ingredients, increased demand for lemonade, particularly high-quality lemonade, increased demand for lemon-based growth in popularity of the flavor of lemon, lemon juice replacing citric acid as an acidifier in the food and beverages, and a general increase in demand for juices.

The majority of responding purchasers reported that the overall domestic demand for lemon juice and domestic demand for NFCLJ increased since January 1, 2016. Half of responding purchasers reported that domestic demand for FCLJ increased while the remaining half reported that demand for FCLJ remained constant over the same period. Purchaser *** reported that domestic demand has increased due to the success of its lemonade brands. The majority of purchasers reported that demand for the products that use lemon juice as an ingredient have increased over the period.

The majority of responding foreign producers reported that U.S. demand for NFCLJ and FCLJ increased since January 1, 2016. Foreign producer *** reported that the health benefits of lemon juice and consumer perception of lemon juice being natural have increased demand.

Table II-4
Lemon juice: Count of firms' responses regarding overall domestic demand

Number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
NFCLJ: Domestic demand	U.S. producers	2	0	0	1
FCLJ: Domestic demand	U.S. producers	0	0	0	1
All lemon juice: Domestic demand	U.S. producers	0	0	0	2
NFCLJ: Domestic demand	Importers	9	2	1	1
FCLJ: Domestic demand	Importers	4	6	2	2
All lemon juice: Domestic demand	Importers	9	3	1	2
NFCLJ: Domestic demand	Purchasers	2	0	1	0
FCLJ: Domestic demand	Purchasers	2	2	0	0
All lemon juice: Domestic demand	Purchasers	4	1	0	0
NFCLJ: Domestic demand	Foreign producers	6	1	0	0
FCLJ: Domestic demand	Foreign producers	7	4	0	0
All lemon juice: Domestic demand	Foreign producers	4	1	1	0

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

All responding U.S. producers reported that foreign demand for all lemon juice, and for NFCLJ and FCLJ fluctuated since January 1, 2016 (table II-5). The majority of importers reported that foreign demand for NFCLJ and FCLJ increased or remained constant. Importer *** reported that the European and Asian markets demand low calorie beverages that require FCLJ. All responding purchasers reported that foreign demand for NFCLJ, FCLJ, and the overall demand for lemon juice had increased or had remained constant since January 1, 2016. The majority of purchasers reported that the demand for end use products that contain lemon juice had increased over the same period. The majority of foreign producers reported that demand for lemon juice in Argentina and non-U.S. export markets had increased or remained constant over the period. Foreign producer *** reported that increasing populations result in increased consumption of beverages containing lemon juice.

Table II-5
Lemon juice: Count of firms' responses regarding overall foreign demand

Number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
NFCLJ: Foreign demand	U.S. producers	0	0	0	1
FCLJ: Foreign demand	U.S. producers	0	0	0	1
All lemon juice: Foreign demand	U.S. producers	0	0	0	2
NFCLJ: Foreign demand	Importers	2	7	1	3
FCLJ: Foreign demand	Importers	5	6	1	2
All lemon juice: Foreign demand	Importers	5	6	1	3
NFCLJ: Foreign demand	Purchasers	1	1	0	0
FCLJ: Foreign demand	Purchasers	1	1	0	0
All lemon juice: Foreign demand	Purchasers	2	1	0	0
NFCLJ: Demand in subject countries	Foreign producers	0	4	0	1
FCLJ: Demand in subject countries	Foreign producers	2	6	1	0
All lemon juice: Demand in subject countries	Foreign producers	1	3	0	1
NFCLJ: Demand in other export markets	Foreign producers	2	5	0	0
FCLJ: Demand in other export markets	Foreign producers	7	3	0	1
All lemon juice: Demand in other export markets	Foreign producers	4	2	0	1
Demand for end use products	Purchasers	6	0	1	0

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

Most or all responding U.S. producers reported that they expect domestic demand for FCLJ, for NFCLJ, and for lemon juice overall to fluctuate. U.S. producer *** reported that it expects demand for NFCLJ to increase as labor shortages decrease the number of fresh lemons that are squeezed on demand in restaurants. U.S. producer *** reported that it expects continued growth in both NFCLJ and products containing FCLJ.

The majority of importers reported that they anticipated U.S. demand for both NFCLJ and FCLJ would increase or remain constant. Importer *** reported that it expects the trend of using lemon juice as an acidifier in many food products will continue. Importer *** reported that the trend to consume more natural products will continue. Importer *** reported that the need for vitamin C and low-calorie drinks will continue to drive the demand for lemon juice.

Responding purchasers were mixed in their anticipation of U.S. demand for all kinds of lemon juice. The majority of foreign producers reported that they anticipated demand in the United States to increase or remain constant (table II-6).

Most or all foreign producers reported that they anticipated U.S. demand for NFCLJ and FCLJ to increase or remain constant. Foreign producer *** reported that it expects demand for healthy beverages to increase as awareness of health and wellness continues. Foreign producer *** reported that U.S. demand for high quality lemonade will increase demand for NFCLJ. Foreign producer *** reported that the lemon flavor is growing in popularity which increases the demand for both NFCLJ and FCLJ.

Table II-6
Lemon juice: Count of firms' responses regarding overall anticipated domestic demand

Number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
NFCLJ: Domestic demand	U.S. producers	1	0	0	2
FCLJ: Domestic demand	U.S. producers	0	0	0	2
All lemon juice: Domestic demand	U.S. producers	0	0	0	2
NFCLJ: Domestic demand	Importers	7	2	1	3
FCLJ: Domestic demand	Importers	3	7	1	3
All lemon juice: Domestic demand	Importers	5	4	1	4
NFCLJ: Domestic demand	Purchasers	1	1	0	1
FCLJ: Domestic demand	Purchasers	1	2	0	1
All lemon juice: Domestic demand	Purchasers	2	1	0	1
NFCLJ: Domestic demand	Foreign producers	6	1	0	0
FCLJ: Domestic demand	Foreign producers	5	5	0	1
All lemon juice: Domestic demand	Foreign producers	4	2	0	1

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

All responding U.S. producers reported that they anticipate that foreign demand for both NFCLJ and FCLJ will fluctuate (table II-7). The majority of importers reported that they anticipated foreign demand for both NFCLJ and FCLJ would increase or remain constant. Importer *** reported that demand for FCLJ in the European and Asian markets is likely to continue. Responding purchasers were mixed in their anticipation of U.S. and foreign demand for all kinds of lemon juice. Purchaser *** reported that it forecasted increased sales based on past sales. The majority of foreign producers reported that they anticipated demand in the United States, Argentina, and nonsubject countries to increase or remain constant. The majority of responding foreign producers reported that they anticipate demand in Argentina for NFCLJ and FCLJ to increase or remain constant, while all responding foreign producers reported that they expect demand for NFCLJ and FCLJ to increase or remain constant in Argentina's non-U.S. export markets. Foreign producer *** reported that demand for lemon juice will continue to increase as the global demand for natural products increases.

Table II-7
Lemon juice: Count of firms' responses regarding overall anticipated foreign demand

Number of firms reporting

Market	Firm type	Increase	No change	Decrease	Fluctuate
NFCLJ: Foreign demand	U.S. producers	0	0	0	2
FCLJ: Foreign demand	U.S. producers	0	0	0	2
All lemon juice: Foreign demand	U.S. producers	0	0	0	2
NFCLJ: Foreign demand	Importers	1	6	1	5
FCLJ: Foreign demand	Importers	4	5	1	4
All lemon juice: Foreign demand	Importers	3	5	1	5
NFCLJ: Foreign demand	Purchasers	1	0	0	1
FCLJ: Foreign demand	Purchasers	1	0	0	1
All lemon juice: Foreign demand	Purchasers	2	0	0	1
NFCLJ: Demand in subject countries	Foreign producers	0	4	0	1
FCLJ: Demand in subject countries	Foreign producers	1	7	0	1
All lemon juice: Demand in subject countries	Foreign producers	1	3	0	1
NFCLJ: Demand in other export markets	Foreign producers	3	3	0	0
FCLJ: Demand in other export markets	Foreign producers	7	3	0	0
All lemon juice: Demand in other export markets	Foreign producers	5	3	0	0

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

Substitute products

All responding U.S. producers, the majority of importers, and the majority of purchasers reported that there were no substitutes for lemon juice and they did not anticipate any future changes in substitutes. Importer *** reported that limes have been increasingly used as a cheap substitute for lemons depending on market conditions. Purchaser *** reported that lime juice had been substituted for lemon juice for cost reasons. All responding foreign producers reported that there had been no changes in the products that can be substituted for lemon juice since January 1, 2016, and they did not anticipate changes to the substitutes for lemon juice.

Substitutability issues

This section assesses the degree to which U.S.-produced lemon juice and imports of lemon juice from Argentina can be substituted for one another by examining the importance of certain purchasing factors and the comparability of lemon juice from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate degree of substitutability between domestically produced lemon juice and lemon juice imported from subject sources.[8] Factors contributing to this level of substitutability include similar quality and physical properties. Factors reducing substitutability are differences in the flavor profiles, and differences in lead times and freight costs.

Factors affecting purchasing decisions[9]

Purchaser decisions based on source

As shown in table II-8, most purchasers always make purchasing decisions based on the producer but sometimes or never make purchasing decisions based on the country of origin. The majority of responding purchasers report that their customers sometimes or never make

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

[9] Six purchasers indicated they had marketing/pricing knowledge of domestic product, six of Argentina product, and five of product from nonsubject countries. Nonsubject countries included Brazil, Mexico, Italy, Mexico, Spain, and Uruguay.

purchasing decisions based on the producer or country of origin. Purchaser *** reported that it requires all suppliers to be authorized which includes an audit of the suppliers' facilities. Purchaser *** reported that it based purchases on quality, availability, and costs; while purchaser *** reported that it based purchases on quality. Purchaser *** reported that it has a stringent approval process, and it has long-standing relationships with many processors. Purchaser *** reported that some customers have specific approved suppliers. Purchaser *** reported that it did not purchase lemon juice from Peru because it is lime juice labeled as lemon juice. Purchaser *** reported that the quality of lemon juice varies based on the country of origin and that on the rare occasion, if a customer has a country preference, they usually prefer lemon juice from Argentina.

Table II-8
Lemon juice: Count of purchasers' responses regarding frequency of purchasing decisions based on producer and country of origin

Number of firms reporting

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	4	1	0	2
Customer	Producer	1	0	1	4
Purchaser	Country	1	2	3	1
Customer	Country	0	0	3	3

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

Importance of purchasing domestic product

All responding purchasers (7 of 7) reported that most or all of their purchases did not require purchasing U.S.-produced product. One purchaser reported that domestic product was required by law (for 15.0 percent of its purchases), two reported it was required by their customers (for 1.0 to 10.0 percent of their purchases), and none reported other preferences for domestic product.

Most important purchase factors

The most often cited top three factors that firms consider in their purchasing decisions for lemon juice were quality (7 firms), availability/supply (6 firms), and price (3 firms), as shown in table II-9. Quality was the most frequently cited first-most important factor (cited by all 7 responding firms); availability was the most frequently reported second-most important factor (5 firms); and price was the most frequently reported third-most important factor (3 firms).

Table II-9
Lemon juice: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

Number of firms reporting

Factor	First	Second	Third	Total
Quality	7	0	0	7
Availability/Supply	0	5	2	6
Price	0	0	3	3
All other factors	0	2	2	4

Source: Compiled from data submitted in response to Commission questionnaires.
Note: Other factors include flavor, color, GFSI compliance, freight, and delivery period.

The majority of purchasers (6 of 7) reported that they sometimes purchase the lowest-priced product.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 17 factors in their purchasing decisions (table II-10). The factors rated as very important by more than half of responding purchasers were availability, product consistency, quality meets industry standards, and reliability of supply (7 firms each), price (5 firms), concentration levels, delivery time, packaging, and U.S. transportation costs (4 firms each). Availability of 500 GPL and discounts offered were reported to be not important by a majority of purchasers.

Table II-10
Lemon juice: Count of purchasers' responses regarding importance of purchase factors, by factor

Number of firms reporting

Factor	Very important	Somewhat important	Not important
Availability	7	0	0
Availability of 500 GPL	1	2	4
Concentration level	4	3	0
Delivery terms	3	4	0
Delivery time	4	3	0
Discounts offered	1	2	4
Minimum quantity requirements	1	3	3
Packaging	4	3	0
Payment terms	3	3	1
Price	5	2	0
Product consistency	7	0	0
Product range	1	4	2
Quality meets industry standards	7	0	0
Quality exceeds industry standards	3	3	1
Reliability of supply	7	0	0
Technical support/service	1	6	0
U.S. transportation costs	4	3	0

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

Lead times

U.S. producers reported that they primarily sell lemon juice from inventory while importers and foreign producers reported that they mainly produce to order. U.S. producers reported that *** percent of their commercial shipments were from inventories, with lead times averaging less than a day, and that *** are produced-to-order with lead times averaging *** days. Importers reported that *** percent of their commercial shipments were produced-to-order with lead times averaging *** days; *** percent were sold from U.S. inventories with lead times averaging *** days; and *** percent were sourced from foreign inventories with lead times averaging *** days. Foreign producers reported that *** percent of their commercial shipments were produced-to-order with lead times averaging *** days and *** percent were from inventories with lead times averaging *** days.

Supplier certification

Six of seven responding purchasers require their suppliers to become certified or qualified to sell lemon juice to their firm. Purchasers reported that the time to qualify a new supplier ranged from 10 to 90 days.[10] Purchaser *** reported that it required onsite audits of suppliers to certify suppliers. Purchaser *** reported that it required quality testing, third party material testing, and processing location reviews to certify suppliers. Purchaser *** reported that it required sample approval and documentation reviews to certify suppliers. Purchaser *** reported that suppliers must meet the extensive requirement of the *** quality system.

One purchaser reported that domestic or foreign suppliers had failed in their attempt to certify as an approved supplier of lemon juice or had lost their approved status since 2016. Purchaser *** reported that samples from "a number of" Argentine firms had failed to meet the standards for cloud stability and viscosity.

Minimum quality specifications

As can be seen from table II-11, all responding purchasers reported that domestically produced and Argentine product always or usually met minimum quality specifications.

[10] One purchaser (***) reported that qualifying a new supplier took 270 days.

Table II-11
Lemon juice: Count of firms' responses regarding suppliers' ability to meet minimum quality specifications, by source

Number of firms reporting

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

Source: Compiled from data submitted in response to Commission questionnaires.
Note: Purchasers were asked how often domestically produced or imported lemon juice meets minimum quality specifications for their own or their customers' uses.

All responding purchasers (7 of 7) reported the factors that determined quality. Purchasers reported that quality factors include flavor, color, acidity levels, viscosity, nutrient content, and adherence to contamination requirement limits (such as pulp levels, yeast count, mold count, arsenic levels, heavy metal content levels, coliforms, Escherichia coli, pesticide levels, and oil levels).

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since January 1, 2016 (table II-12). Purchaser responses to changes in purchasing patterns from the United States and Argentina were mixed. *** reported that its purchasing patterns from the United States and Argentina had remained constant to diversify its sourcing of lemon juice. *** reported that it had decreased purchases from the United States because the product's quality was poor but has maintained purchases of lemon juice from Argentina because it had good flavor and was less expensive. *** reported that it had decreased purchases from U.S. producers because U.S. producer Ventura shifted production to NFCLJ and away from FCLJ, and that it decreased purchases from Argentina because prices were too high. *** reported fluctuating purchases from the United States and Argentina as sufficient quantities became available from each source.

The majority of purchasers reported they had increased purchases from nonsubject sources. *** reported that it increased purchases from nonsubject sources because it was consistently available at a world market price. *** reported that it had increased purchases from nonsubject sources because strong demand required diversified sources of supply.

Table II-12
Lemon juice: Count of purchasers' responses regarding changes in purchase patterns from U.S., subject, and nonsubject countries

Number of firms reporting

Source of purchases	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	0	3	1	1	2
Argentina	1	2	0	2	2
Nonsubject sources	1	0	4	1	1
Sources unknown	3	0	0	1	0

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

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

Purchasers were asked a number of questions comparing lemon juice produced in the United States, Argentina, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 17 factors (table II-13) for which they were asked to rate the importance.

Most purchasers reported that U.S. and Argentine lemon juice were comparable on all factors except U.S. transportation costs. A plurality of purchasers reported that U.S. lemon juice was inferior to Argentine lemon juice with respect to U.S. transportation costs.

Most purchasers reported that U.S. and nonsubject lemon juice were comparable on all factors except availability and U.S. transportation costs. A plurality of purchasers reported that U.S. and nonsubject lemon juice were comparable in terms of availability and that U.S. lemon juice was inferior to nonsubject lemon juice in terms of U.S. transportation costs.

At least half of purchasers reported that Argentine and nonsubject lemon juice were comparable on all factors.

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

Number of firms reporting

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Argentina	1	4	2
Availability of 500 GPL	U.S. vs Argentina	0	3	2
Concentration level	U.S. vs Argentina	0	6	1
Delivery terms	U.S. vs Argentina	1	5	1
Delivery time	U.S. vs Argentina	1	5	1
Discounts offered	U.S. vs Argentina	0	5	1
Minimum quantity requirements	U.S. vs Argentina	1	5	0
Packaging	U.S. vs Argentina	0	7	0
Payment terms	U.S. vs Argentina	1	6	0
Price	U.S. vs Argentina	0	5	2
Product consistency	U.S. vs Argentina	0	7	0
Product range	U.S. vs Argentina	0	6	0
Quality meets industry standards	U.S. vs Argentina	0	7	0
Quality exceeds industry standards	U.S. vs Argentina	0	5	1
Reliability of supply	U.S. vs Argentina	1	4	2
Technical support/service	U.S. vs Argentina	2	5	0
U.S. transportation costs	U.S. vs Argentina	2	2	3

Table continued.

Table II-13 Continued
Lemon juice: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Number of firms reporting

Factor	Country pair	Superior	Comparable	Inferior
Availability	US v. Nonsubject	2	3	2
Availability of 500 GPL	US v. Nonsubject	0	3	2
Concentration level	US v. Nonsubject	0	6	1
Delivery terms	US v. Nonsubject	2	4	1
Delivery time	US v. Nonsubject	2	4	1
Discounts offered	US v. Nonsubject	0	5	0
Minimum quantity requirements	US v. Nonsubject	1	5	0
Packaging	US v. Nonsubject	0	7	0
Payment terms	US v. Nonsubject	1	6	0
Price	US v. Nonsubject	0	4	3
Product consistency	US v. Nonsubject	0	6	0
Product range	US v. Nonsubject	0	6	0
Quality meets industry standards	US v. Nonsubject	0	7	0
Quality exceeds industry standards	US v. Nonsubject	0	6	0
Reliability of supply	US v. Nonsubject	1	5	1
Technical support/service	US v. Nonsubject	2	5	0
U.S. transportation costs	US v. Nonsubject	2	2	3

Table continued.

Table II-13 Continued
Lemon juice: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair

Number of firms reporting

Factor	Country pair	Superior	Comparable	Inferior
Availability	Argentina vs Nonsubject	2	4	0
Availability of 500 GPL	Argentina vs Nonsubject	2	2	0
Concentration level	Argentina vs Nonsubject	0	5	1
Delivery terms	Argentina vs Nonsubject	2	4	0
Delivery time	Argentina vs Nonsubject	2	4	0
Discounts offered	Argentina vs Nonsubject	0	5	0
Minimum quantity requirements	Argentina vs Nonsubject	1	4	0
Packaging	Argentina vs Nonsubject	0	5	0
Payment terms	Argentina vs Nonsubject	1	5	0
Price	Argentina vs Nonsubject	1	3	2
Product consistency	Argentina vs Nonsubject	1	4	0
Product range	Argentina vs Nonsubject	0	5	0
Quality meets industry standards	Argentina vs Nonsubject	0	6	0
Quality exceeds industry standards	Argentina vs Nonsubject	1	5	0
Reliability of supply	Argentina vs Nonsubject	2	4	0
Technical support/service	Argentina vs Nonsubject	2	4	0
U.S. transportation costs	Argentina vs Nonsubject	2	3	1

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

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

Comparison of U.S.-produced and imported lemon juice

In order to determine whether U.S.-produced lemon juice can generally be used in the same applications as imports from Argentina, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably.

The majority of U.S. producers reported that U.S. and Argentine lemon juice are sometimes interchangeable, that lemon juice from the United States and nonsubject countries are frequently interchangeable, and all responding U.S. producers reported that lemon juice from Argentina and nonsubject countries are sometimes interchangeable (table II-14). U.S. producer *** reported that customer labeling requirements can limit the interchangeability of lemon juice from various sources but that customers with broad labeling requirements can blend lemon juice from multiple countries.

Table II-14
Lemon juice: Count of U.S. producers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Argentina	0	1	2	0
United States vs. Other	0	2	1	0
Argentina vs. Other	0	0	1	0

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

The majority of importers reported that lemon juice from the United States, Argentina, and nonsubject sources was frequently or sometimes interchangeable (table II-15). Importer *** reported that lemon juice from different countries can have different acidity ratios and depending on the end use, this can limit interchangeability. Importers *** reported that U.S. producers primarily sell NFCLJ while Argentine producers sell FCLJ and that these products are not generally interchangeable. Importer *** reported that the specification ranges for lemon juice for nonsubject countries is wider than specification ranges in the United States, and that nonsubject country imports can require more processing after importation. Importer *** reported that NFCLJ customers have a preference for lemon juice produced in the United States because of the flavor and FCLJ customers have expressed a preference for Argentine lemon juice because it has better color.

Table II-15
Lemon juice: Count of importers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Argentina	2	9	8	0
United States vs. Other	1	9	9	0
Argentina vs. Other	1	9	9	0

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

All responding purchasers reported that lemon juice from the United States and Argentina were always or frequently interchangeable and a majority reported that lemon juice from nonsubject countries were always or frequently interchangeable with domestic and Argentine product (table II-16). Purchaser *** reported that lemon juice from Argentina and nonsubject Brazil are not interchangeable.

Table II-16
Lemon juice: Count of purchasers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Argentina	3	4	0	0
United States vs. Other	2	3	2	0
Argentina vs. Other	2	2	3	0

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

The majority of foreign producers reported that lemon juice sold to their home market was interchangeable with the lemon juice that they export to the United States. Foreign producer *** reported that it mostly sells concentrated clear lemon juice with preservatives to the Argentine market but sells cloudy lemon juice without preservatives to the U.S. market.

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of lemon juice from the United States, Argentina, or nonsubject countries. One U.S. producer reported that there are frequently differences other than price between U.S. and Argentine lemon juice and one reported that there are sometimes differences (table II-17). Both responding U.S. producers reported that there are sometimes differences between lemon juice produced in nonsubject countries and lemon juice produced in the United States and Argentina. U.S. producer *** reported that with the exception of lemon juice with the label of "Product of USA", lemon juice is sourced based on price and blended to achieve labeling requirements and then brought into the U.S. market.

Table II-17
Lemon juice: Count of U.S. producers reporting the significance of differences other than price between product produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Argentina	0	1	1	0
United States vs. Other	0	0	2	0
Argentina vs. Other	0	0	1	0

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

The majority of importers reported that there are sometimes or never differences other than price between lemon juice produced in the United States, Argentina, and nonsubject countries (table II-18). Importer *** reported that such differences include product range, quality variations, and availability based on seasonality. Importer ***

reported that it had been routinely denied lemon juice from U.S. producers because of insufficient inventory levels and that this lack of availability is the predominant factor driving its purchase of Argentine lemon juice. Importer *** also reported that there were qualitative differences between U.S. and Argentine lemon juice such as color, viscosity, and acid ratio. Importer *** reported that quality and commercial relationships are differences other than price between lemon juice produced in the United States and Argentina and that agricultural residues, product range, and technical support are differences other than price between lemon juice from Argentina and nonsubject source South Africa. Importer *** reported that concentration levels are an important factor other than price between U.S. and Argentine lemon juice, as U.S. customers increasingly demand 500 GPL lemon juice.

Table II-18
Lemon juice: Count of importers reporting the significance of differences between product produced in the United States and in other countries, by country pair

Number of firms reporting

Country pair	Always	Frequently	Sometimes	Never
United States vs. Argentina	4	3	8	2
United States vs. Other	3	5	8	2
Argentina vs. Other	2	3	9	2

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

The majority of purchasers reported that there were always or frequently differences other than price between lemon juice produced in the United States and Argentina and between lemon juice produced in the United States and nonsubject countries (table II-19). The majority of purchasers reported that there were sometimes differences other than price between lemon juice produced in Argentina and nonsubject countries. Purchaser *** reported that stability of lemon cloud at single-strength lemon juice is a factor that differs between lemon juice produced in the United States, Argentina, and nonsubject countries. Purchaser *** reported that transportation is a factor other than price that differs between lemon juice from the United States, Argentina, and nonsubject countries.

Table II-19
Lemon juice: Count of purchasers reporting the significance of differences between product produced in the United States and in other countries, by country pair

Number of firms reporting

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

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

Elasticity estimates

This section discusses elasticity estimates. Petitioners and respondents did not comment on these estimates.

U.S. supply elasticity

The domestic supply elasticity for lemon juice measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of lemon juice. The elasticity of domestic supply depends largely on the existence of inventories but is constrained by the size and quality of the lemon crop. Analysis of these factors earlier indicates that the U.S. industry is likely to be able to increase or decrease shipments a small-to-moderate amount to the U.S. market in response to a change in price; an estimate in the range of 2 to 4 is suggested for 2021. Since inventories can vary greatly, supply elasticity may change from year to year as inventories change.

U.S. demand elasticity

The U.S. demand elasticity for lemon juice measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of lemon juice. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the lemon juice in the production of any downstream products. Based on the available information, the aggregate demand for lemon juice is likely to be very to moderately inelastic; a range of -0.25 to -0.75 is suggested.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[11] Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced lemon juice and imported lemon juice is likely to be moderate, in the range of 2.5 to 4.0. Flavor profiles, and differences in lead times and freight costs limit the substitutability of lemon juice from the United States and Argentina.

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

Part III: Condition of the U.S. industry

Overview

The information in this section of the report was compiled from responses to the Commission's questionnaires. Four firms, which accounted for the vast majority of U.S. production of lemon juice during 2021, supplied information on their operations in this review and other proceedings on lemon juice. Since the last five-year reviews Peace River Citrus Products, Inc. ("Peace River") expanded its citrus processing plant in Bartow, Florida, invested in lemon groves, and now produces lemon juice.[1]

Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of lemon juice since 2016. Two of the four responding domestic producers indicated that they had experienced such changes; their responses are presented in table III-1.

[1] Peace River Citrus Products Expansion a Boon For Bartow and Polk County, Central Florida Development Counsel, August 5, 2020 https://www.cfdc.org/peace-river-citrus-products-expansion-a-boon-for-bartow-and-polk-county/.

Table III-1
Lemon juice: Reported changes in operations since January 1, 2016, by type of change and firm

Type of change	Firm name and narrative on changes in operations
Plant openings	***
Expansions	***
Expansions	***
Revised labor agreements	***

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

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of lemon juice. One U.S. producer reported such changes. *** reports that it plans to increase production in ***.[2]

[2] *** U.S. producer questionnaire response, section II-2c.

U.S. production, capacity, and capacity utilization

Table III-2 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. During 2019-20, U.S. producers' production capacity *** then increased by *** percent in 2021 due to *** added capacity in 2021.[3] During 2019-20, U.S. producers' combined production increased by *** percent then decreased by *** percent from 2020 to 2021. Overall, during 2019-21, U.S. producers' combined production decreased by *** percent. ***.[4] Peace River ***. ***. As the largest U.S. producer, Ventura Coastal's ***.

U.S. producers' capacity utilization increased by *** percentage points during 2019-20 then decreased by *** percentage points from 2020 to 2021. Overall during 2019-21, U.S. producers' capacity utilization decreased by *** percentage points. *** reported constraints affecting its production of lemon juice including ***.[5]

Table III-2
Lemon juice: Firm-by-firm capacity, by period

Capacity

Quantity in 1,000 gallons concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

[3] ***. *** U.S. producer questionnaire response, section II-2a. ***.

[4] ***. Email from ***, May 18, 2022.

[5] *** U.S. producer questionnaire response, section II-2b.

Table III-2 Continued
Lemon juice: Firm-by-firm production, by period

Production

Quantity in 1,000 gallons concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-2 Continued
Lemon juice: Firm-by-firm capacity utilization, by period

Capacity utilization

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-2 Continued
Lemon juice: Firm-by-firm share of production, by period

Share of production

Shares in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	100.0	100.0	100.0

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

Note: Capacity utilization ratio represents the ratio of the U.S. producer's production to its production capacity. U.S. producers calculated capacity based on operating 52 weeks per year. Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Figure III-1
Lemon juice: U.S. producers' production, capacity, and capacity utilization, by period

* * * * * * *

Alternative products

As shown in table III-3, *** percent of the product produced during 2021 by U.S. producers was lemon juice. Three firms reported producing fruit juices other than lemon juice on the same equipment and machinery used to produce lemon juice. *** on the same equipment and machinery used to produce lemon juice. During 2019-21, orange juice production accounts for the *** production of fruit juice produced.

Table III-3
Lemon juice: U.S. producers' overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratio and shares in percent

Item	Measure	2019	2020	2021
Overall capacity	Quantity	***	***	***
NFCLJ production	Quantity	***	***	***
FCLJ production	Quantity	***	***	***
All lemon juice production	Quantity	***	***	***
Grapefruit juice production	Quantity	***	***	***
Lime juice production	Quantity	***	***	***
Mandarin juice production	Quantity	***	***	***
Orange juice production	Quantity	***	***	***
Tangerine juice production	Quantity	***	***	***
Other products production	Quantity	***	***	***
All out-of-scope production	Quantity	***	***	***
Total production	Quantity	***	***	***
Overall capacity utilization	Ratio	***	***	***
NFCLJ production	Share	***	***	***
FCLJ production	Share	***	***	***
All lemon juice production	Share	***	***	***
Grapefruit juice production	Share	***	***	***
Lime juice production	Share	***	***	***
Mandarin juice production	Share	***	***	***
Orange juice production	Share	***	***	***
Tangerine juice production	Share	***	***	***
Other products production	Share	***	***	***
All out-of-scope production	Share	***	***	***
Total production	Share	100.0	100.0	100.0

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

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

Table III-4 presents U.S. producers' narratives response on factors impacting U.S. producers' ability to switch between lemon juice and out-of-scope products.

Table III-4
Lemon juice: U.S. producers' factors impacting ability to switch production of out-of-scope products

Firm	Narrative
***	***
***	***
***	***
***	***

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

Constraints on capacity

All of the responding U.S. producers reported constraints in the manufacturing process. *** reported the availability of raw fruit as a production constraint.[6] *** reported customer demands impacting the production process.[7]

[6] *** U.S. producer questionnaire responses, section II-3d.
[7] *** U.S. producer questionnaire responses, section II-3d.

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

Table III-5 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments accounted for over *** percent of shipments during 2019-21.[8] During 2019-21, U.S. producers' U.S. shipments, in terms of quantity, increased by *** percent. The value of U.S. producers' U.S. shipments fluctuated throughout the period for which data were collected. During 2019-20, U.S. producers' U.S. shipments, in terms of value, decreased by *** percent then, increased by *** percent between 2020 and 2021. Overall during 2019-21, U.S. producers' U.S. shipments, in terms of value, increased by *** percent.

During 2019-21, the unit value of U.S. producers' U.S. shipments decreased by *** percent ($*** per gallon @400 GPL). The unit value of responding U.S. producers' U.S. shipments decreased from $*** per gallon @400 GPL in 2019 to $*** per gallon @400 GPL in 2021. U.S. producers' and U.S. importers' U.S. shipments by concentration level are presented in appendix D.

Table III-5
Lemon juice: U.S. producers' shipments, by destination and period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit value in dollars per 1,000 gallons concentrated basis @400 GPL; shares in percent

Item	Measure	2019	2020	2021
U.S. shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
U.S. shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***
U.S. shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
U.S. shipments	Share of quantity	***	***	***
Export shipments	Share of quantity	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***
Export shipments	Share of value	***	***	***
Total shipments	Share of value	100.0	100.0	100.0

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

[8] ***. *** U.S. producer questionnaire response, sections II-4a and II-5a.

Table III-6 presents U.S. producers' U.S. shipments by shipment type. Commercial U.S. shipments, in terms of quantity, accounted for the majority of U.S. producers' U.S. shipments during 2019-21 (*** percent in 2019, *** percent in 2020, *** percent in 2021). During 2019-21, U.S. producers' commercial U.S. shipments increased, in terms of quantity, by *** percent. The unit value of U.S. producers' commercial U.S. shipments decreased from $*** per gallon @400 GPL in 2019 to $*** per gallon @400 GPL in 2021.

*** and account for the remainder of collective responding U.S. producers' U.S. shipments during the period for which data were collected.[9] Overall during 2019-21, U.S. producers' internal consumption, in terms of quantity and in terms of value decreased by *** percent and by *** percent, respectively. The unit value of U.S. producers' internal consumption decreased from $*** per gallon @400 GPL in 2019 to $*** per gallon @400 GPL in 2020 then increased to $*** per gallon @400 GPL in 2021. No U.S. producer reported transfers to related firms during the period for which data were collected.

[9] ***. Email from ***, May 24, 2022.

Table III-6
Lemon juice: U.S. producers' U.S. shipments, by type and period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit value in dollars per 1,000 gallons concentrated basis @400 GPL; shares in percent

Item	Measure	2019	2020	2021
Commercial U.S. shipments	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
U.S. shipments	Quantity	***	***	***
Commercial U.S. shipments	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
U.S. shipments	Value	***	***	***
Commercial U.S. shipments	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
U.S. shipments	Unit value	***	***	***
Commercial U.S. shipments	Share of quantity	***	***	***
Internal consumption	Share of quantity	***	***	***
Transfers to related firms	Share of quantity	***	***	***
U.S. shipments	Share of quantity	100.0	100.0	100.0
Commercial U.S. shipments	Share of value	***	***	***
Internal consumption	Share of value	***	***	***
Transfers to related firms	Share of value	***	***	***
U.S. shipments	Share of value	100.0	100.0	100.0

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

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

U.S. producers' inventories

Table III-7 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments**.** U.S. producers' end-of-period inventories increased by *** percent during 2019-21. During 2019-21, U.S. producers' end-of-period inventories as a ratio to U.S. production fluctuated but overall increased by *** percentage points. Meanwhile during 2019-21, U.S. producers' end-of-period inventories as a ratio to U.S. shipments and total shipments fluctuated but overall decreased by *** percentage points and by *** percentage points, respectively.

Table III-7
Lemon juice: U.S. producers' inventories and their ratio to select items, by period

Quantity in 1,000 gallons concentrated basis @400 GPL; ratio are inventories to production and shipments

Item	Measure	2019	2020	2021
End-of-period inventory	Quantity	***	***	***
Inventory to U.S. production	Ratio	***	***	***
Inventory to U.S. shipments	Ratio	***	***	***
Inventory to total shipments	Ratio	***	***	***

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

U.S. producers' imports from subject sources

U.S. producers' imports of lemon juice are presented in table III-8 and reasons for such imports in table III-9. One U.S. producer, *** reported imports of lemon juice from (***) in 2020 and 2021.

Table III-8
Lemon juice: * U.S. production, subject imports, and ratio of subject imports to production, by source and period**

Quantity in 1,000 gallons concentrated basis @400 GPL; ratio in percent

Item	Measure	2019	2020	2021
U.S. production	Quantity	***	***	***
Imports from ***	Quantity	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***

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

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

Table III-9
Lemon juice: U.S. producer's reasons for importing

Item	Narrative response on reason(s) for importation
***'s reason for importing	***

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

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

U.S. producers' purchases of imports from subject sources are presented in table III-10 and reasons for such purchase in table III-11. One U.S. producer, *** reported purchases of imports from subject sources during 2019-21.

Table III-10
Lemon juice: * purchases of imports from subject sources, by source, importer of record, and period**

Quantity in 1,000 gallons concentrated basis @400 GPL; ratio in percent

Item	Measure	2019	2020	2021
U.S. production	Quantity	***	***	***
U.S. purchases of imports from Argentina (***)	Quantity	***	***	***
Overall U.S. imports from Argentina	Quantity	3,193	3,498	3,367
Producer's purchases to overall imports (***)	Ratio	***	***	***

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

Note: ***. *** U.S. producer questionnaire response, section II-8.

Table III-11
Lemon juice: U.S. producer's reasons for purchasing

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

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

U.S. producers' sales of blended lemon juice

U.S. producers' sales of blended lemon juice are presented in table III-12 and reasons for such blending in table III-13. Three firms reported blending produced lemon juice with purchased and/or imported lemon juice.

Table III-12
Lemon juice: U.S. producers' sales of blended lemon juice

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Firm	Measure	2019	2020	2021
***	Quantity	***	***	***
***	Quantity	***	***	***
***	Quantity	***	***	***
***	Quantity	***	***	***
All sources	Quantity	***	***	***
***	Value	***	***	***
***	Value	***	***	***
***	Value	***	***	***
***	Value	***	***	***
All sources	Value	***	***	***
***	Unit value	***	***	***
***	Unit value	***	***	***
***	Unit value	***	***	***
***	Unit value	***	***	***
All sources	Unit value	***	***	***
***	Share of quantity	***	***	***
***	Share of quantity	***	***	***
***	Share of quantity	***	***	***
***	Share of quantity	***	***	***
All sources	Share of quantity	100.0	100.0	100.0
***	Share of value	***	***	***
***	Share of value	***	***	***
***	Share of value	***	***	***
***	Share of value	***	***	***
All sources	Share of value	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". ***. Email from ***, May 24, 2022.

Table III-13
Lemon juice: U.S. producers' narratives on blended of lemon juice, by source

Firm	Source and narrative
***	***
***	***
***	***
***	***
***	***
***	***

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

U.S. employment, wages, and productivity

Table III-14 shows U.S. producers' employment-related data. During 2019-21, the number of production related workers ("PRWs") decreased by *** percent (*** PRWs). During 2019-21, productivity and hourly wages increased by *** percent and by *** percent. During 2019-21, total hours worked and wages fluctuated but overall decreased by *** percent and by *** percent, respectively. Unit labor costs decreased by *** percent during 2019-21.

Table III-14
Lemon juice: U.S. producers' employment related information, by period

Item	2019	2020	2021
Production and related workers (PRWs) (number)	***	***	***
Total hours worked (1,000 hours)	***	***	***
Hours worked per PRW (hours)	***	***	***
Wages paid ($1,000)	***	***	***
Hourly wages (dollars per hour)	***	***	***
Productivity (gallons per hour)	***	***	***
Unit labor costs (dollars per gallon concentrated basis @400 GPL)	***	***	***

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

Note: *** were unable to provide employment data specific to lemon juice production. These firms provided employment data for production of all products both in-scope and out-of-scope. Based on data reported for in-scope and out-of-scope production staff allocated employment data accordingly.

Financial experience of U.S. producers

Background[10]

Four U.S. producers, Ventura Coastal, Sun Orchard, Peace River, and Vita-Pakt provided usable financial results on their lemon juice operations.[11] [12]All firms reported financial data on a calendar year basis.[13] *** responding U.S. producers provided their financial data on the basis of GAAP. The net sales of lemon juice, by quantity, consisted of commercial sales (*** percent) and internal consumption (*** percent) during the reporting period.[14]

Figure III-2 presents each responding firm's share of the total reported net sales quantity in 2021.

[10] The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

[11] ***. U.S. producers' questionnaire response of ***, question II-2a.

[12] All ***. Data for the combined sales and costs of NFCLJ and FCLJ are presented in the tables in this section of the report and data for sales and costs of NFCLJ and FCLJ are presented in appendix J and K, respectively.

[13] ***.

[14] ***. Email from ***, May 25, 2022.

Figure III-2
Lemon juice: Share of net sales quantity in 2021, by firm

* * * * * * *

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

Operations on lemon juice

Table III-15 presents aggregated data on U.S. producers' operations in relation to lemon juice, while table III-16 presents corresponding changes in AUVs. Table III-17 presents selected company-specific financial data.[15]

[15] A variance analysis is most useful for products that do not have substantial changes in product mix over the period investigated, and the methodology is most sensitive at the plant or firm level, rather than the aggregated industry level. Because of the ***, a variance analysis is not presented.

Table III-15
Lemon juice: Results of operations of U.S. producers, by item and period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; ratios in percent

Item	Measure	2019	2020	2021
Commercial sales	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
Total net sales	Quantity	***	***	***
Commercial sales	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
Total net sales	Value	***	***	***
COGS: Raw materials	Value	***	***	***
COGS: Direct labor	Value	***	***	***
COGS: Other factory	Value	***	***	***
COGS: Less: By-product revenue	Value	***	***	***
COGS: Total	Value	***	***	***
Gross profit or (loss)	Value	***	***	***
SG&A expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
Other expense / (income), net	Value	***	***	***
Net income or (loss)	Value	***	***	***
Depreciation/amortization	Value	***	***	***
Cash flow	Value	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***
COGS: Other factory	Ratio to NS	***	***	***
COGS: Less: By-product revenue	Ratio to NS	***	***	***
COGS: Total	Ratio to NS	***	***	***
Gross profit	Ratio to NS	***	***	***
SG&A expense	Ratio to NS	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***
Net income or (loss)	Ratio to NS	***	***	***

Table continued.

Table III-15 Continued
Lemon juice: Results of operations of U.S. producers, by item and period

Shares in percent; unit values in dollars per gallon concentrated basis @400 GPL; count in number of firms reporting

Item	Measure	2019	2020	2021
COGS: Raw materials	Share	***	***	***
COGS: Direct labor	Share	***	***	***
COGS: Other factory	Share	***	***	***
COGS: Total	Share	***	***	***
Commercial sales	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
Total net sales	Unit value	***	***	***
COGS: Raw materials	Unit value	***	***	***
COGS: Direct labor	Unit value	***	***	***
COGS: Other factory	Unit value	***	***	***
COGS: Less: By-product revenue	Unit value	***	***	***
COGS: Total	Unit value	***	***	***
Gross profit or (loss)	Unit value	***	***	***
SG&A expenses	Unit value	***	***	***
Operating income or (loss)	Unit value	***	***	***
Net income or (loss)	Unit value	***	***	***
Operating losses	Count	***	***	***
Net losses	Count	***	***	***
Data	Count	***	***	***

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

Note: Ratios represent ratios to net sales values, while shares represent the share of COGS before by-product offset. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Table III-16
Lemon juice: Changes in AUVs between comparison periods

Changes in percent

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***

Table continued.

Table III-16 Continued
Lemon juice: Changes in AUVs between comparison periods

Changes in dollars per gallon concentrated basis @400 GPL

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***
Gross profit or (loss)	***	***	***
SG&A expense	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

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

Table III-17
Lemon juice: Firm-by-firm total net sales quantity, by period

Net sales quantity

Quantity in 1,000 gallons concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm total net sales value, by period

Net sales value

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm cost of goods sold ("COGS"), by period

COGS

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm gross profit or (loss), by period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm selling, general, and administrative ("SG&A") expenses, by period

SG&A expenses

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm operating income or (loss), by period

Operating income or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm net income or (loss), by period

Net income or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm ratio of COGS to net sales value, by period

COGS to net sales ratio

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period

Gross profit or (loss) to net sales ratio

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm ratio of SG&A expenses to net sales value, by period

SG&A expenses to net sales ratio

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm ratio of operating income or (loss) to net sales value, by period

Operating income or (loss) to net sales ratio

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm ratio of net income or (loss) to net sales value, by period

Net income or (loss) to net sales ratio

Ratios in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit net sales value, by period

Unit net sales value

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit raw material cost, by period

Unit raw material costs

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit direct labor cost, by period

Unit direct labor costs

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit other factory costs, by period

Unit other factory costs

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit by-product revenue, by period

Unit by-product revenue

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit COGS, by period

Unit COGS

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit gross profit or (loss), by period

Unit gross profit or (loss)

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit SG&A expenses, by period

Unit SG&A expenses

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit operating income or (loss), by period

Unit operating income or (loss)

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

Table continued.

Table III-17 Continued
Lemon juice: Firm-by-firm unit net income or (loss), by period

Unit net income or (loss)

Unit values in dollars per gallon concentrated basis @400 GPL

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

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

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

Net sales

As shown in table III-15 total net sales quantity and value overall increased from 2019 to 2021. As shown in table III-17, the increases were mostly from ***.[16] The net sales AUV for the industry as a whole declined from $*** per gallon in 2019 to $*** per gallon in 2021, an overall decrease of *** percent. With regard to the AUVs of net sales, ***.[17]

Cost of goods sold and gross profit or loss

Raw materials

Raw materials represented the largest component of total COGS, accounting for between *** percent (2021) and *** percent (2019) of total COGS during the period reviewed. On a per-gallon basis, raw material costs decreased from 2019 ($***) to 2021 ($***). As shown in table III-17, ***

[16] ***.

[17] ***. Email from ***, May 19, 2022.

***.[18] [19]

Raw materials consist of lemons and other material inputs such as ***.[20] Table III-18 presents raw materials, by type.

Table III-18
Lemon juice: Raw material costs in 2021

Value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; share of value in percent

Item	Value	Share of value
Lemon costs	***	***
Other material input costs	***	***
Total, raw material costs	***	***

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

[18] Email from ***, May 18, 2022. ***. Email from ***, May 19, 2022.

[19] ***. U.S. producers' questionnaire response of ***, section II-8 and U.S. importers' questionnaire response of ***, section II-6a, and email from ***, May 19, 2022.

[20] ***. Emails from ***, May 19, 2022 and from ***, May 25, 2022.

Table III-19 presents a description of the terms and conditions by which U.S. producers obtained lemons.

Table III-19
Lemon juice: Descriptions of terms and conditions for obtaining lemons

Firm	Narrative response
Peace River	***
Sun Orchard	***
Ventura Coastal	***
Vita-Pakt	***

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

Note: ***. Email from ***, May 26, 2022.
***. U.S. producers' questionnaire response of ***, section III-11.

Direct labor and other factory costs

Direct labor, the smallest component of COGS, irregularly declined from 2019 to 2021. As a ratio to COGS those costs ranged from *** percent (2020) to *** percent (2019). On an average per gallon basis, direct labor costs irregularly declined from 2019 ($*** per gallon) to 2021 ($*** per gallon).

Other factory costs, the second largest component of COGS, irregularly increased between 2019 ($***) and 2021 ($***). It ranged from *** percent (2019) of total COGS to *** percent (2021). On a per gallon basis, other factory costs decreased irregularly from 2019 ($*** per gallon) to 2021 ($*** per gallon), reflecting the increase in sales by quantity between the two full years.[21] [22]

By-product revenue consisted of the sale of *** produced during the course of producing lemon juice and represented between *** percent (2019) and *** percent (2020) of total revenue (net sales value plus by-product revenue) during the reporting period. *** reported by-product revenue. Producers also produce lemon oil and pulp cells as a co-product of their lemon juice production.[23] While firms were requested to deduct the revenues of by-products in the Commission's questionnaire, firms were requested to allocate and not report revenues or joint production costs of co-products.

[21] Value-added (calculated as the share of conversion costs of direct labor and other factory costs to total COGS) of U.S. producers ranged from a low of *** percent in 2019 to a high of *** percent in 2021 (based on data in table III-15).

[22] ***.

[23] In accounting terms, by-products do not have costs as their costs are embodied in the cost of the main product; the production costs of a co-products are shared with the main product and must be allocated from the total to the co-products at a determined split off point. ***. U.S. producers' questionnaire responses of ***, section III-8 and email from ***, May 25, 2022.

COGS and gross profit or loss

The average COGS to net sales ratio declined irregularly from *** percent in 2019 to *** percent in 2021. As seen in table III-15, on a per-gallon basis, total COGS irregularly declined from $*** in 2019 to $*** in 2021, reflecting both the increase in the quantity of total net sales and the irregular decrease in the value of total COGS between 2019 and 2021, from $*** to $***.

As shown in table III-15, the increase in total net sales value from 2019 to 2021 corresponded with a decline in COGS, which resulted in the increase in the industry's gross profit from 2019 ($***) to 2021 ($***). The gross profit margin (gross profit as a ratio to net sales) increased irregularly from *** percent in 2019 to *** percent in 2021.[24] As seen in table III-17, ***.

SG&A expenses and operating income or loss

As shown in table III-15, the industry's SG&A expenses ratios (i.e., total SG&A expenses divided by total revenue) declined from 2019 to 2021. Table III-17 shows that ***.

Operating income increased from $*** in 2019 to $*** in 2021. The operating income margin (operating income as a ratio to net sales) increased irregularly from *** in 2019 to *** percent in 2021.[25] On a company-specific basis, ***.

[24] This reflected the increased gross profit of NFCLJ, which increased from $*** in 2019 to $*** in 2021, and a gross profit margin of *** percent and *** percent in those two years, respectively. The gross profit of FCLJ was $*** and a margin of *** percent in 2019 and $*** and a margin of *** percent in 2021.

[25] The increase was accounted for by data reported for NFCLJ. Operating income increased from $*** and an operating income margin of *** percent in 2019 to $*** and an operating income margin of *** percent in 2021. The operating income for FCLJ increased irregularly and to a much lesser extent compared with NFCLJ between 2019 and 2021.

All other expenses and net income or loss

Classified below the operating income level are interest expense, other expense, and other income. ***, which in table III-15, are aggregated and only the net amount is shown. The industry's net "all other expenses," declined irregularly from 2019 to 2021.[26]

As shown in table III-15, net income increased sharply from $*** in 2019 to $*** in 2021. The net income margin (net income as a ratio to net sales) irregularly increased from *** percent in 2019 to *** percent in 2021. As shown in table III-17, on a company-specific basis, ***.[27]

[26] ***. Email from ***, May 25, 2022.

[27] The increase was accounted for by data reported for NFCLJ. Net income increased from *** and a net loss margin of *** percent in 2019 to $*** and a net income margin of *** percent in 2021. The net income and net income margin for FCLJ increased irregularly from 2019 to 2021..

Table III-20 presents the U.S. producers' narrative responses regarding the effects of COVID-19 pandemic on their financial performance.

Table III-20
Lemon juice: Firms' narrative responses relating to COVID-19 pandemic effects on U.S. producers' financial performance

Firm	Narrative response
Peace River	***
Sun Orchard	***
Ventura Coastal	***
Vita-Pakt	***

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

Capital expenditures and research and development expenses

Table III-21 presents capital expenditures, by firm,[28] and tables III-22 the firms' narrative explanations of the nature, focus, and significance of their capital expenditures. No firm reported R&D expenses.

Table III-21
Lemon juice: U.S. producers' capital expenditures, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

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

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

Table III-22
Lemon juice: Narrative descriptions of U.S. producers' capital expenditures, by firm

Firm	Narrative on capital expenditures
Peace River	***.
Sun Orchard	***.
Ventura Coastal	***.
Vita-Pakt	***

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

[28] ***. U.S. producer's questionnaire response of ***, section III-17a.

Assets and return on assets

Table III-23 presents data on the U.S. producers' total assets while table III-24 presents their operating ROA.[29] Table III-25 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time.

Table III-23
Lemon juice: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

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

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

Table III-24
Lemon juice: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2019	2020	2021
Peace River	***	***	***
Sun Orchard	***	***	***
Ventura Coastal	***	***	***
Vita-Pakt	***	***	***
All firms	***	***	***

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

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

[29] The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value for lemon juice.

Table III-25
Lemon juice: Narrative descriptions of U.S. producers' total net assets, by firm

Firm	Narrative on assets
Peace River	***.
Sun Orchard	***.
Ventura Coastal	***.
Vita-Pakt	***

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

Part IV: U.S. imports and the foreign industries

U.S. imports

Overview

The Commission issued questionnaires to 45 potential importers of lemon juice from 2016 to 2021. Nineteen firms provided data and information in response to the questionnaires, while seven firms indicated that they had not imported lemon juice during the period for which data were collected.[1] Based on official Commerce statistics for imports of product, importers' questionnaire data accounted for approximately 63 percent of total U.S. imports and approximately 77 percent of imports from Argentina (as a share of official import statistics, by quantity) during 2019-21. In light of the data coverage by the Commission's questionnaires, import data in this report are based on *official Commerce statistics* for lemon juice.[2]

Imports from subject and nonsubject countries

Table IV-1 and figure IV-1 present information on U.S. imports of lemon juice from Argentina and all other sources over the period examined. During 2019-21, U.S. imports of lemon juice from Argentina fluctuated but overall increased, in terms of quantity, by 5.5 percent. Meanwhile, during 2019-21 U.S. imports of lemon juice from Argentina, in terms of value, decreased by 6.0 percent. As a result, during 2019-21, the unit value of U.S. imports of lemon juice from Argentina decreased by $2.38 per gallon concentrated basis @400 GPL U.S. to $19.44 per gallon concentrated basis @400 GPL in 2021. Imports of lemon juice from Argentina, during 2019-21, accounted for a decreasing share of total imports of lemon juice, decreasing from 48.2 percent in 2019 to 43.4 percent in 2021, in terms of quantity.

During 2019-21, U.S. imports of lemon juice from nonsubject source increased, in terms of quantity and in terms of value by 27.9 percent and 20.1 percent, respectively. During 2019-21, the unit value of U.S. imports of lemon juice from nonsubject decreased by $1.46 per gallon concentrated basis @400 GPL U.S. to $22.50 per gallon concentrated basis @400 GPL in 2021.

[1] Additionally, ***. Email from ***, May 3, 2022.

[2] Official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040

Imports of lemon juice from nonsubject sources, during 2019-21, accounted for an increasing share of total imports of lemon juice, increasing from 51.8 percent in 2019 to 56.6 percent in 2021, in terms of quantity.

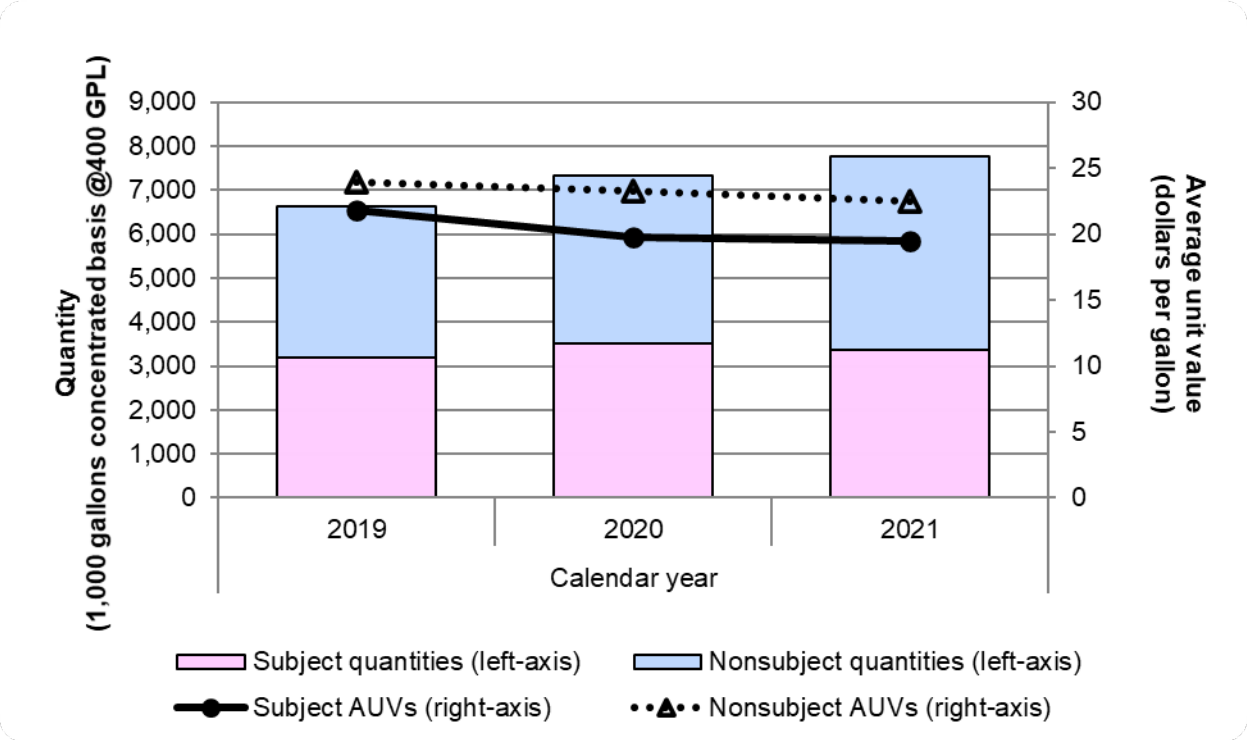
Table IV-1
Lemon juice: U.S. imports by source and period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares and ratios in percent; ratio is the ratio to U.S. production

Source	Measure	2019	2020	2021
Argentina	Quantity	3,193	3,498	3,369
Nonsubject sources	Quantity	3,428	3,843	4,386
All import sources	Quantity	6,622	7,341	7,754
Argentina	Value	69,690	69,232	65,486
Nonsubject sources	Value	82,135	89,313	98,682
All import sources	Value	151,825	158,546	164,168
Argentina	Unit value	21.82	19.79	19.44
Nonsubject sources	Unit value	23.96	23.24	22.50
All import sources	Unit value	22.93	21.60	21.17
Argentina	Share of quantity	48.2	47.7	43.4
Nonsubject sources	Share of quantity	51.8	52.3	56.6
All import sources	Share of quantity	100.0	100.0	100.0
Argentina	Share of value	45.9	43.7	39.9
Nonsubject sources	Share of value	54.1	56.3	60.1
All import sources	Share of value	100.0	100.0	100.0
Argentina	Ratio	***	***	***
Nonsubject sources	Ratio	***	***	***
All import sources	Ratio	***	***	***

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values. A conversion factor of 0.03359 was used to convert liters to gallons.

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



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values. A conversion factor of 0.03359 was used to convert liters to gallons.

Table IV-2 presents data for U.S. imports of lemon juice from nonsubject countries. In 2021, Brazil was the largest source of nonsubject imports followed by South Africa.[3]

[3] On February 11, 2022, the Commission determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of lemon juice from Brazil and South Africa. The Commission's final phase investigations have yet to be scheduled. 87 FR 9378, February 18, 2022.

Table IV-2
Lemon juice: U.S. importers' imports from nonsubject sources, by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL

Item	Measure	2019	2020	2021
Brazil	Quantity	917	786	1,159
South Africa	Quantity	250	629	999
Mexico	Quantity	1,193	1,129	788
Spain	Quantity	363	420	502
Peru	Quantity	373	415	336
Italy	Quantity	248	294	259
Uruguay	Quantity	14	107	218
All other nonsubject sources	Quantity	70	63	125
All nonsubject sources	Quantity	3,428	3,843	4,386
Brazil	Value	19,922	14,302	20,853
South Africa	Value	4,340	9,444	12,333
Mexico	Value	22,438	25,529	18,436
Spain	Value	11,111	11,239	13,931
Peru	Value	8,151	8,789	8,679
Italy	Value	13,281	15,427	16,187
Uruguay	Value	249	1,555	3,040
All other nonsubject sources	Value	2,643	3,029	5,222
All nonsubject sources	Value	82,135	89,313	98,682
Brazil	Unit value	21.72	18.19	17.99
South Africa	Unit value	17.37	15.01	12.34
Mexico	Unit value	18.81	22.61	23.39
Spain	Unit value	30.59	26.75	27.77
Peru	Unit value	21.86	21.19	25.85
Italy	Unit value	53.55	52.46	62.55
Uruguay	Unit value	17.73	14.57	13.95
All other nonsubject sources	Unit value	37.62	48.35	41.85
All nonsubject sources	Unit value	23.96	23.24	22.50

Table continued.

Table IV-2 Continued
Lemon juice: U.S. importers' imports from nonsubject sources, by period

Shares in percent; shares are share of total imports from all sources (including Argentina)

Item	Measure	2019	2020	2021
Brazil	Share of quantity	13.8	10.7	14.9
South Africa	Share of quantity	3.8	8.6	12.9
Mexico	Share of quantity	18.0	15.4	10.2
Spain	Share of quantity	5.5	5.7	6.5
Peru	Share of quantity	5.6	5.7	4.3
Italy	Share of quantity	3.7	4.0	3.3
Uruguay	Share of quantity	0.2	1.5	2.8
All other nonsubject sources	Share of quantity	1.1	0.9	1.6
All nonsubject sources	Share of quantity	51.8	52.3	56.6
Brazil	Share of value	13.1	9.0	12.7
South Africa	Share of value	2.9	6.0	7.5
Mexico	Share of value	14.8	16.1	11.2
Spain	Share of value	7.3	7.1	8.5
Peru	Share of value	5.4	5.5	5.3
Italy	Share of value	8.7	9.7	9.9
Uruguay	Share of value	0.2	1.0	1.9
All other nonsubject sources	Share of value	1.7	1.9	3.2
All nonsubject sources	Share of value	54.1	56.3	60.1

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values. A conversion factor of 0.03359 was used to convert liters to gallons.

U.S. inventories of imported merchandise

Table IV-3 presents data for inventories of U.S. imports of lemon juice from Argentina and all other sources held in the United States. Six of the 19 responding firms reported inventories from Argentina. Inventories of subject imports fluctuated during 2019-21 but overall decreased by 6.6 percent. U.S. importers' inventories of lemon juice from nonsubject countries increased by 52.3 percent during 2019-21. Overall, as a ratio to imports, U.S. shipments of imports, and total shipments of imports, U.S. importers' reported inventories of lemon juice from Argentina and nonsubject sources increased during 2019-21.

Table IV-3
Lemon juice: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in 1,000 gallons concentrated basis @400 GPL; ratios in percent

Measure	Source	2019	2020	2021
Inventories quantity	Argentina	347	261	324
Ratio to imports	Argentina	10.6	8.9	12.4
Ratio to U.S. shipments of imports	Argentina	10.3	8.7	12.7
Ratio to total shipments of imports	Argentina	10.3	8.7	12.7
Inventories quantity	Nonsubject	388	465	591
Ratio to imports	Nonsubject	20.0	19.7	25.8
Ratio to U.S. shipments of imports	Nonsubject	18.9	20.4	27.4
Ratio to total shipments of imports	Nonsubject	18.8	20.3	27.3
Inventories quantity	All	735	726	915
Ratio to imports	All	14.1	13.7	18.6
Ratio to U.S. shipments of imports	All	13.5	13.8	19.4
Ratio to total shipments of imports	All	13.5	13.7	19.4

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

Table IV-4 and figure IV-2 present U.S. producers' and U.S. importers' monthly inventories for 2021. Overall, U.S. producers' monthly inventories were highest in the beginning of the year and decreased on a monthly basis. U.S. importers' monthly inventories from Argentina fluctuated on a monthly basis. U.S. importers' monthly inventories from nonsubject sources were lowest in January 2021 and remained somewhat consistent throughout the year.

Table IV-4
Lemon juice: U.S. producers' and U.S. importers' monthly U.S. inventories, 2021

Product type	U.S. producers	Subject sources	Nonsubject sources
January	***	267	461
February	***	200	536
March	***	176	543
April	***	148	518
May	***	261	509
June	***	295	523
July	***	215	519
August	***	197	523
September	***	261	564
October	***	350	867
November	***	257	733
December	***	324	591

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

Figure IV-2
Lemon juice: U.S. producers' and U.S. importers monthly U.S. inventories, 2021

* * * * * * *

U.S. importers' imports subsequent to December 31, 2021

The Commission requested importers to indicate whether they had imported or arranged for the importation of lemon juice from Argentina for delivery after December 31, 2021. Fourteen of 19 responding firms indicated such imports. Their reported data is presented in table IV-5. Eight firms reported arranged imports from Argentina and nine firms reported arranged imports from nonsubject sources. Arranged imports from Argentina account for 45.4 percent of all arranged imports for 2022.

Table IV-5
Lemon juice: U.S. importers' arranged imports, by source and quarter

Quantity in 1,000 gallons concentrated basis @400 GPL

Source	Jan-Mar 2022	Apr-Jun 2022	Jul-Sept 2022	Oct-Dec 2022	Total
Argentina	436	278	64	50	828
Nonsubect sources	488	430	38	38	994
All import sources	924	708	102	88	1,822

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

The industry in Argentina

Overview

During the final phase of the original investigations, the Commission received usable questionnaire responses from five processors/exporters in Argentina: ***, Citrusvil, ***, San Miguel, and ***. These firms accounted for more than 100 percent of U.S. imports of lemon juice from Argentina reported in official Commerce statistics during 2006.[4] Two of the five responding firms in Argentina (Citrusvil and San Miguel) accounted for *** percent of total production of all processed lemon products in Argentina during 2004.[5] During the first full five-year reviews, the Commission received usable questionnaire responses from three processors/exporters in Argentina: Citromax SACI, Citrusvil, and San Miguel. These firms accounted for approximately *** percent of lemon juice exports from Argentina to the United States in 2012.[6]

In their responses to the notice of institution for this current review, nine processors/exporters in Argentina provided data regarding their capacity, production, and exports to the United States. These firms' exports to the United States were equivalent to virtually all U.S. imports of lemon juice from Argentina in 2020.

In addition, respondent interested parties provided lists identifying a range of between six to 15 firms that may currently produce and/or export lemon juice in Argentina.[7] The domestic interested party provided a list of ten firms that may currently produce and/or export lemon juice in Argentina.[8] During the course of this review the Commission issued foreign producer/exporter questionnaires to 15 firms believed to produce and/or export lemon juice from Argentina. Of these firms 13 provided responses to the Commission's questionnaire.

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[4] Original confidential prehearing report, p. VII-3.

[5] Original confidential prehearing report, p. VII-2.

[6] First review confidential report, p. IV-9.

[7] Respondent interested party Argenti Lemon's response to the notice of institution, September 30, 2021, p. 5; respondent interested party Citromax Group's response to the notice of institution, September 30, 2021, p. 4; respondent interested party Citromax SACI's response to the notice of institution, September 30, 2021, p. 4; respondent interested party COTA's response to the notice of institution, September 30, 2021, p. 3; respondent interested party Trapani's response to the notice of institution, October 1, 2021, pp. 6-7; respondent interested party La Moraleja's response to the notice of institution, September 30, 2021, p. 3; respondent interested party Latin Lemon's response to the notice of institution, October 1, 2021, pp. 6-7; respondent interested party Ledesma's response to the notice of institution, October 1, 2021, pp. 6-7; respondent interested party San Miguel's response to the notice of institution, October 1, 2021, pp. 8-9; and respondent interested party Coca-Cola's response to the notice of institution, October 1, 2021, p. 9.

[8] Domestic interested party's response to the notice of institution, October 1, 2021, exh. 3.

These firms estimate that they account for over 95 percent lemon juice production in Argentina during 2021. Table IV-6 presents information on the lemon juice operations of the responding producers and exporters in Argentina.

Table IV-6
Lemon juice: Summary data for producers in Argentina, 2021

Quantity in 1,000 gallons concentrated basis @400 GPL

Firm	Production (1,000 gallons concentrated basis @400 GPL)	Share of reported production (percent)	Exports to the United States (1,000 gallons concentrated basis @400 GPL)	Share of reported exports to the United States (percent)	Total shipments (1,000 gallons concentrated basis @400 GPL)	Share of firm's total shipments exported to the United States (percent)
Acheral	***	***	***	***	***	***
Argenti Lemon	***	***	***	***	***	***
Citromax Saci	***	***	***	***	***	***
Citrususvil	***	***	***	***	***	***
COTA	***	***	***	***	***	***
FGF Trapani	***	***	***	***	***	***
La Moraleja	***	***	***	***	***	***
Ledesma	***	***	***	***	***	***
Litoral	***	***	***	***	***	***
Padilla	***	***	***	***	***	***
Sa Veracruz	***	***	***	***	***	***
San Miguel	***	***	***	***	***	***
Vicente Trapani	***	***	***	***	***	***
All firms	19,375	100.0	4,363	100.0	17,227	25.3

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

Changes in operations

As presented in table IV-7 producers in Argentina reported several operational and organizational changes since January 1, 2016.

Table IV-7
Lemon juice: Reported changes in operations in Argentina, since January 1, 2016, by firm

Item	Firm name and narrative on changes in operations
Plant openings	***
Plant openings	***
Acquisitions	***
Revised labor agreements	***
Weather related events	***
Other	***

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

Operations on lemon juice

Table IV-8 presents information on the lemon juice operations of the responding producers in Argentina. During 2019-21, Argentina producers' capacity and production of lemon juice increased by 3.5 percent and by 10.1 percent, respectively.

Argentinian producers' capacity utilization decreased by 10.0 percentage points from 2019 to 2020 then increased 15.1 percentage points from 2020 to 2021. Overall, during 2019-21 Argentinian producers' capacity utilization increased by 5.0 percentage points. Argentinian firms' capacity is calculated on operating between *** weeks and *** weeks per year with the average firm processing lemons 24 weeks a year.[9] Lemon juice is processed during Argentina's harvesting season is between April and September. Ten out of 13 responding firms only process lemons and idle the factories in the off season only keeping a small permanent staff to perform maintenance, operate the warehouses, and conduct administrative functions year-round.[10] The majority of workers in the lemon processing factories are seasonal workers who move on to other work after the lemon processing season is over.

Argentinian producers' home market shipments, in terms of quantity, fluctuated during 2019-21 but overall increased by *** percent. Argentinian producers' home market shipments, in terms of value, fluctuated during 2019-21 but overall decreased by *** percent. Export shipments to the United States, in terms of quantity, fluctuated during the period for which data were collected but remained similar in 2019 and 2021. Export shipments to the United States, in terms of value, fluctuated during the period for which data were collected and overall decreased by *** percent during 2019-21. Total export shipments, in terms of quantity, increased by *** percent during 2019-21 meanwhile, total export shipments, in terms of value, decreased by *** percent during 2019-21. As a share of total shipments, exports of lemon juice to the United States accounted for between *** percent of total shipments in 2019 and *** percent of total shipments in 2020.

[9] Foreign producers' questionnaire responses, section II-3b.
[10] Emails from ***, May 19, 2022 and May 22, 2022.

Table IV-8
Lemon juice: Data on industry in Argentina, by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars

Item	Measure	2019	2020	2021
Capacity	Quantity	22,316	22,557	23,094
Production	Quantity	17,598	15,524	19,375
End-of-period inventories	Quantity	11,041	9,589	11,741
Internal consumption and transfers	Quantity	***	***	***
Commercial home market shipments	Quantity	***	***	***
Home market shipments	Quantity	***	***	***
Exports to the United States	Quantity	***	***	***
Exports to the North America	Quantity	***	***	***
Exports to Central America	Quantity	***	***	***
Exports to the South America	Quantity	***	***	***
Exports to all other markets	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	14,041	16,971	17,227
Internal consumption and transfers	Value	***	***	***
Commercial home market shipments	Value	***	***	***
Home market shipments	Value	***	***	***
Exports to the United States	Value	***	***	***
Exports to the North America	Value	***	***	***
Exports to Central America	Value	***	***	***
Exports to the South America	Value	***	***	***
Exports to all other markets	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	186,390	171,282	158,896

Table continued.

Table IV-8 Continued
Lemon juice: Data on industry in Argentina, by period

Unit value in dollars per 1,000 gallons concentrated basis @400 GPL; ratio and shares in percent

Item	Measure	2019	2020	2021
Internal consumption and transfers	Unit value	***	***	***
Commercial home market shipments	Unit value	***	***	***
Home market shipments	Unit value	***	***	***
Exports to the United States	Unit value	***	***	***
Exports to the North America	Unit value	***	***	***
Exports to Central America	Unit value	***	***	***
Exports to the South America	Unit value	***	***	***
Exports to all other markets	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	13.27	10.09	9.22
Capacity utilization ratio	Ratio	78.9	68.8	83.9
Inventory ratio to production	Ratio	62.7	61.8	60.6
Inventory ratio to total shipments	Ratio	78.6	56.5	68.2
Internal consumption and transfers	Share	***	***	***
Commercial home market shipments	Share	***	***	***
Home market shipments	Share	***	***	***
Exports to the United States	Share	***	***	***
Exports to the North America	Share	***	***	***
Exports to Central America	Share	***	***	***
Exports to the South America	Share	***	***	***
Exports to all other markets	Share	***	***	***
Export shipments	Share	***	***	***
Total shipments	Share	100.0	100.0	100.0

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

Table IV-9 presents Argentinian producers' 2021 inventories broken out by inventories allocated for contracts and inventories unallocated. In 2021, a majority of Argentinian producers' inventories were allocated for existing contracts.

Table IV-9
Lemon juice: Inventories under contract, by type, 2021

Unit value in dollars per 1,000 gallons concentrated basis @400 GPL; shares in percent

Item	Measure	2021
Allocated or otherwise dedicated to existing contracts	Quantity	***
Unallocated or otherwise available	Quantity	***
Total end-of-period inventories	Quantity	11,741
Allocated or otherwise dedicated to existing contracts	Share	***
Unallocated or otherwise available	Share	***
Total end-of-period inventories	Share	100.0

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

Alternative products

As shown in table IV-10, three responding firms produced other products (***) on the same equipment and machinery used to produce lemon juice. Total production of out-of-scope products fluctuated but overall increased by *** percent during 2019-21. As a share of total production, out-of-scope production accounted for less than *** percent of overall production on the same equipment a machinery used to produce lemon juice during the period for which data were collected.

Table IV-10
Lemon juice: Producers in Argentina overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; shares and ratio in percent

Item	Measure	2019	2020	2021
Overall capacity	Quantity	***	***	***
NFCLJ production	Quantity	***	***	***
FCLJ production	Quantity	***	***	***
Lemon juice production	Quantity	86,843	75,124	94,190
Grapefruit juice production	Quantity	***	***	***
Lime juice production	Quantity	***	***	***
Mandarin juice production	Quantity	***	***	***
Orange juice production	Quantity	***	***	***
Tangerine juice production	Quantity	***	***	***
Other products production	Quantity	***	***	***
All out-of-scope production	Quantity	***	***	***
Total production	Quantity	***	***	***
Overall capacity utilization	Ratio	***	***	***
NFCLJ production	Share	***	***	***
FCLJ production	Share	***	***	***
Lemon juice production	Share	***	***	***
Grapefruit juice production	Share	***	***	***
Lime juice production	Share	***	***	***
Mandarin juice production	Share	***	***	***
Orange juice production	Share	***	***	***
Tangerine juice production	Share	***	***	***
Other products production	Share	***	***	***
All out-of-scope production	Share	***	***	***
Total production	Share	100.0	100.0	100.0

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

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

Third-country trade actions

Based on available information, lemon juice from Argentina has not been subject to other antidumping or countervailing duty investigations outside the United States.

Global market

In most regions of the world, lemons are primarily grown for the fresh market. As seen in table IV-11, the leading producers of total lemons include Argentina, the United States, Turkey, and South Africa; all are leading processors of lemons, as well as Mexico.[11] Various respondents listed Brazil, Mexico, Peru, Spain, South Africa, and Uruguay as growing third-country suppliers to the U.S. market. While Argentina processes 72.3 percent of its total lemon production, the rest of these countries focus on the fresh market, processing 30 percent or less of their total lemon production. The United States and Italy primarily produce for domestic markets, while Spain, Turkey, and South Africa export most of their fresh lemon production.

The United States, the European Union, and Japan are the leading importers of other citrus juices (2009.31 and 2009.39), including lemon juice. In 2019, the United States accounted for 26.9 percent, followed by the EU with 22.3 percent and Japan with 12.9 percent. These shares have remained relatively stable over time. Global demand for lemon juice is primarily driven by demand for use in beverages, including flavored waters that Coca Cola identified as a growing use. Also, as consumers demand more natural ingredients in the foods and beverages they consume, food and beverage manufacturers have substituted lemon juice for citric acid in their formulations.

[11] Argentina imported 2,225 metric tons of fresh lemons and limes in 2021, 75 percent of which came from Brazil, and none from South Africa. The United States Department of Agriculture's Foreign Agriculture Service expects Argentinian citrus imports "to remain negligible". IHS Markit, Global Trade Atlas Database, HS 0805.50, accessed July 8, 2022; Prosperi, *Argentina: Citrus semi-annual*, USDA FAS GAIN Report No AR2021-0043, June 17, 2021.

Table IV-11
Fresh lemons and limes: Quantity of production and processing, by country and marketing year

Quantity in 1,000 metric tons; shares in percent

Country	2019-20 Produced	2019-20 Processed	2020-21 Produced	2020-21 Processed	Share Processed
Argentina (subject)	1,491	1,078	1,150	831	72.3
Mexico	2,717	507	2,870	350	15.3
European Union	1,480	320	1,654	362	21.8
Turkey	950	50	1,100	50	4.9
United States	983	305	835	240	30.0
South Africa	620	138	624	139	22.2
Israel	75	9	70	5	9.7
Japan	51	40	45	30	72.9

Source: USDA, FAS, PSD Database .

Note: Marketing years vary by country, the U.S. lemon/lime marketing year is August to July while the South Africa marketing year is April to March.

Table IV-12 presents global export data for juice from any other (not orange or grapefruit juice) single citrus fruit (2009.31 and 2009.39), a category that includes lemon juice and out-of-scope products (by country in descending order of value for 2021).

Table IV-12
Juice from any other (not orange, grapefruit, or lime juice) single citrus fruit: Global exports, by reporting country and by period

Value in 1,000 dollars; shares in percent

Exporting country	Measure	2019	2020	2021
United States	Value	44,851	41,715	44,890
Italy	Value	151,919	156,339	160,367
Spain	Value	119,222	122,723	127,571
Argentina	Value	132,844	115,291	117,457
Netherlands	Value	112,689	110,982	114,803
Mexico	Value	29,882	41,109	72,536
Brazil	Value	35,248	36,800	38,572
Israel	Value	37,314	35,826	35,730
South Africa	Value	22,419	28,478	29,361
Ireland	Value	24,444	23,590	25,581
Germany	Value	17,297	17,468	17,982
Japan	Value	12,844	11,736	17,044
All other exporters	Value	145,854	122,708	125,768
All reporting exporters	Value	886,828	864,766	927,661
United States	Share of value	5.1	4.8	4.8
Italy	Share of value	17.1	18.1	17.3
Spain	Share of value	13.4	14.2	13.8
Argentina	Share of value	15.0	13.3	12.7
Netherlands	Share of value	12.7	12.8	12.4
Mexico	Share of value	3.4	4.8	7.8
Brazil	Share of value	4.0	4.3	4.2
Israel	Share of value	4.2	4.1	3.9
South Africa	Share of value	2.5	3.3	3.2
Ireland	Share of value	2.8	2.7	2.8
Germany	Share of value	2.0	2.0	1.9
Japan	Share of value	1.4	1.4	1.8
All other exporters	Share of value	16.4	14.2	13.6
All reporting exporters	Share of value	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 2009.31 and 2009.39 reported by various national statistical authorities in the Global Trade Atlas database, accessed May 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top followed by the countries under investigation, all remaining top exporting countries in descending order of 2021 data.

Part V: Pricing data

Factors affecting prices

Raw material costs

The principal raw material used in the production of lemon juice is lemons. Lemons typically go to processing because they are unsuitable for the fresh lemon market because of defects or fail to meet the size or grade standards for sale as fresh lemons.[1] There is no correlation between the price of fresh lemons and the lemons used to produce lemon juice.[2] The price of lemons used in the production of lemon juice is not publicly available. Other input costs are equipment, labor, and energy.[3]

All responding U.S. producers reported that raw material prices had increased or remained constant since January 1, 2016. All responding U.S. producers reported that they anticipated the price of raw materials to increase or remain constant. U.S. producer *** reported that demand for fresh lemons has increased and as a result, lemons that would have gone to processing are being sold as "ugly fruit" which sell for less than unblemished fresh lemons, but more than processors pay for lemons of processing quality. *** reported that this has increased the price of processing lemons. U.S. producer *** reported that the increased share of lemons used to produce NFCLJ has increased the amount it pays for lemons under its contracts. U.S. producer *** reported that it increased its prices in response to raw material price increases.

The majority of responding foreign producers reported that the price of raw materials had fluctuated and were anticipated to fluctuate in the future. Foreign producer *** reported that it sources raw materials from its own lemon production and supplements its lemon supply by purchasing additional raw materials from outside parties; it also reported that these supplemental purchases can have a large impact on its production costs. Foreign producer *** reported that the price of raw materials depends on the quality and size of the lemon crop each year.

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[1] Conference testimony cited in Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, January 20, 2021, p. V-1.

[2] Conference testimony cited in Lemon Juice from Brazil and South Africa, 731-TA-1578-1579 (Preliminary), USITC Publication 5284, January 20, 2021, p. V-1.

[3] Lemon Juice from Argentina and Mexico, 731-TA-1105-1106 (Review), USITC Publication 4418, June 24, 2013, p. V-1.

Most purchasers (4 of 7) reported that they were not familiar with raw material prices for lemon juice. A majority of responding purchasers (4 of 5) reported that raw material costs had not impacted contracts. Purchaser *** reported that higher raw material prices result in a higher cost of goods for lemon juice. Purchaser *** reported that raw material prices cause the price of lemon juice to fluctuate but that energy, labor, and other inputs also have an impact of the price of lemon juice and that the prices of these inputs usually increase over time.

Transportation costs to the U.S. market

Transportation costs for lemon juice shipped from Argentina to the United States averaged 6.9 percent during 2021. These estimates were derived from official import data and represent the transportation and other charges on imports.[4]

U.S. inland transportation costs

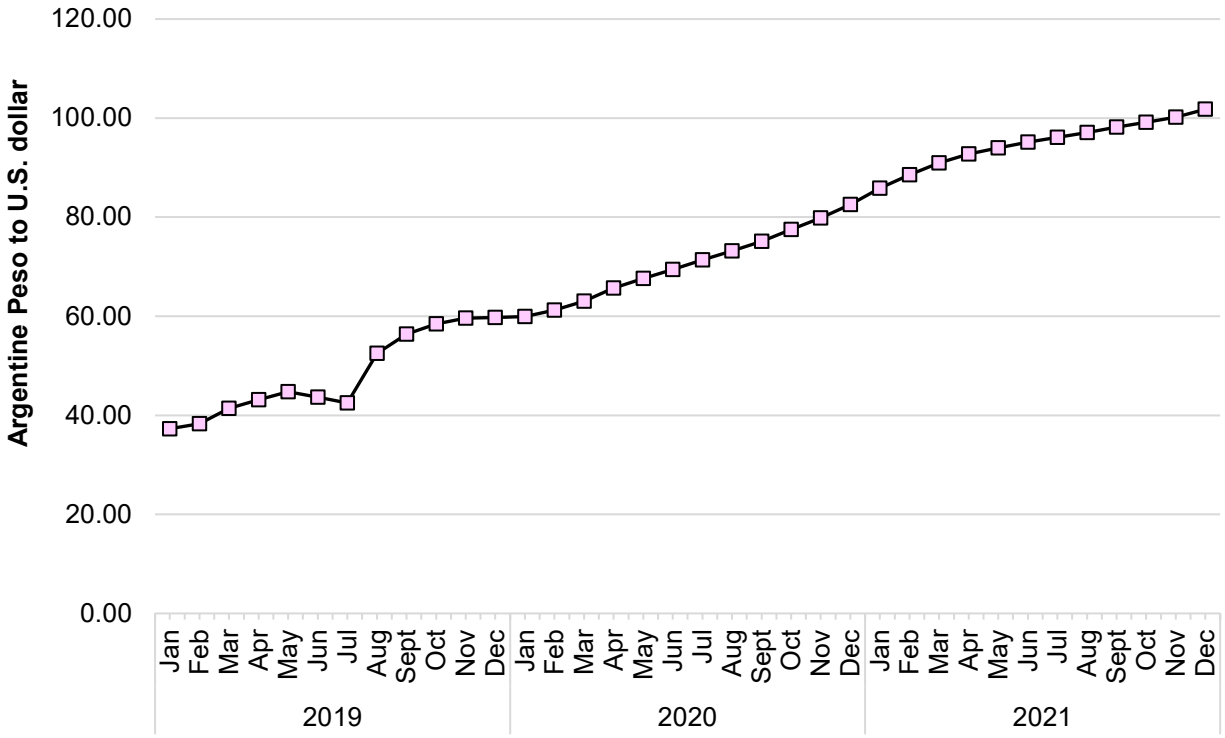
Fifteen importers reported that they typically arrange transportation to their customers, while *** and four importers reported that the purchaser typically arranges transportation. One U.S. producer reported that its U.S. inland transportation costs averaged *** percent while the majority of responding importers reported costs of 1.6 to 6.0 percent.

Exchange rates

The value of the Argentine peso, relative to the U.S. dollar, decreased throughout the period of review (figure V-1). Between January 2019 and December 2021, the value of the Argentine Peso decreased 172.9 percent against the U.S. dollar.

[4] The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2021 and then dividing by the customs value based on the HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020 and 2009.39.6040.

Figure V-1
Lemon juice: Argentine peso to U.S. dollar exchange rate, by month



Source: Federal Reserve Economic Data (FRED), Federal Reserve Bank of St. Louis, https://fred.stlousidfed.org, retrieved May 12, 2022.

Table V-1
Lemon juice: Argentine peso to U.S. dollar exchange rate, by month

Month	2019	2020	2021
January	37.29	59.91	85.88
February	38.30	61.26	88.55
March	41.42	63.02	90.97
April	43.16	65.66	92.76
May	44.78	67.63	94.00
June	43.63	69.44	95.15
July	42.48	71.38	96.13
August	52.49	73.20	97.11
September	56.36	75.10	98.18
October	58.44	77.48	99.15
November	59.65	79.84	100.21
December	59.77	82.54	101.79

Source: Federal Reserve Economic Data (FRED), Federal Reserve Bank of St. Louis, https://fred.stlousidfed.org, retrieved May 12, 2022.

Pricing practices

Pricing methods

U.S. producers reported setting prices using transaction-by-transaction negotiations, contracts, and set price lists and importers reported setting prices using transaction-by-transaction negotiations, contracts, and other methods (table V-2). Importer *** reported that it used the floor price set in the agreement to set prices. Importer *** reported that it used global marking offers and pricing in the domestic market to set prices.

Table V-2
Lemon juice: Count of U.S. producers' and importers' reported price setting methods

Count of responding firms

Method	U.S. producers	Importers
Transaction-by-transaction	2	14
Contract	4	19
Set price list	3	0
Other	0	2
Responding firms	4	19

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

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

U.S. producers reported selling the majority of lemon juice under short-term contracts and in the spot market. Importers and foreign producers reported selling the majority of lemon juice under annual and short-term contracts (table V-3).

Table V-3
Lemon juice: U.S. producers' and importers' shares of U.S. commercial shipments and foreign producers' share of exports to the U.S., by type of sale, 2021

Share in percent

Type of sale	U.S. producers	Subject U.S. importers	Foreign producers
Long-term contracts	***	***	***
Annual contracts	***	***	***
Short-term contracts	***	***	***
Spot sales	***	***	***
Total	100.0	100.0	100.0

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

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

The majority of U.S. producers reported using short-term contracts to sell lemon juice and these contracts typically lasted between *** days. The majority of responding U.S. producers reported that these contracts fix price and quantity. Half of responding U.S. producers reported that they do not renegotiate price, and that prices are not indexed to raw materials. U.S. producer ***, the only responding U.S. producer who reported using annual contracts to sell lemon juice, reported that it fixed both price and quantity, that it renegotiated price, but it did not index price to raw materials. U.S. producer *** was the only responding U.S. producer who reported using long-term contracts and reported that it fixed price and did not renegotiate price or index prices to raw materials.

The majority of importers reported using short-term and annual contracts to sell lemon juice. Importers reported that short-term contracts typically lasted between 45 to 360 days. All importers who reported using short-term contracts reported fixing both price and quantity and none reported renegotiating price or indexing prices to raw materials. The majority of importers who reported using annual contracts reported fixing both price and quantity, and not renegotiating price or indexing prices to raw materials. The only importer *** that reported using long-term contracts reported that it fixed both price and quantity and did not renegotiate price or index prices to raw materials.

Foreign producers reported mainly using short-term and annual contracts to sell lemon juice. Short-term contracts typically lasted between 60 to 360 days. The majority of foreign producers that reported using short-term contracts reported fixing both price and quantity, and none of the responding foreign producers reported renegotiating prices or indexing prices to raw materials. For their annual contracts, foreign producers generally reported fixing both price and quantity. Only one responding foreign producer, ***, reported renegotiating prices. The only foreign producer (***) that reported using long-term contracts to sell lemon juice reported that it fixed quantity and price, does not renegotiate price or index prices to raw materials.

Four purchasers reported that they purchase product monthly, one reported that it purchases product quarterly, and two reported that they purchase product annually. All responding purchasers (7 of 7) reported that they did not expect their purchasing patterns to change in the next two years. Purchasers reported contacting 1 to 12 suppliers before making a purchase. The majority of responding purchasers reported that they had changed suppliers since January 1, 2016. Purchaser *** reported that Ventura Coastal was unable to fully supply it with NFCLJ and that it developed suppliers in Brazil as an alternate source of NFCLJ. Purchaser *** reported that its purchases fluctuated annually from a list of approved suppliers based on availability of product. Purchaser *** reported that it now sources

lemon juice from its own cooperative of growers. Purchaser *** reported that it had stopped purchasing lemon juice from nonsubject country Brazil because of quality issues.

Sales terms and discounts

All responding U.S. producers (4 of 4) typically quote prices on an f.o.b. basis while the majority of importers (12 of 18) typically quote prices on a delivered basis. The majority of U.S. producers (3 of 4) reported that they do not offer discounts while one (***) reported that it offers quantity and total volume discounts. All but one importer (18 of 19) reported that they do not offer discounts. One importer (***) offers payment term discounts (i.e., a one percent discount if payment is received in 10 days).

The majority of purchasers reported that negotiations are involved in their purchases of lemon juice. Purchaser *** reported that it requests bids to supply lemon juice from multiple firms which submit competing offers based on costs. Purchaser *** reported that freight and storage costs are negotiable. Purchaser *** reported that pricing and payment terms are negotiated. Purchaser *** reported that quality, delivery period, payment terms, and price are factors that are negotiated.

Price leadership

Three purchasers reported that there were no price leaders in the lemon juice market, while three reported that Ventura Coastal was a price leader and one reported that San Miguel was a price leader. Purchaser *** reported that Ventura Coastal leads the NFCLJ market in the United States since it controls the majority of the market, and that the FCLJ market does not have a price leader. Purchaser *** reported that Ventura Coastal (U.S.) was the largest processor of lemon juice in California. Purchaser *** reported that San Miguel (Argentina) leads prices since it consistently has competitive pricing, available product, and reliable delivery.

Price data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following lemon juice products shipped to unrelated U.S. customers from January 2019 to December 2021.

Product 1.-- Cloudy frozen concentrated lemon juice, non-organic, for further Manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Product 2.--Clarified frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Product 3.-- Cloudy NFCLJ, non-organic, for further manufacture, sold in 6000 gallon tanker.

Product 4.-- Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 500 GPL.

Three U.S. producers and 14 importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[5] Pricing data reported by these firms accounted for approximately *** percent of U.S. producers' U.S. commercial shipments of lemon juice and 85.6 percent of U.S. commercial shipments of subject imports from Argentina in 2021.[6]

Price data for products 1-4 are presented in tables V-4 to V-7 and figures V-2 to V-5.

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

[6] Pricing coverage is based on U.S. commercial shipments reported in questionnaires.

Table V-4
Lemon juice: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by source and quarter

Price in dollars per gallon concentrated basis @400 GPL; quantity in gallons concentrated basis @400 GPL; margin in percent.

* * * * * * *

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

Note: Product 1: Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Figure V-2
Lemon juice: Weighted-average prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1

* * * * * * *

Volume of product 1

* * * * * * *

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

Note: Product 1: Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Table V-5
Lemon juice: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Price in dollars per gallon concentrated basis @400 GPL; quantity in gallons concentrated basis @400 GPL; margin in percent.

* * * * * * *

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

Note: Product 2: Clarified frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Figure V-3
Lemon juice: Weighted-average prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * * * *

Volume of product 2

* * * * * * *

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

Note: Product 2: Clarified frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 400 GPL.

Table V-6
Lemon juice: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Price in dollars per gallon concentrated basis @400 GPL; quantity in gallons concentrated basis @400 GPL; margin in percent.

* * * * * * *

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

Note: Product 3: Cloudy NFCLJ, non-organic, for further manufacture, sold in 6000 gallon tanker.

Figure V-4
Lemon juice: Weighted-average prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * * * *

Volume of product 3

* * * * * * *

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

Note: Product 3: Cloudy NFCLJ, non-organic, for further manufacture, sold in 6000 gallon tanker.

Table V-7
Lemon juice: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by source and quarter

Price in dollars per gallon concentrated basis @400 GPL; quantity in gallons concentrated basis @400 GPL; margin in percent.

* * * * * * *

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

Note: Product 4: Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 500 GPL.

Figure V-5
Lemon juice: Weighted-average prices and quantities of domestic and imported product 4, by source and quarter

Price of product 4

* * * * * * *

Volume of product 4

* * * * * * *

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

Note: Product 4: Cloudy frozen concentrated lemon juice, non-organic, for further manufacture, sold in 50 gallon drums with a concentration of 500 GPL.

Price trends

In general, prices decreased during from January 2019 to December 2021. Table V-8 summarizes the price trends, by country and by product. As shown in the table, domestic price decreases ranged from *** to *** percent during 2019-21 while import price decreases ranged from *** to *** percent. Import prices increased for product 2 by *** percent during 2019-21. Indexed pricing data are presented in figures V-6 and V-7.

Pricing product 3, the only NFCLJ pricing product, was the highest volume product for U.S. producers and was the lowest volume Argentine product. Pricing product 4, the only product with a concentration of 500 GPL, was the lowest volume U.S. product and the highest volume Argentine product.

Table V-8
Lemon juice: Summary of price data, by product and source, January 2019-December 2021

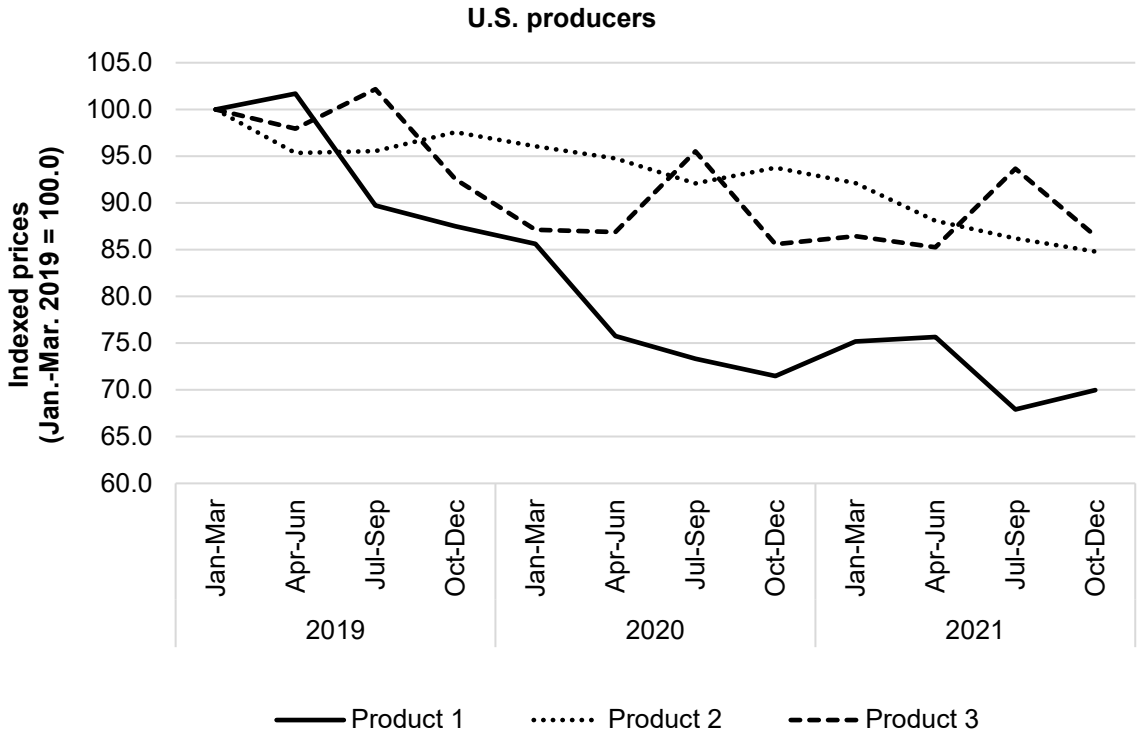
Quantity in gallons @400 GPL, price in dollars per gallon @400 GPL

* * * * * * *

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

Note: Percent change column is percentage change from the first quarter 2019 to the fourth quarter in 2021.

Figure V-6
Lemon juice: Indexed U.S. producer prices, by quarter



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

Table V-9
Lemon juice: Indexed U.S. producer prices, by quarter

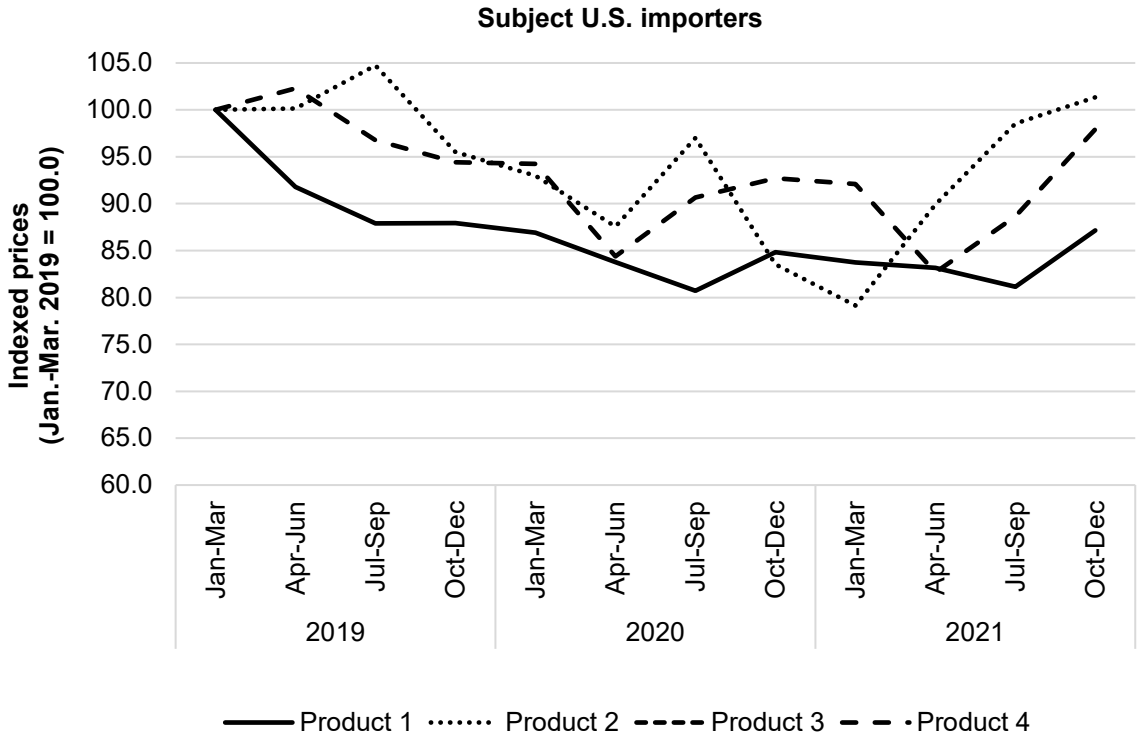
Indexed prices in percent

Period	Product 1	Product 2	Product 3
2019 Q1	100.0	100.0	100.0
2019 Q2	101.7	95.3	97.9
2019 Q3	89.7	95.5	102.2
2019 Q4	87.5	97.6	92.5
2020 Q1	85.6	96.1	87.1
2020 Q2	75.7	94.8	86.9
2020 Q3	73.3	92.1	95.5
2020 Q4	71.5	93.8	85.6
2021 Q1	75.2	92.1	86.5
2021 Q2	75.7	88.1	85.3
2021 Q3	67.9	86.2	93.7
2021 Q4	70.0	84.8	86.5

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

Note: There is insufficient data to show an index for product 4.

Figure V-7
Lemon juice: Indexed subject U.S. importer prices, by quarter



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

Table V-10
Lemon juice: Indexed importer prices, by quarter

Indexed prices in percent

Period	Product 1	Product 2	Product 4
2019 Q1	100.0	100.0	100.0
2019 Q2	91.8	100.1	102.3
2019 Q3	87.9	104.7	96.8
2019 Q4	87.9	95.5	94.4
2020 Q1	86.9	93.0	94.2
2020 Q2	83.8	87.6	84.4
2020 Q3	80.7	97.0	90.7
2020 Q4	84.8	83.5	92.7
2021 Q1	83.8	79.1	92.1
2021 Q2	83.2	89.9	82.7
2021 Q3	81.2	98.5	88.6
2021 Q4	87.1	101.3	97.9

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

Note: There is insufficient data to show an index for product 3.

Purchasers were asked about the changes in the prices of lemon juice from the United States and Argentina since 2016. Five purchasers reported that the price of lemon juice from the United States had changed since January 1, 2016, and four purchasers reported that the price of lemon juice from Argentina had changed since January 1, 2016. Three purchasers reported that the price of lemon juice produced in the United States was the same relative to the price of lemon juice produced in Argentina since January 1, 2016. Two purchasers reported that the price of lemon juice from the United States had increased relative to the price of lemon juice produced in Argentina.

Price comparisons[7]

As shown in table V-11, prices for lemon juice imported from Argentina were below those for U.S.-produced product in 25 of 28 instances (3.4 million gallons); margins of underselling ranged from 5.8 to 64.2 percent. In the remaining three instances (506,579 gallons), prices for lemon juice from Argentina were between 0.4 and 5.3 percent above prices for the domestic product.

[7] In the original investigations, subject imports from Argentina were priced lower than domestic product in 37 of 73 comparisons, with underselling margins ranging from *** to *** percent. *Lemon Juice from Argentina and Mexico, Inv. Nos. 731-1105-1106 (Preliminary)*, EDIS No. 265318, November 2006, p. V-15. In the first reviews, subject imports from Argentina were priced lower than domestic product in 18 of 30 comparisons, with underselling margins ranged from *** to *** percent. *Lemon Juice from Argentina and Mexico, Inv. Nos. 731-1105-1106 (Review),* USITC Publication 4418, July 2013, p. V-6.

Table V-11
Lemon juice: Instances of underselling and overselling and the range and average of margins, by product, January 2019 through December 2021

Quantity in gallons @400 GPL; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	***	***	***	***	***
Product 2	Underselling	***	***	***	***	***
Product 3	Underselling	***	***	***	***	***
Product 4	Underselling	***	***	***	***	***
Total, all products	Underselling	25	3,430,189	22.7	5.8	64.2
Product 1	Overselling	***	***	***	***	***
Product 2	Overselling	***	***	***	***	***
Product 3	Overselling	***	***	***	***	***
Product 4	Overselling	***	***	***	***	***
Total, all products	Overselling	3	506,579	(2.3)	(0.4)	(5.3)

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
86 FR 48983 September 1, 2021	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2021-09-01/pdf/2021-18922.pdf
86 FR 49054 September 1, 2021	*Lemon Juice From Argentina; Institution of a Five-Year Review*	https://www.govinfo.gov/content/pkg/FR-2021-09-01/pdf/2021-18787.pdf
86 FR 71916, December 30, 2021	*Notice of Commission Determination To Conduct a Full Five-Year Review; Lemon Juice From Argentina*	https://www.govinfo.gov/content/pkg/FR-2021-12-20/pdf/2021-27502.pdf
87 FR 215, January 4, 2022	*2016 Agreement suspending the Antidumping Duty Investigation on Lemon Juice From Argentina; Final Results of the Expedited Second Sunset Review of the Suspension Agreement*	https://www.govinfo.gov/content/pkg/FR-2022-01-04/pdf/2021-28506.pdf
87 FR 17103, March 25, 2022	*Lemon Juice From Argentina; Scheduling of a Full Five-Year Review*	https://www.govinfo.gov/content/pkg/FR-2022-03-25/pdf/2022-06323.pdf

Note: The links can be found by search for the investigation at https://pubapps2.usitc.gov/sunset/caseProf/list?sort=caseTitle&order=asc }:

Note: The press release announcing the Commission's determinations concerning adequacy and the conduct of a full or expedited review can be found at https://www.usitc.gov/press_room/news_release/2021/er1206ll1855.htm. A summary of the Commission's votes concerning adequacy and the conduct of a full or expedited review can be found at https://www.usitc.gov/investigations/701731/2021/lemon_juice_argentina/second_review_full.htm. The Commission's explanation of its determinations can be found at https://pubapps2.usitc.gov/sunset/caseProf/list?sort=caseTitle&order=asc

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

Subject: Lemon Juice from Argentina

Inv. No.: 731-TA-1105 (Second Review)

Date and Time: July 6, 2022 - 9:30 a.m.

FOREIGN GOVERNMENT APPEARANCE:

Government of Argentina

Minister Gustavo Lunazzi

OPENING REMARKS:

In Support of Continuation (**Mert E. Arkan**, Buchanan Ingersoll & Rooney PC)
In Opposition to Continuation (**Gregory S. Menegaz**, deKieffer & Horgan, PLLC)

In Support of Continuation of Suspension Agreement:

Buchanan Ingersoll & Rooney PC
Washington, DC
on behalf of

Ventura Coastal, LLC ("Ventura")

William "Bill" Borgers, Chief Executive Officer, Ventura

David McDermott, Chief Financial Officer, Ventura

Daniel B. Pickard)
) – OF COUNSEL
Mert E. Arkan)

In Opposition to Continuation of Suspension Agreement:

deKieffer & Horgan, PLLC
Washington, DC
on behalf of

Acheral S.A., Argenti Lemon S.A.; Citromax S.A.C.I, Citrusvil S.A.;
Cooperativa de Productores Citricotas de Fafi Viejo; F.G.F. Trapani S.A.;
La Moraleja S.A.; Latin Lemon S.R.L., Ledesma S.A.A.I.; Litoral Citrus S.A;
Pablo Jose Padilla (Padilla Citrus); S.A. San Miguel A.G.I.C.I. y F.; and
Vicente Trapani S.A.

Jorge Saravia, Commercial Manager, Argenti Lemon S.A.

Mariano Sangronis, Commercial Manager & Head of Fresh Division, Citromax Group

Florencia Moresco, Sales Manager in the European and U.S. Market for the Sale of Lemon Juice of UCitrus, on behalf of La Moraleja S.A.

Juan García González, Commercial Manager – Natural Ingredients Division, San Miguel A.G.I.C.I. y F.

James Dougan, ION ECONOMICS, LLC

RoseAnna Harrison, ION ECONOMICS, LLC

Gregory S. Menegaz)
) – OF COUNSEL
Judith L. Holdsworth)

DeKieffer & Horgan, PLLC
ArentFox Schiff LLP
Washington, DC
on behalf of

The Coca-Cola Company ("TCCC")

Jason Maxfield, Procurement Manager, TCCC

Venera Raffa, Procurement Director – Global Lemon Lead, Coca-Cola Midi, France, a wholly-owned subsidiary of TCCC

Nancy A. Noonan)
) – OF COUNSEL
Yun Gao)

REBUTTAL/CLOSING REMARKS:

In Support of Continuation (**Daniel B. Pickard**, Buchanan Ingersoll & Rooney PC)
In Opposition to Continuation (**Gregory S. Menegaz**, deKieffer & Horgan, PLLC)

-END-

APPENDIX C

SUMMARY DATA

Single like product: Co-extensive

Table C-1
Lemon juice: Summary data concerning the U.S. market, 2019-21
Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. consumption quantity:						
Amount	***	***	***	▲***	▲***	▲***
Producers' share (fn1)	***	***	***	▲***	▼***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▼***	▲***	▼***
Nonsubject sources	***	***	***	▲***	▲***	▲***
All import sources	***	***	***	▼***	▲***	▼***
U.S. consumption value:						
Amount	***	***	***	▲***	▼***	▲***
Producers' share (fn1)	***	***	***	▼***	▼***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▼***	▲***	▼***
Nonsubject sources	***	***	***	▲***	▲***	▲***
All import sources	***	***	***	▲***	▲***	▼***
U.S. imports from:						
Argentina:						
Quantity	3,193	3,498	3,369	▲5.5	▲9.5	▼(3.7)
Value	69,690	69,232	65,486	▼(6.0)	▼(0.7)	▼(5.4)
Unit value	$21.82	$19.79	$19.44	▼(10.9)	▼(9.3)	▼(1.8)
Ending inventory quantity	347	261	324	▼(6.6)	▼(24.8)	▲24.1
Nonsubject sources:						
Quantity	3,428	3,843	4,386	▲27.9	▲12.1	▲14.1
Value	82,135	89,313	98,682	▲20.1	▲8.7	▲10.5
Unit value	$23.96	$23.24	$22.50	▼(6.1)	▼(3.0)	▼(3.2)
Ending inventory quantity	388	465	591	▲52.3	▲19.8	▲27.1
All import sources:						
Quantity	6,622	7,341	7,754	▲17.1	▲10.9	▲5.6
Value	151,825	158,546	164,168	▲8.1	▲4.4	▲3.5
Unit value	$22.93	$21.60	$21.17	▼(7.7)	▼(5.8)	▼(2.0)
Ending inventory quantity	735	726	915	▲24.5	▼(1.2)	▲26.0
U.S. producers':						
Average capacity quantity	***	***	***	▲***	▼***	▲***
Production quantity	***	***	***	▼***	▲***	▼***
Capacity utilization (fn1)	***	***	***	▼***	▲***	▼***
U.S. shipments:						
Quantity	***	***	***	▲***	▲***	▲***
Value	***	***	***	▲***	▼***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Export shipments:						
Quantity	***	***	***	▲***	▼***	▲***
Value	***	***	***	▲***	▼***	▲***
Unit value	***	***	***	▼***	▲***	▼***
Ending inventory quantity	***	***	***	▲***	▲***	▼***
Inventories/total shipments (fn1)	***	***	***	▼***	▲***	▼***
Production workers	***	***	***	▼***	▼***	▼***
Hours worked (1,000s)	***	***	***	▼***	▲***	▼***
Wages paid ($1,000)	***	***	***	▼***	▲***	▼***
Hourly wages (dollars per hour)	***	***	***	▲***	▲***	▼***
Productivity (gallons per hour)	***	***	***	▲***	▲***	▲***
Unit labor costs	***	***	***	▼***	▼***	▼***

Table continued.

Table C-1 continued
Lemon juice: Summary data concerning the U.S. market, 2019-21
Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. producers' continued:						
Net sales:						
Quantity	***	***	***	▲***	▲***	▲***
Value	***	***	***	▲***	▼***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Cost of goods sold (COGS)	***	***	***	▼***	▼***	▲***
Gross profit or (loss) (fn2)	***	***	***	▲***	▲***	▲***
SG&A expenses	***	***	***	▼***	▼***	▲***
Operating income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
Net income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
Unit COGS	***	***	***	▼***	▼***	▲***
Unit SG&A expenses	***	***	***	▼***	▼***	▼***
Unit operating income or (loss) (fn2)	***	***	***	▲***	▲***	▼***
Unit net income or (loss) (fn2)	***	***	***	▲***	▲***	▼***
COGS/sales (fn1)	***	***	***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▼***
Net income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▼***
Capital expenditures	***	***	***	▲***	▲***	▼***
Research and development expenses	***	***	***	***	***	***
Net assets	***	***	***	▲***	▲***	▲***

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.4000, 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values.

Split like product: NFCLJ

Table C-2
NFCLJ: Summary data concerning the U.S. market, 2019-21
Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. consumption quantity:						
Amount	***	***	***	▼***	▼***	▲***
Producers' share (fn1)	***	***	***	▲***	▼***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▲***	▼***	▲***
Nonsubject sources	***	***	***	▼***	▲***	▼***
All import sources	***	***	***	▼***	▲***	▼***
U.S. consumption value:						
Amount	***	***	***	▼***	▼***	▲***
Producers' share (fn1)	***	***	***	▼***	▼***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▲***	▲***	▲***
Nonsubject sources	***	***	***	▲***	▲***	▼***
All import sources	***	***	***	▲***	▲***	▼***
U.S. imports from:						
Argentina:						
Quantity	30	26	78	▲157.2	▼(14.1)	▲199.4
Value	2,111	2,053	3,318	▲57.1	▼(2.8)	▲61.6
Unit value	$69.95	$79.15	$42.73	▼(38.9)	▲13.2	▼(46.0)
Ending inventory quantity	***	***	***	▲***	***	▲***
Nonsubject sources:						
Quantity	1,497	1,491	1,396	▼(6.7)	▼(0.4)	▼(6.4)
Value	44,507	44,197	45,813	▲2.9	▼(0.7)	▲3.7
Unit value	$29.73	$29.64	$32.81	▲10.4	▼(0.3)	▲10.7
Ending inventory quantity	***	***	***	▼***	▼***	▼***
All import sources:						
Quantity	1,527	1,517	1,474	▼(3.5)	▼(0.6)	▼(2.9)
Value	46,618	46,250	49,131	▲5.4	▼(0.8)	▲6.2
Unit value	$30.53	$30.48	$33.34	▲9.2	▼(0.2)	▲9.4
Ending inventory quantity	***	***	***	▼***	▼***	▼***
U.S. producers':						
Average capacity quantity	***	***	***	▲***	***	▲***
Production quantity	***	***	***	▲***	▼***	▲***
Capacity utilization (fn1)	***	***	***	▲***	▼***	▲***
U.S. shipments:						
Quantity	***	***	***	▲***	▼***	▲***
Value	***	***	***	▼***	▼***	▲***
Unit value	***	***	***	▼***	▼***	▲***
Export shipments:						
Quantity	***	***	***	▲***	▲***	▲***
Value	***	***	***	▲***	▲***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Ending inventory quantity	***	***	***	▼***	▼***	▲***
Inventories/total shipments (fn1)	***	***	***	▼***	▼***	▲***
Production workers	***	***	***	▼***	▼***	▲***
Hours worked (1,000s)	***	***	***	▼***	▼***	▲***
Wages paid ($1,000)	***	***	***	▼***	▼***	▲***
Hourly wages (dollars per hour)	***	***	***	▲***	▲***	▲***
Productivity (gallons per hour)	***	***	***	▲***	▲***	▲***
Unit labor costs	***	***	***	▼***	▼***	▼***

Table continued.

Table C-2 continued
NFCLJ: Summary data concerning the U.S. market, 2019-21
Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. producers' continued:						
Net sales:						
Quantity	***	***	***	▲***	▼***	▲***
Value	***	***	***	▼***	▼***	▲***
Unit value	***	***	***	▼***	▼***	▲***
Cost of goods sold (COGS)	***	***	***	▼***	▼***	▲***
Gross profit or (loss) (fn2)	***	***	***	▲***	▲***	▲***
SG&A expenses	***	***	***	▼***	▼***	▲***
Operating income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
Net income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
Unit COGS	***	***	***	▼***	▼***	▼***
Unit SG&A expenses	***	***	***	▼***	▼***	▼***
Unit operating income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
Unit net income or (loss) (fn2)	***	***	***	▲***	▲***	▲***
COGS/sales (fn1)	***	***	***	▼***	▼***	▼***
Operating income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▲***
Net income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▲***
Capital expenditures	***	***	***	▲***	▲***	▼***
Research and development expenses	***	***	***	***	***	***
Net assets	***	***	***	▲***	▲***	▲***

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.4000, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values.

Split like product: FCLJ

Table C-3
FCLJ: Summary data concerning the U.S. market, 2019-21

Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. consumption quantity:						
Amount	***	***	***	▲***	▲***	▲***
Producers' share (fn1)	***	***	***	▲***	▲***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▼***	▼***	▼***
Nonsubject sources	***	***	***	▲***	▲***	▲***
All import sources	***	***	***	▼***	▼***	▼***
U.S. consumption value:						
Amount	***	***	***	▲***	▲***	▲***
Producers' share (fn1)	***	***	***	▲***	▲***	▲***
Importers' share (fn1):						
Agentina	***	***	***	▼***	▼***	▼***
Nonsubject sources	***	***	***	▲***	▲***	▲***
All import sources	***	***	***	▼***	▼***	▼***
U.S. imports from:						
Argentina:						
Quantity	3,163	3,472	3,291	▲4.0	▲9.8	▼(5.2)
Value	67,578	67,180	62,168	▼(8.0)	▼(0.6)	▼(7.5)
Unit value	$21.36	$19.35	$18.89	▼(11.6)	▼(9.4)	▼(2.4)
Ending inventory quantity	***	***	***	▼***	▼***	▲***
Nonsubject sources:						
Quantity	1,932	2,351	2,989	▲54.8	▲21.7	▲27.1
Value	37,629	45,116	52,869	▲40.5	▲19.9	▲17.2
Unit value	$19.48	$19.19	$17.69	▼(9.2)	▼(1.5)	▼(7.8)
Ending inventory quantity	***	***	***	▲***	▲***	▲***
All import sources:						
Quantity	5,095	5,823	6,280	▲23.3	▲14.3	▲7.8
Value	105,207	112,296	115,037	▲9.3	▲6.7	▲2.4
Unit value	$20.65	$19.28	$18.32	▼(11.3)	▼(6.6)	▼(5.0)
Ending inventory quantity	***	***	***	▲***	▲***	▲***
U.S. producers':						
Average capacity quantity	***	***	***	▲***	▼***	▲***
Production quantity	***	***	***	▼***	▲***	▼***
Capacity utilization (fn1)	***	***	***	▼***	▲***	▼***
U.S. shipments:						
Quantity	***	***	***	▲***	▲***	▲***
Value	***	***	***	▲***	▲***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Export shipments:						
Quantity	***	***	***	▼***	▼***	▲***
Value	***	***	***	▼***	▼***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Ending inventory quantity	***	***	***	▲***	▲***	▼***
Inventories/total shipments (fn1)	***	***	***	▼***	▲***	▼***
Production workers	***	***	***	▼***	▲***	▼***
Hours worked (1,000s)	***	***	***	▼***	▲***	▼***
Wages paid ($1,000)	***	***	***	▼***	▲***	▼***
Hourly wages (dollars per hour)	***	***	***	▲***	▼***	▲***
Productivity (gallons per hour)	***	***	***	▲***	▼***	▲***
Unit labor costs	***	***	***	▼***	▲***	▼***

Table continued.

Table C-3 continued
FCLJ: Summary data concerning the U.S. market, 2019-21
Quantity=1,000 gallons concentrated basis @400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon concentrated basis @400 GPL; Period changes=percent--exceptions noted

	Reported data			Period changes		
	Calendar year				Calendar year	
	2019	2020	2021	2019-21	2019-20	2020-21
U.S. producers' continued:						
Net sales:						
Quantity	***	***	***	▲***	▲***	▲***
Value	***	***	***	▲***	▲***	▲***
Unit value	***	***	***	▼***	▼***	▼***
Cost of goods sold (COGS)	***	***	***	▲***	▲***	▲***
Gross profit or (loss) (fn2)	***	***	***	▲***	▲***	▼***
SG&A expenses	***	***	***	▲***	▲***	▲***
Operating income or (loss) (fn2)	***	***	***	▲***	▲***	▼***
Net income or (loss) (fn2)	***	***	***	▲***	▲***	▼***
Unit COGS	***	***	***	▼***	▼***	▲***
Unit SG&A expenses	***	***	***	▼***	▼***	▼***
Unit operating income or (loss) (fn2)	***	***	***	▼***	▲***	▼***
Unit net income or (loss) (fn2)	***	***	***	▲***	▲***	▼***
COGS/sales (fn1)	***	***	***	▼***	▼***	▲***
Operating income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▼***
Net income or (loss)/sales (fn1)	***	***	***	▲***	▲***	▼***
Capital expenditures	***	***	***	▲***	▲***	▼***
Research and development expenses	***	***	***	***	***	***
Net assets	***	***	***	▲***	▲***	▲***

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

fn1.--Reported data are in percent and period changes are in percentage points.
fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting numbers 2009.31.6020, 2009.31.6040, 2009.39.6020, and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Import value data reflect landed duty-paid values.

HISTORICAL DATA

Table C-1

Lemon juice: Summary data concerning the U.S. market, 2007-12

(Quantity=1,000 gallons @ 400 GPL; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per gallon @ 400 GPL; Period changes=percent--exceptions noted)

	Reported data						Period changes					
Item	2007	2008	2009	2010	2011	2012	2007-12	2007-08	2008-09	2009-10	2010-11	2011-12
U.S. consumption quantity:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Importers' share (1) :												
Argentina	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. consumption value:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Importers' share (1) :												
Argentina	***	***	***	***	***	***	***	***	***	***	***	***
Mexico	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. imports from:												
Argentina:												
Quantity	471	1,328	1,026	1,309	3,410	2,487	428.4	182.2	-22.8	27.6	160.6	-27.1
Value	5,538	24,876	19,581	30,786	75,190	45,566	722.7	349.2	-21.3	57.2	144.2	-39.4
Unit value	$11.77	$18.73	$19.09	$23.53	$22.05	$18.32	55.7	59.2	1.9	23.3	-6.3	-16.9
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Mexico:												
Quantity	922	1,153	695	1,361	979	918	-0.4	25.1	-39.7	95.9	-28.1	-6.2
Value	6,003	18,335	10,300	29,969	18,199	10,182	69.6	205.5	-43.8	191.0	-39.3	-44.1
Unit value	$6.51	$15.91	$14.83	$22.02	$18.59	$11.10	70.4	144.2	-6.8	48.5	-15.6	-40.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All other sources:												
Quantity	1,228	1,177	979	925	1,702	1,158	-5.7	-4.2	-16.8	-5.5	84.1	-32.0
Value	14,788	23,107	17,843	22,010	37,607	25,567	72.9	56.3	-22.8	23.4	70.9	-32.0
Unit value	$12.05	$19.64	$18.23	$23.80	$22.10	$22.09	83.4	63.0	-7.2	30.6	-7.2	0.0
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	2,620	3,658	2,699	3,594	6,091	4,562	74.1	39.6	-26.2	33.1	69.5	-25.1
Value	26,329	66,318	47,724	82,765	130,996	81,315	208.8	151.9	-28.0	73.4	58.3	-37.9
Unit value	$10.05	$18.13	$17.68	$23.03	$21.51	$17.82	77.4	80.4	-2.5	30.3	-6.6	-17.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
U.S. producers':												
Average capacity quantity	***	***	***	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***	***	***	***
U.S. shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Export shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***	***	***	***
Productivity (gallons @ 400 GPL per 1,000 hours)	***	***	***	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***	***	***	***
Net sales:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Undefined.

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

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

APPENDIX D

U.S. PRODUCERS' AND IMPORTERS' U.S. SHIPMENTS BY TYPE

Table D-1
Lemon juice: U.S. producers' U.S. shipments by type, by period

Quantity in 1,000 gallons concentrated basis @400 GPL, value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL

Product type	Measure	2019	2020	2021
NFCLJ	Quantity	***	***	***
FCLJ: Shipped at 400 GPL	Quantity	***	***	***
FCLJ: Shipped at 500 GPL	Quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Quantity	***	***	***
FCLJ: Shipped all concentration levels	Quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Quantity	***	***	***
NFCLJ	Value	***	***	***
FCLJ: Shipped at 400 GPL	Value	***	***	***
FCLJ: Shipped at 500 GPL	Value	***	***	***
FCLJ: Shipped at all other concentrate levels	Value	***	***	***
FCLJ: Shipped all concentration levels	Value	***	***	***
NFCLJ and FCLJ combined, all product types	Value	***	***	***
NFCLJ	Unit value	***	***	***
FCLJ: Shipped at 400 GPL	Unit value	***	***	***
FCLJ: Shipped at 500 GPL	Unit value	***	***	***
FCLJ: Shipped at all other concentrate levels	Unit value	***	***	***
FCLJ: Shipped all concentration levels	Unit value	***	***	***
NFCLJ and FCLJ combined, all product types	Unit value	***	***	***

Table continued.

Table D-1 Continued
Lemon juice: U.S. producers' U.S. shipments by type, by period

Shares in percent

Product type	Measure	2019	2020	2021
NFCLJ	Share of quantity	***	***	***
FCLJ: Shipped at 400 GPL	Share of quantity	***	***	***
FCLJ: Shipped at 500 GPL	Share of quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of quantity	***	***	***
FCLJ: Shipped all concentration levels	Share of quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Share of quantity	100.0	100.0	100.0
NFCLJ	Share of value	***	***	***
FCLJ: Shipped at 400 GPL	Share of value	***	***	***
FCLJ: Shipped at 500 GPL	Share of value	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of value	***	***	***
FCLJ: Shipped all concentration levels	Share of value	***	***	***
NFCLJ and FCLJ combined, all product types	Share of value	100.0	100.0	100.0

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

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

Figure D-1
Lemon juice: U.S. producers' U.S. shipments by type, by period

* * * * * * *

Table D-2
Lemon juice: U.S. importers' U.S. shipments of imports from Argentina, by product type and period

Quantity in 1,000 gallons concentrated basis @400 GPL, value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL

Product type	Measure	2019	2020	2021
NFCLJ	Quantity	***	***	***
FCLJ: Shipped at 400 GPL	Quantity	***	***	***
FCLJ: Shipped at 500 GPL	Quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Quantity	***	***	***
FCLJ: Shipped all concentration levels	Quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Quantity	***	***	***
NFCLJ	Value	***	***	***
FCLJ: Shipped at 400 GPL	Value	***	***	***
FCLJ: Shipped at 500 GPL	Value	***	***	***
FCLJ: Shipped at all other concentrate levels	Value	***	***	***
FCLJ: Shipped all concentration levels	Value	***	***	***
NFCLJ and FCLJ combined, all product types	Value	***	***	***
NFCLJ	Unit value	***	***	***
FCLJ: Shipped at 400 GPL	Unit value	***	***	***
FCLJ: Shipped at 500 GPL	Unit value	***	***	***
FCLJ: Shipped at all other concentrate levels	Unit value	***	***	***
FCLJ: Shipped all concentration levels	Unit value	***	***	***
NFCLJ and FCLJ combined, all product types	Unit value	***	***	***

Table continued.

Table D-2 Continued
Lemon juice: U.S. importers' U.S. shipments of imports from Argentina, by product type and period

Shares in percent

Product type	Measure	2019	2020	2021
NFCLJ	Share of quantity	***	***	***
FCLJ: Shipped at 400 GPL	Share of quantity	***	***	***
FCLJ: Shipped at 500 GPL	Share of quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of quantity	***	***	***
FCLJ: Shipped all concentration levels	Share of quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Share of quantity	100.0	100.0	100.0
NFCLJ	Share of value	***	***	***
FCLJ: Shipped at 400 GPL	Share of value	***	***	***
FCLJ: Shipped at 500 GPL	Share of value	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of value	***	***	***
FCLJ: Shipped all concentration levels	Share of value	***	***	***
NFCLJ and FCLJ combined, all product types	Share of value	100.0	100.0	100.0

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

Figure D-2
Lemon juice: U.S. importers' U.S. shipments of imports from Argentina, by product type and period

* * * * * * *

Table D-3
Lemon juice: U.S. importers' U.S. shipments of imports from nonsubject sources, by product type and period

Quantity in1,000 gallons concentrated basis @400 GPL, value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL

Product type	Measure	2019	2020	2021
NFCLJ	Quantity	***	***	***
FCLJ: Shipped at 400 GPL	Quantity	***	***	***
FCLJ: Shipped at 500 GPL	Quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Quantity	***	***	***
FCLJ: Shipped all concentration levels	Quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Quantity	***	***	***
NFCLJ	Value	***	***	***
FCLJ: Shipped at 400 GPL	Value	***	***	***
FCLJ: Shipped at 500 GPL	Value	***	***	***
FCLJ: Shipped at all other concentrate levels	Value	***	***	***
FCLJ: Shipped all concentration levels	Value	***	***	***
NFCLJ and FCLJ combined, all product types	Value	***	***	***
NFCLJ	Unit value	***	***	***
FCLJ: Shipped at 400 GPL	Unit value	***	***	***
FCLJ: Shipped at 500 GPL	Unit value	***	***	***
FCLJ: Shipped at all other concentrate levels	Unit value	***	***	***
FCLJ: Shipped all concentration levels	Unit value	***	***	***
NFCLJ and FCLJ combined, all product types	Unit value	***	***	***

Table continued.

Table D-3 Continued
Lemon juice: U.S. importers' U.S. shipments of imports from nonsubject sources, by product type and period

Shares in percent

Product type	Measure	2019	2020	2021
NFCLJ	Share of quantity	***	***	***
FCLJ: Shipped at 400 GPL	Share of quantity	***	***	***
FCLJ: Shipped at 500 GPL	Share of quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of quantity	***	***	***
FCLJ: Shipped all concentration levels	Share of quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Share of quantity	100.0	100.0	100.0
NFCLJ	Share of value	***	***	***
FCLJ: Shipped at 400 GPL	Share of value	***	***	***
FCLJ: Shipped at 500 GPL	Share of value	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of value	***	***	***
FCLJ: Shipped all concentration levels	Share of value	***	***	***
NFCLJ and FCLJ combined, all product types	Share of value	100.0	100.0	100.0

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

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

Figure D-3
Lemon juice: U.S. importers' U.S. shipments of imports from nonsubject sources, by product type and period

* * * * * * *

Table D-4
Lemon juice: U.S. importers' U.S. shipments of imports from all import sources, by product type and period

Quantity in 1,000 gallons concentrated basis @400 GPL, value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL

Product type	Measure	2019	2020	2021
NFCLJ	Quantity	***	***	***
FCLJ: Shipped at 400 GPL	Quantity	***	***	***
FCLJ: Shipped at 500 GPL	Quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Quantity	***	***	***
FCLJ: Shipped all concentration levels	Quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Quantity	***	***	***
NFCLJ	Value	***	***	***
FCLJ: Shipped at 400 GPL	Value	***	***	***
FCLJ: Shipped at 500 GPL	Value	***	***	***
FCLJ: Shipped at all other concentrate levels	Value	***	***	***
FCLJ: Shipped all concentration levels	Value	***	***	***
NFCLJ and FCLJ combined, all product types	Value	***	***	***
NFCLJ	Unit value	***	***	***
FCLJ: Shipped at 400 GPL	Unit value	***	***	***
FCLJ: Shipped at 500 GPL	Unit value	***	***	***
FCLJ: Shipped at all other concentrate levels	Unit value	***	***	***
FCLJ: Shipped all concentration levels	Unit value	***	***	***
NFCLJ and FCLJ combined, all product types	Unit value	***	***	***

Table continued.

Table D-4 Continued
Lemon juice: U.S. importers' U.S. shipments of imports from all import sources, by product type and period

Shares in percent

Product type	Measure	2019	2020	2021
NFCLJ	Share of quantity	***	***	***
FCLJ: Shipped at 400 GPL	Share of quantity	***	***	***
FCLJ: Shipped at 500 GPL	Share of quantity	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of quantity	***	***	***
FCLJ: Shipped all concentration levels	Share of quantity	***	***	***
NFCLJ and FCLJ combined, all product types	Share of quantity	100.0	100.0	100.0
NFCLJ	Share of value	***	***	***
FCLJ: Shipped at 400 GPL	Share of value	***	***	***
FCLJ: Shipped at 500 GPL	Share of value	***	***	***
FCLJ: Shipped at all other concentrate levels	Share of value	***	***	***
FCLJ: Shipped all concentration levels	Share of value	***	***	***
NFCLJ and FCLJ combined, all product types	Share of value	100.0	100.0	100.0

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

Figure D-4
Lemon juice: U.S. importers' U.S. shipments of imports from all import sources, by product type and period

* * * * * * *

APPENDIX E

U.S. PRODUCER'S AND IMPORTERS NARRATIVES REGARDING THE DOMESTIC LIKE PRODUCT FACTORS COMPARING NFCLJ AND FCLJ

Table E-1
Lemon juice: U.S. producer's narratives regarding the domestic like product factors comparing NFCLJ compared to FCLJ

Factor	Producer name and narrative
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Channels	***
Channels	***
Channels	***
Manufacturing	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Price	***

Factor	Producer name and narrative
Price	***
Price	***
Price	***

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

Table E-2
Lemon juice: U.S. importer's narratives regarding the domestic like product factors comparing NFCLJ compared to FCLJ

Factor	Importer name and narrative
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***

Factor	Importer name and narrative
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***

Factor	Importer name and narrative
Interchangeability	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Channels	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***

Factor	Importer name and narrative
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***

Factor	Importer name and narrative
Perceptions	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***

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

Table E-3
Lemon juice: U.S. purchasers' narratives regarding the domestic like product factors comparing NFCLJ compared to FCLJ

Factor	Purchaser name and narrative
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Physical characteristics	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Interchangeability	***
Channels	***
Channels	***
Channels	***
Manufacturing	***
Manufacturing	***

Factor	Purchaser name and narrative
Manufacturing	***
Manufacturing	***
Manufacturing	***
Manufacturing	***
Perceptions	***
Perceptions	***
Perceptions	***
Perceptions	***
Price	***
Price	***
Price	***
Price	***
Price	***
Price	***

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

APPENDIX F

FIRMS' NARRATIVES ON THE LIKELY IMPACT OF REVOCATION OF THE SUSPENSION AGREEMENT

Table F-1

Lemon juice: Firms' narrative on the impact of revocation of the suspension agreement

Response type	Firm type	Firm name and narrative on impact or likely impact
Effect of suspension agreement	U.S. producers	***
Effect of suspension agreement	U.S. producers	***
Effect of suspension agreement	U.S. producers	***
Likely impact of termination	U.S. producers	***
Likely impact of termination	U.S. producers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***

Response type	Firm type	Firm name and narrative on impact or likely impact
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***
Effect of suspension agreement	Importers	***

Response type	Firm type	Firm name and narrative on impact or likely impact
Effect of suspension agreement	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Likely impact of termination	Importers	***
Effect of the suspension agreement	Purchasers	***
Effect of the suspension agreement	Purchasers	***

Response type	Firm type	Firm name and narrative on impact or likely impact
Effect of the suspension agreement	Purchasers	***
Effect of the suspension agreement	Purchasers	***
Effect of the suspension agreement	Purchasers	***
Effect of the suspension agreement	Purchasers	***
Likely impact of termination	Purchasers	***
Likely impact of termination	Purchasers	***
Likely impact of termination	Purchasers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***

Response type	Firm type	Firm name and narrative on impact or likely impact
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Effect of order	Foreign producers	***
Likely impact of revocation	Foreign producers	***

Response type	Firm type	Firm name and narrative on impact or likely impact
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***
Likely impact of revocation	Foreign producers	***

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

APPENDIX G

TRADE DATA FOR NFCLJ

Table G-1
NFCLJ: U.S. producers' average production capacity, production and capacity utilization, by period

Quantity in 1,000 gallons concentrated basis @400 GPL, ratio in percent

Item	Measure	2019	2020	2021
Average capacity	Quantity	***	***	***
Production quantity	Quantity	***	***	***
Capacity utilization ratio	Ratio	***	***	***

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

Table G-2
NFCLJ: U.S. producers' shipments, by location of shipment and by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Item	Measure	2019	2020	2021
U.S. shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
U.S. shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***
U.S. shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
U.S. shipments	Share of quantity	***	***	***
Export shipments	Share of quantity	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***
Export shipments	Share of value	***	***	***
Total shipments	Share of value	100.0	100.0	100.0

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

Table G-3
NFCLJ: U.S. producers' inventories, by period

Quantity in 1,000 gallons concentrated basis @400 GPL; inventory ratios in percent

Item	Measure	2019	2020	2021
End-of-period inventory	Quantity	***	***	***
Inventory to U.S. production	Ratio	***	***	***
Inventory to U.S. shipments	Ratio	***	***	***
Inventory to total shipments	Ratio	***	***	***

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

Table G-4
NFCLJ: U.S. producers' employment related data, by period

Item	2019	2020	2021
Production and related workers (PRWs) (number)	***	***	***
Total hours worked (1,000 hours)	***	***	***
Hours worked per PRW (hours)	***	***	***
Wages paid ($1,000)	***	***	***
Hourly wages (dollars per hour)	***	***	***
Productivity (gallons per hour)	***	***	***
Unit labor costs (dollars per gallon concentrated basis @400 GPL)	***	***	***

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

Note: *** were unable to provide employment data specific to NFCLJ production or lemon juice production and *** was unable to provide employment data specific to lemon juice production. These firms provided employment data for production of all products both in-scope and out-of-scope. Based on data reported for in-scope and out-of-scope production staff allocated employment data accordingly.

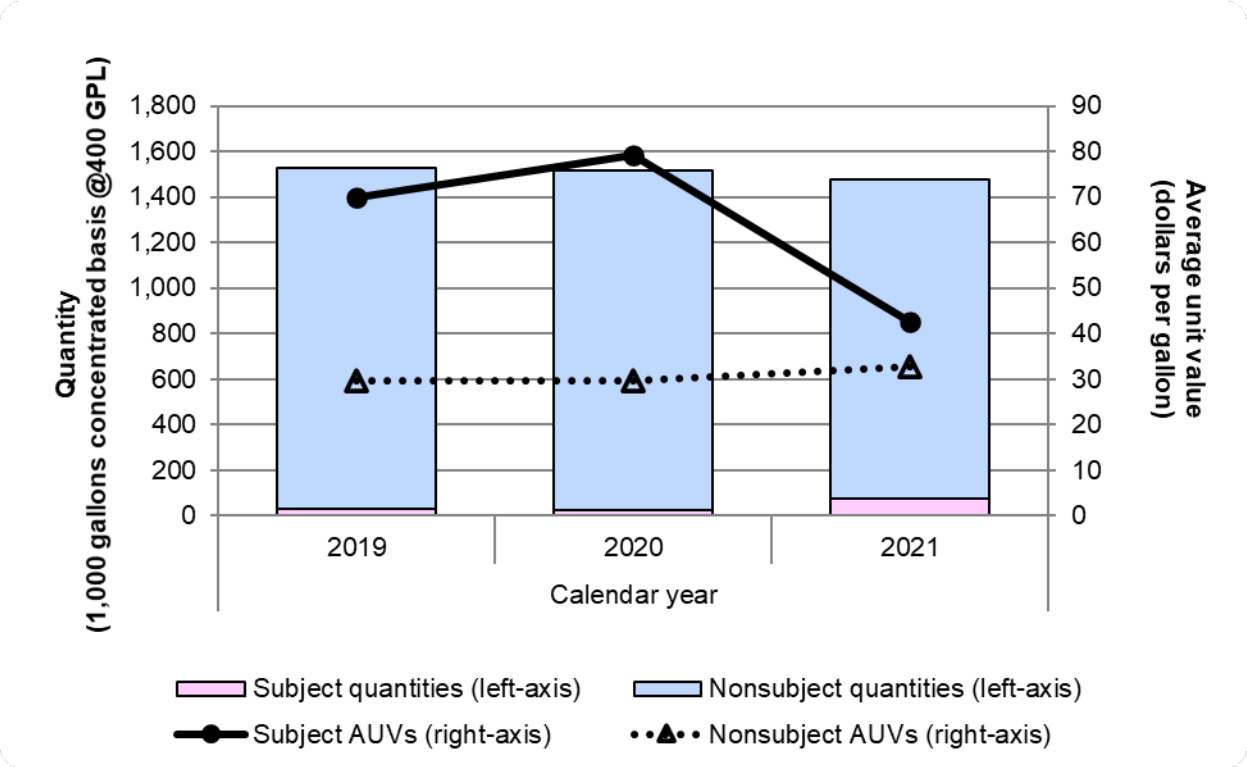
Table G-5
NFCLJ: U.S. imports, by source and by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
Argentina	Quantity	30	26	78
Nonsubject sources	Quantity	1,497	1,491	1,396
All import sources	Quantity	1,527	1,517	1,474
Argentina	Value	2,111	2,053	3,318
Nonsubject sources	Value	44,507	44,197	45,813
All import sources	Value	46,618	46,250	49,131
Argentina	Unit value	69.95	79.15	42.73
Nonsubject sources	Unit value	29.73	29.64	32.81
All import sources	Unit value	30.53	30.48	33.34
Argentina	Share of quantity	2.0	1.7	5.3
Nonsubject sources	Share of quantity	98.0	98.3	94.7
All import sources	Share of quantity	100.0	100.0	100.0
Argentina	Share of value	4.5	4.4	6.8
Nonsubject sources	Share of value	95.5	95.6	93.2
All import sources	Share of value	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.4000, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Figure G-1
NFCLJ: U.S. import quantities and average unit values, by source and by period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.4000, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Table G-6
NFCLJ: Apparent U.S. consumption and market share based on quantity, by period and source

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Quantity	***	***	***
Argentina	Quantity	30	26	78
Nonsubject sources	Quantity	1,497	1,491	1,396
All import sources	Quantity	1,527	1,517	1,474
All sources	Quantity	***	***	***
U.S. producers	Share	***	***	***
Argentina	Share	***	***	***
Nonsubject sources	Share	***	***	***
All import sources	Share	***	***	***
All sources	Share	***	***	***

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.4000, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Imports are based on the imports for consumption data series.

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

* * * * * * *

Table G-7
NFCLJ: Apparent U.S. consumption and market share based on value, by period and source

Value in 1,000s dollars; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Value	***	***	***
Argentina	Value	2,111	2,053	3,318
Nonsubject sources	Value	44,507	44,197	45,813
All import sources	Value	46,618	46,250	49,131
All sources	Value	***	***	***
U.S. producers	Share of value	***	***	***
Argentina	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***
All sources	Share of value	***	***	***

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.4000, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Import value data reflect landed duty-paid values.

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

* * * * * * *

Table G-8
NFCLJ: Foreign producers' inventories under contract, by type, 2021

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Item	Measure	2021
Allocated or otherwise dedicated to existing contracts	Quantity	***
Unallocated or otherwise available	Quantity	***
Total end-of-period inventories	Quantity	***
Allocated or otherwise dedicated to existing contracts	Share	***
Unallocated or otherwise available	Share	***
Total end-of-period inventories	Share	100.0

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

APPENDIX H

TRADE DATA FOR FCLJ

Table H-1
FCLJ: U.S. producers' average production capacity, production and capacity utilization, by period

Quantity in 1,000 gallons concentrated basis @400 GPL, ratio in percent

Item	2019	2020	2021
Average capacity quantity	***	***	***
Production quantity	***	***	***
Capacity utilization ratio	***	***	***

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

Table H-2
FCLJ: U.S. producers' shipments, by location of shipment and by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Item	Measure	2019	2020	2021
U.S. shipments	Quantity	***	***	***
Export shipments	Quantity	***	***	***
Total shipments	Quantity	***	***	***
U.S. shipments	Value	***	***	***
Export shipments	Value	***	***	***
Total shipments	Value	***	***	***
U.S. shipments	Unit value	***	***	***
Export shipments	Unit value	***	***	***
Total shipments	Unit value	***	***	***
U.S. shipments	Share of quantity	***	***	***
Export shipments	Share of quantity	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***
Export shipments	Share of value	***	***	***
Total shipments	Share of value	100.0	100.0	100.0

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

Table H-3
FCLJ: U.S. producers' inventories, by period

Quantity in 1,000 gallons concentrated basis @400 GPL; inventory ratios in percent

Item	Measure	2019	2020	2021
End-of-period inventory	Quantity	***	***	***
Inventory to U.S. production	Ratio	***	***	***
Inventory to U.S. shipments	Ratio	***	***	***
Inventory to total shipments	Ratio	***	***	***

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

Table H-4
FCLJ: U.S. producers' employment related data, by period

Item	2019	2020	2021
Production and related workers (PRWs) (number)	***	***	***
Total hours worked (1,000 hours)	***	***	***
Hours worked per PRW (hours)	***	***	***
Wages paid ($1,000)	***	***	***
Hourly wages (dollars per hour)	***	***	***
Productivity (gallons per hour)	***	***	***
Unit labor costs (dollars per gallon concentrated basis @400 GPL)	***	***	***

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

Note: *** were unable to provide employment data specific to FCLJ production or lemon juice production. These firms provided employment data for production of all products both in-scope and out-of-scope. Based on data reported for in-scope and out-of-scope production staff allocated employment data accordingly.

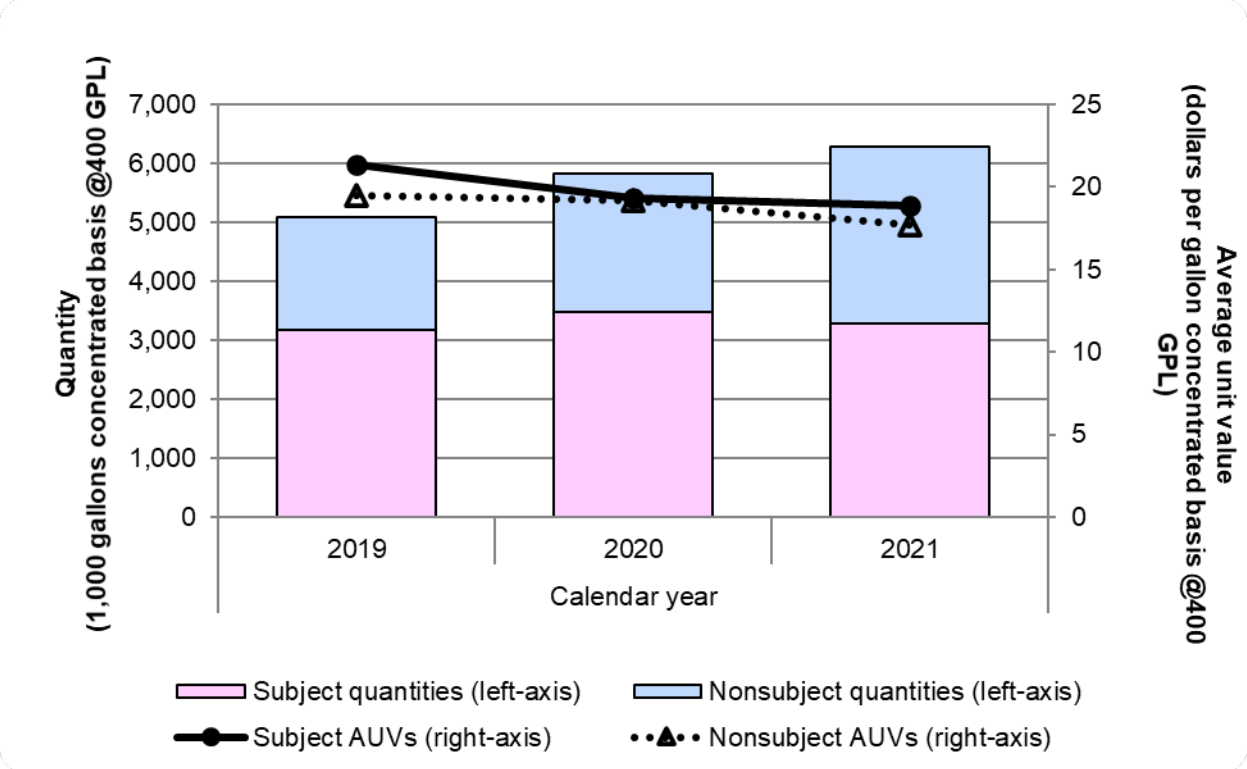
Table H-5
FCLJ: U.S. imports, by source and by period

Quantity in 1,000 gallons concentrated basis @400 GPL; value in 1,000 dollars; unit values in dollars per gallon concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
Argentina	Quantity	3,163	3,472	3,291
Nonsubject sources	Quantity	1,932	2,351	2,989
All import sources	Quantity	5,095	5,823	6,280
Argentina	Value	67,578	67,180	62,168
Nonsubject sources	Value	37,629	45,116	52,869
All import sources	Value	105,207	112,296	115,037
Argentina	Unit value	21.36	19.35	18.89
Nonsubject sources	Unit value	19.48	19.19	17.69
All import sources	Unit value	20.65	19.28	18.32
Argentina	Share of quantity	62.1	59.6	52.4
Nonsubject sources	Share of quantity	37.9	40.4	47.6
All import sources	Share of quantity	100.0	100.0	100.0
Argentina	Share of value	64.2	59.8	54.0
Nonsubject sources	Share of value	35.8	40.2	46.0
All import sources	Share of value	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.6020, 2009.31.6040, 2009.39.6020 and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Figure H-1
FCLJ: U.S. import quantities and average unit values, by source and by period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.6020, 2009.31.6040, 2009.39.6020 and 2009.39.6040, accessed on July 7, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Table H-6
FCLJ: Apparent U.S. consumption and market share based on quantity, by period and source

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Quantity	***	***	***
Argentina	Quantity	3,163	3,472	3,291
Nonsubject sources	Quantity	1,932	2,351	2,989
All import sources	Quantity	5,095	5,823	6,280
All sources	Quantity	***	***	***
U.S. producers	Share	***	***	***
Argentina	Share	***	***	***
Nonsubject sources	Share	***	***	***
All import sources	Share	***	***	***
All sources	Share	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.6020, 2009.31.6040, 2009.39.6020 and 2009.39.6040, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Imports are based on the imports for consumption data series.

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

* * * * * * *

Table H-7
FCLJ: Apparent U.S. consumption and market share based on value, by period and source

Value in 1,000 dollars; shares in percent

Source	Measure	2019	2020	2021
U.S. producers	Value	***	***	***
Argentina	Value	67,578	67,180	62,168
Nonsubject sources	Value	37,629	45,116	52,869
All import sources	Value	105,207	112,296	115,037
All sources	Value	***	***	***
U.S. producers	Share of value	***	***	***
Argentina	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***
All sources	Share of value	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using HTS statistical reporting number 2009.31.6020, 2009.31.6040, 2009.39.6020 and 2009.39.6040, accessed on July 7, 2022 and from data submitted in response to Commission questionnaires. Import value data reflect landed duty-paid values.

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

* * * * * * *

Table H-8
FCLJ: Foreign producers' inventories under contract, by type, 2021

Quantity in 1,000 gallons concentrated basis @400 GPL; shares in percent

Item	Measure	2021
Allocated or otherwise dedicated to existing contracts	Quantity	***
Unallocated or otherwise available	Quantity	***
Total end-of-period inventories	Quantity	***
Allocated or otherwise dedicated to existing contracts	Share	***
Unallocated or otherwise available	Share	***
Total end-of-period inventories	Share	100.0

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

APPENDIX J

FINANCIAL DATA FOR NFCLJ

Table J-1
NFCLJ: Results of operations of U.S. producers, by item and period

Quantity in 1,000 gallons concentrated basis @400 GPL; Value in 1,000 dollars; Ratios in percent

Item	Measure	2019	2020	2021
Commercial sales	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
Total net sales	Quantity	***	***	***
Commercial sales	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
Total net sales	Value	***	***	***
COGS: Raw materials	Value	***	***	***
COGS: Direct labor	Value	***	***	***
COGS: Other factory	Value	***	***	***
COGS: Less: By-product revenue	Value	***	***	***
COGS: Total	Value	***	***	***
Gross profit or (loss)	Value	***	***	***
SG&A expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
Other expense / (income), net	Value	***	***	***
Net income or (loss)	Value	***	***	***
Depreciation/amortization	Value	***	***	***
Cash flow	Value	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***
COGS: Other factory	Ratio to NS	***	***	***
COGS: Less: By-product revenue	Ratio to NS	***	***	***
COGS: Total	Ratio to NS	***	***	***
Gross profit	Ratio to NS	***	***	***
SG&A expense	Ratio to NS	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***
Net income or (loss)	Ratio to NS	***	***	***

Table continued.

Table J-1 continued
NFCLJ: Results of operations of U.S. producers, by item and period

Shares in percent; Unit values in dollars per gallon concentrated basis @400 GPL; Count in number of firms reporting

Item	Measure	2019	2020	2021
COGS: Raw materials	Share	***	***	***
COGS: Direct labor	Share	***	***	***
COGS: Other factory	Share	***	***	***
COGS: Total	Share	***	***	***
Commercial sales	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
Total net sales	Unit value	***	***	***
COGS: Raw materials	Unit value	***	***	***
COGS: Direct labor	Unit value	***	***	***
COGS: Other factory	Unit value	***	***	***
COGS: Less: By-product revenue	Unit value	***	***	***
COGS: Total	Unit value	***	***	***
Gross profit or (loss)	Unit value	***	***	***
SG&A expenses	Unit value	***	***	***
Operating income or (loss)	Unit value	***	***	***
Net income or (loss)	Unit value	***	***	***
Operating losses	Count	***	***	***
Net losses	Count	***	***	***
Data	Count	***	***	***

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

Note: Ratios represent ratios to net sales values, while shares represent share of total COGS before the by-product revenue offset. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Table J-2
NFCLJ: Changes in average unit values between comparison periods

Changes in percent

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***

Table continued.

Table J-2 continued
NFCLJ: Changes in average unit values between comparison periods

Changes in dollars per gallon concentrated basis @400 GPL

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***
Gross profit or (loss)	***	***	***
SG&A expense	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

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

APPENDIX K

FINANCIAL DATA FOR FCLJ

Table K-1
FCLJ: Results of operations of U.S. producers, by item and period

Quantity in 1,000 gallons concentrated basis @400 GPL; Value in 1,000 dollars; Ratios in percent

Item	Measure	2019	2020	2021
Commercial sales	Quantity	***	***	***
Internal consumption	Quantity	***	***	***
Transfers to related firms	Quantity	***	***	***
Total net sales	Quantity	***	***	***
Commercial sales	Value	***	***	***
Internal consumption	Value	***	***	***
Transfers to related firms	Value	***	***	***
Total net sales	Value	***	***	***
COGS: Raw materials	Value	***	***	***
COGS: Direct labor	Value	***	***	***
COGS: Other factory	Value	***	***	***
COGS: Less: By-product revenue	Value	***	***	***
COGS: Total	Value	***	***	***
Gross profit or (loss)	Value	***	***	***
SG&A expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
Other expense / (income), net	Value	***	***	***
Net income or (loss)	Value	***	***	***
Depreciation/amortization	Value	***	***	***
Cash flow	Value	***	***	***
COGS: Raw materials	Ratio to NS	***	***	***
COGS: Direct labor	Ratio to NS	***	***	***
COGS: Other factory	Ratio to NS	***	***	***
COGS: Less: By-product revenue	Ratio to NS	***	***	***
COGS: Total	Ratio to NS	***	***	***
Gross profit	Ratio to NS	***	***	***
SG&A expense	Ratio to NS	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***
Net income or (loss)	Ratio to NS	***	***	***

Table continued.

Table K-1 continued
FCLJ: Results of operations of U.S. producers, by item and period

Shares in percent; Unit values in dollars per gallon concentrated basis @400 GPL; Count in number of firms reporting

Item	Measure	2019	2020	2021
COGS: Raw materials	Share	***	***	***
COGS: Direct labor	Share	***	***	***
COGS: Other factory	Share	***	***	***
COGS: Total	Share	***	***	***
Commercial sales	Unit value	***	***	***
Internal consumption	Unit value	***	***	***
Transfers to related firms	Unit value	***	***	***
Total net sales	Unit value	***	***	***
COGS: Raw materials	Unit value	***	***	***
COGS: Direct labor	Unit value	***	***	***
COGS: Other factory	Unit value	***	***	***
COGS: Less: By-product revenue	Unit value	***	***	***
COGS: Total	Unit value	***	***	***
Gross profit or (loss)	Unit value	***	***	***
SG&A expenses	Unit value	***	***	***
Operating income or (loss)	Unit value	***	***	***
Net income or (loss)	Unit value	***	***	***
Operating losses	Count	***	***	***
Net losses	Count	***	***	***
Data	Count	***	***	***

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as "---". Ratios represent ratios to net sales values, while shares represent the share of total COGS before the by-product revenue offset.

Table K-2
FCLJ: Changes in average unit values between comparison periods

Changes in percent

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***

Table continued.

Table K-2 continued
FCLJ: Changes in average unit values between comparison periods

Changes in dollars per gallon concentrated basis @400 GPL

Item	2019-21	2019-20	2020-21
Commercial sales	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
Total net sales	***	***	***
COGS: Raw materials	***	***	***
COGS: Direct labor	***	***	***
COGS: Other factory	***	***	***
COGS: Less: By-product revenue	***	***	***
COGS: Total	***	***	***
Gross profit or (loss)	***	***	***
SG&A expense	***	***	***
Operating income or (loss)	***	***	***
Net income or (loss)	***	***	***

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

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