

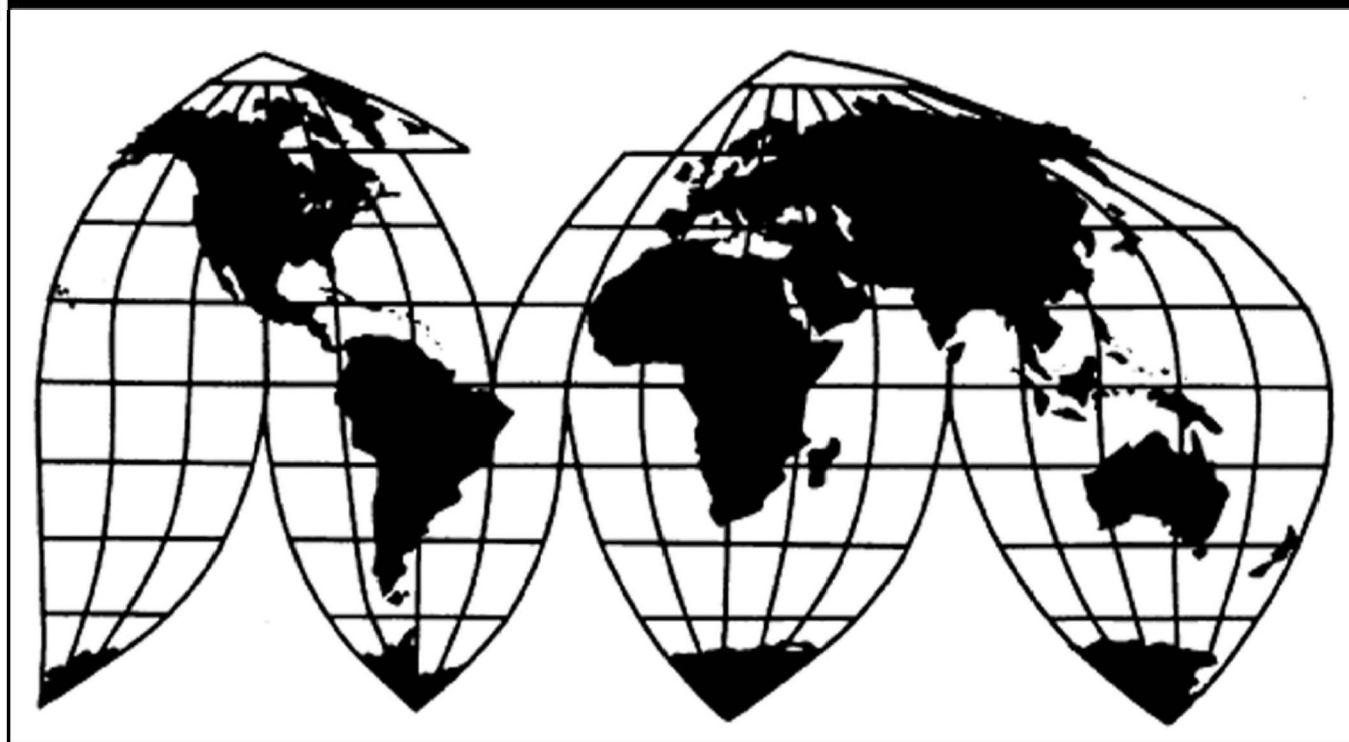
Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines

Investigation Nos. 731-TA-865-867 (Fourth Review)

Publication 5415

March 2023

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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CONTENTS

	Page
Determinations.....	1
Views of the Commission	3
Information obtained in these reviews	I-1
Background	I-1
Responses to the Commission's notice of institution.....	I-1
Individual responses	I-1
Party comments on adequacy	I-3
The original investigations	I-3
The first five-year reviews.....	I-4
The second five-year reviews.....	I-4
The third five-year reviews	I-5
Previous and related investigations.....	I-5
Commerce's five-year reviews.....	I-6
The product.....	I-7
Commerce's scope.....	I-7
U.S. tariff treatment.....	I-7
Description and uses.....	I-8
Manufacturing process	I-10
The industry in the United States	I-11
U.S. producers.....	I-11
Recent developments	I-12
U.S. producers' trade and financial data	I-12
Definitions of the domestic like product and domestic industry	I-13
U.S. importers	I-14
U.S. imports.....	I-15
Cumulation considerations	I-17
Apparent U.S. consumption and market shares	I-17
The industry in Italy	I-19
Producers in Italy	I-19
Recent developments	I-21
Exports	I-21
The industry in Malaysia	I-22
Producers in Malaysia.....	I-22
Trade data for producers in Malaysia	I-22

Recent developments	I-23
Exports	I-24
The industry in the Philippines	I-25
Producers in the Philippines	I-25
Recent developments	I-25
Exports	I-26
Third-country trade actions	I-26
The global market	I-27

Appendixes

A. <i>Federal Register</i> notices.....	A-1
B. Company-specific data.....	B-1
C. Summary data compiled in prior proceedings.....	C-1

Note: Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 731-TA-865-867 (Fourth Review)

Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty orders on stainless steel butt-weld pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on November 1, 2022 (87 FR 65819) and determined on February 6, 2023 that it would conduct expedited reviews (88 FR 11954, February 24, 2023).

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty orders on stainless steel butt-weld (“SSBW”) pipe fittings from Italy, Malaysia, and the Philippines, would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations. The original petitions concerning SSBW pipe fittings from Germany, Italy, Malaysia, and the Philippines were filed on December 29, 1999.¹ The Commission determined that an industry in the United States was materially injured by reason of less-than-fair value (“LTFV”) subject imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines, and made a negative determination with respect to LTFV imports from Germany.² On February 23, 2001, the U.S. Department of Commerce (“Commerce”) issued antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines.³

First Five-Year Reviews. On January 3, 2006, the Commission instituted the first five-year reviews of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines.⁴ In November 2006, following full reviews, the Commission determined that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.⁵ On December 11, 2006, Commerce published its notice of continuation of the antidumping duty orders covering SSBW pipe fittings from Italy, Malaysia, and the Philippines.⁶

¹ *Certain Stainless Steel Butt-Weld Pipe Fittings From Germany, Italy, Malaysia, and the Philippines*, 65 Fed. Reg. 1174 (Jan. 7, 2000).

² *Certain Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia and the Philippines*, Inv. Nos. 731-TA-865-867 (Final), USITC Pub. 3387 (Jan. 2001) (“*Original Determinations*”); *Certain Stainless Steel Butt-Weld Pipe Fittings from Germany*, Inv. No. 731-TA-864 (Final), USITC Pub. 3372 (Nov. 2000).

³ *Antidumping Duty Orders: Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines*, 66 Fed. Reg. 11257 (Feb. 23, 2001).

⁴ *Stainless Steel Butt-Weld Pipe Fittings From, Italy, Malaysia, and the Philippines*, 71 Fed. Reg. 140 (Jan. 3, 2006).

⁵ *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines*, Inv. Nos. 731-TA-865-867 (Reviews), USITC Pub. 3889 (Nov. 2006) (“*First Review Determinations*”).

⁶ *Continuation of Antidumping Duty Orders: Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines*, 71 Fed. Reg. 71530 (Dec. 11, 2006).

Second Five-Year Reviews. On November 1, 2011, the Commission instituted second five-year reviews of the orders.⁷ In June 2012, following expedited reviews, the Commission determined that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.⁸ On July 20, 2012, Commerce published its notice of continuation of the antidumping duty orders covering SSBW pipe fittings from Italy, Malaysia, and the Philippines.⁹

Third Five-Year Reviews. In June 2016, the Commission instituted its third five-year reviews of the orders.¹⁰ In January 2018, after conducting expedited reviews, it determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.¹¹ On December 29, 2017, Commerce published a notice of continuation of the antidumping duty orders covering SSBW pipe fittings from Italy, Malaysia, and the Philippines.¹²

Current Five-Year Reviews. The Commission instituted these five-year reviews on November 1, 2022.¹³ It received one joint response to the notice of institution filed on behalf of Core Pipe Products, Inc. (“Core Pipe”), Felker Brothers Corporation, and Jero Inc., domestic producers of SSBW pipe fittings (collectively, “Domestic Producers”).¹⁴ The Commission also received a response from respondent interested party Mac Piping Materials SDN BHD (“Mac

⁷ *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and The Philippines; Institution of Five-Year Reviews Concerning the Antidumping Duty Orders on Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines*, 76 Fed. Reg. 67473 (Nov. 1, 2011).

⁸ *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines*, Inv. Nos. 731-TA-865-867 (Second Reviews) (June 2012) (“*Second Review Determinations*”).

⁹ *Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines: Continuation of Antidumping Duty Orders*, 77 Fed. Reg. 42697 (July 20, 2012).

¹⁰ *Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines; Institution of Five-Year Reviews*, 82 Fed. Reg. 25324 (June 1, 2017).

¹¹ *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines*, Inv. No. 731-TA-865-867 (Third Review), USITC Pub. 4751 (Jan. 2018) (“*Third Review Determinations*”) at 3.

¹² *Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines: Continuation of Antidumping Duty Orders*, 82 Fed. Reg. 61751 (Dec. 29, 2017).

¹³ *Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines; Institution of Five-Year Reviews*, 87 Fed. Reg. 65819 (Nov 1, 2022).

¹⁴ See Domestic Interested Parties’ Revised Substantive Response to the Notice of Institution, EDIS Doc. 788438 (Jan. 23, 2023) (“Domestic Producers’ Response”); See Confidential Report, INV-VV-007 (Jan. 25, 2023) (“CR”) at I-2; Public Report, *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines*, Inv. No. 731-TA-865-867 (Fourth Review), USITC Pub. 5415 (Mar. 2023) (“PR”) at I-2, Table I-1.

Piping”), a producer/exporter of SSBW pipe fittings in Malaysia.¹⁵ However, Mac Piping subsequently notified the Commission that it no longer intended to participate in the reviews.¹⁶ On February 6, 2023, the Commission determined the domestic interested party group response was adequate and the respondent interested party group response was inadequate.¹⁷ Finding no other circumstances that would warrant conducting full reviews, the Commission determined to conduct expedited reviews of the orders.¹⁸ The Domestic Producers submitted joint final comments pursuant to Commission Rule 207.62(d)(1) regarding the determination that the Commission should reach.¹⁹

U.S. industry data in these reviews are based on data provided by the Domestic Producers in their response to the notice of institution, which are estimated to account for*** percent of total U.S. SSBW pipe fittings production in 2021.²⁰ U.S. import data are based on Commerce’s official import statistics.²¹ Foreign industry data and related information are based on information from the original investigations and prior five-year reviews, information submitted by the Domestic Producers and Mac Piping in their responses to the notice of institution, and publicly available information compiled by the Commission.²²

¹⁵ Mac Piping’s Substantive Response to the Notice of Institution, EDIS Doc. 785444 (Dec. 1, 2022) (“Mac Piping’s Response”).

¹⁶ Mac Piping’s Notice of Non-Participation in Sunset Review of Stainless Steel Butt-Weld Pipe Fittings from Malaysia, EDIS Doc. 786626 (Dec. 19, 2022). Other than by providing a response to the notice of institution, Mac Piping did not provide any additional information despite the staff’s requests for additional information. *See id.*

¹⁷ Explanation of Commission Determination of Adequacy, EDIS Doc. 790441 (Feb. 15, 2023) (“Adequacy Explanation”); *Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines; Scheduling of an Expedited Five-Year Review*, 88 Fed. Reg. 11954 (Feb. 24, 2023) (“Scheduling Notice”).

¹⁸ *Scheduling Notice*, 88 Fed. Reg. 11954. Chairman Johanson voted for full reviews of the orders. *Id.*

¹⁹ Domestic Interested Parties’ Final Comments, EDIS Doc. 791966 (Mar. 7, 2023) (“Domestic Producers’ Final Comments”).

²⁰ CR/PR at Table I-2.

²¹ CR/PR at Table I-6. U.S. imports were compiled using official U.S. import statistics for HTS statistical reporting numbers 7307.23.0000, 7307.23.0030, and 7307.23.0090, and may be overstated as these HTS statistical reporting numbers may contain products outside the scope of these reviews. *See* CR/PR at Table I-6, Note.

²² CR/PR at I-19 through I-26. Mac Piping did not provide an estimate of its percentage of total production of SSBW pipe fittings in Malaysia during 2021. CR/PR at I-22, Table I-2 Note; Mac Piping’s Response at 7-8. Mac Piping accounted for approximately 8.6 percent of all Malaysian exports of SSBW to the United States in 2021. CR/PR at Table I-2.

In the final results of its expedited review of the antidumping duty orders, Commerce determined that revocation of the orders would likely lead to a continuation or recurrence of dumping at margins of up to 26.59 percent with respect to imports from Italy, 7.51 percent with respect to imports from Malaysia, and 33.81 percent with respect to imports from the Philippines.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

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

Certain stainless steel butt-weld pipe fittings (butt-weld fittings). Butt-weld pipe fittings are under 14 inches in outside diameter (based on nominal pipe size), whether finished or unfinished. The product encompasses all grades of stainless steel and “commodity” and “specialty” fittings. Specifically excluded from the definition are threaded, grooved, and bolted fittings, and fittings made from any material other than stainless steel.

²³ *Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Orders*, 88 Fed. Reg. 14136, 14136 (Mar. 7, 2023).

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. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

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 butt-weld fittings subject to the orders are generally designated under specification ASTM A403/A403M, the standard specification for Wrought Austenitic Stainless Steel Piping Fittings, or its foreign equivalents (e.g., DIN or JIS specifications). This specification covers two general classes of fittings, WP and CR, of wrought austenitic stainless steel fittings of seamless and welded construction covered by the latest revision of ANSI B16.9, ANSI B16.11, and ANSI B16.28. Butt-weld fittings manufactured to specification ASTM A774, or its foreign equivalents, are also covered by the orders.

The orders do not apply to cast fittings. Cast austenitic stainless steel pipe fittings are covered by specifications A351/A351M, A743/743M, and A744/A744M.²⁷

The scope remains unchanged from the original investigations.

SSBW pipe fittings are used to connect pipe sections where conditions require permanent, welded connections. The beveled edges of SSBW pipe fittings distinguish them from other types of pipe fittings, such as threaded, grooved, or bolted fittings, which rely on different fastening methods. When placed against the matching beveled end of a pipe or another fitting, the beveled edges of SSBW pipe fittings form a shallow channel that accommodates the “bead” of the weld that fastens the two adjoining pieces. SSBW pipe fittings are identified by their diameter, wall thickness, shape or configuration, and material composition. Only those SSBW pipe fittings of wrought stainless steel which are less than 14 inches in outside diameter are covered by the antidumping duty orders under review.²⁸ SSBW pipe fittings within the scope definition are available in several basic shapes, such as elbows, returns, tees, crosses, reducers, caps, and stub-ends.²⁹

In general, SSBW pipe fittings are used by a variety of industries in “process” operations (piping systems) to join pipes in straight lines or to change the direction or flow of fluids. SSBW pipe fittings are typically used in bitumen upgraders, heavy oil refineries, offshore oil and gas production platforms, nuclear power plants, and some acid and chemical plants. SSBW pipe fittings classified under ASTM International (“ASTM”) A403/A403M specification are used in high

²⁷ Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, EDIS Doc. 792290 (Mar. 1, 2023) at 2.

²⁸ CR/PR at I-8.

²⁹ CR/PR at I-8-9.

pressure and/or high heat piping applications, while those classified under ASTM A774/A774M-14 are general use corrosive-resistant SSBW pipe fittings that are not tested or manufactured for use in high heat or full pressure environments.³⁰

The Prior Proceedings. In all prior proceedings, the Commission defined a single domestic like product consisting of SSBW pipe fittings, coextensive with the scope definition.³¹ In the original investigations, the respondent argued that the Commission should include large-diameter butt-weld fittings in the domestic like product, but the Commission declined to do so.³² In the prior reviews, no party argued for a definition of the domestic like product that differed from the definition that the Commission adopted in the original investigations.³³

Current Reviews. In these reviews, there is no new information on the record suggesting that the characteristics and uses of domestically produced SSBW pipe fittings have changed since the prior reviews so as to warrant revisiting the Commission's domestic like product definition.³⁴ Domestic Producers agree with that definition.³⁵ We consequently define a single domestic like product consisting of SSBW pipe fittings, coextensive with Commerce's scope.

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."³⁶ 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

³⁰ CR/PR at I-9-10.

³¹ *Original Determinations*, USITC Pub. 3387 at 5-7; *First Review Determinations*, USITC Pub. 3889 at 5; *Second Review Determinations*, USITC Pub. 4337 at 5; *Third Review Determinations*, USITC Pub. 4751 at 6.

³² *Original Determinations*, USITC Pub. 3281 at 7.

³³ *First Review Determinations*, USITC Pub. 3889 at 5; *Second Review Determinations*, USITC Pub. 4337 at 5; *Third Review Determinations*, USITC Pub. 4751 at 6.

³⁴ See generally CR/PR at I-9-10.

³⁵ Domestic Producers' Response at 23, Exhibit 1.

³⁶ 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.

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.³⁷ Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.³⁸

The Prior Proceedings. In the original investigations, the Commission defined the domestic industry as all domestic producers of finished and unfinished SSBW pipe fittings having an outside diameter (based on nominal pipe size) of less than 14 inches except ***, which it excluded as a related party.³⁹ In the first and second reviews, the Commission found that there were not appropriate circumstances warranting the exclusion of a related party producer from the domestic industry;⁴⁰ in the third reviews, it found that there were no related party issues.⁴¹ Consequently, in each prior review, the Commission defined the domestic industry to include all producers of the domestic like product.⁴²

³⁷ 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).

³⁸ 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), *aff'd*, 839 F.3d 1377 (Fed. Cir. 2018); see also *Torrington Co. v. United States*, 790 F. Supp. at 1168.

³⁹ *Original Determinations*, USITC Pub. 3387 at 7.

⁴⁰ Confidential Original Determinations, EDIS Doc. 787341 at 5-6.

⁴¹ *First Review Determinations*, USITC Pub. 3889 at 6; *Second Review Determinations*, USITC Pub. 4337 at 7. In the first and second reviews, the Commission, considered whether to exclude ***. It found that *** satisfied the definition of a related party as an importer of subject merchandise from ***. It further found that *** volume of domestic production was *** larger than its volume of subject imports, indicating that its primary interest was in domestic production. *First Review Determinations*, USITC Pub. 3889 at 6; *Second Review Determinations*, USITC Pub. 4337 at 7; Confidential First Review Determinations, EDIS Doc. 787342 at 6; Confidential Second Review Determinations, EDIS Doc. 787343 at 6-7; *Third Review Determinations*, USITC Pub. 4751 at 7.

⁴² *First Review Determinations*, USITC Pub. 3889 at 6; *Second Review Determinations*, USITC Pub. 4751 at 7; *Third Review Determinations*, USITC Pub. 4751 at 7.

Current Reviews. The Domestic Producers agree with the Commission’s definition of the domestic industry in the prior proceedings.⁴³ While the Domestic Producers indicate that they are not aware of any U.S. producer of SSBW pipe fittings that would qualify as a related party under 19 U.S.C. § 1677(4)(B), they list one U.S. producer, Alloy Piping Products, as a possible importer of subject merchandise during the period of review (“POR”).⁴⁴ Because Alloy Piping Products did not respond to the notice of institution, however, there is no information on the record concerning its SSWR operations, including information concerning whether it actually imported subject merchandise during the POR. Because the record is insufficient to determine whether Alloy Piping Products qualifies for possible exclusion under the related parties provision, no party argues for its exclusion, and there are no data concerning the firm’s domestic operations in the record to exclude because it did not respond to the notice of institution, we define the domestic industry as consisting of all domestic producers of finished and unfinished butt-weld fittings having an outside diameter (based on nominal pipe size) of less than 14 inches, consistent with our definition of the domestic like product.⁴⁵

III. Cumulation

A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.⁴⁶

⁴³ See Domestic Producers’ Response at 23, Exhibit 1.

⁴⁴ See Domestic Producers’ Response at 19, Exhibit 1; Domestic Producers’ Supplement to Substantive Response to Notice of Institution, EDIS Doc. 786021 (Dec. 9, 2022) (“Domestic Producers’ Supplement”) at 3.

⁴⁵ There are no other domestic industry issues in these reviews. *See generally* CR/PR at I-15; Domestic Producers’ Response at 19, 23, Exhibit 1 (indicating that the Domestic Producers are not aware of whether any domestic producers of SSBW pipe fittings are related to importers or exporters of subject merchandise pursuant to 19 U.S.C. 1677 § (4)(B)); *see also* Domestic Producers’ Supplement at 3.

⁴⁶ 19 U.S.C. § 1675a(a)(7).

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.⁴⁷ The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

The statutory threshold for cumulation is satisfied in these reviews because all reviews were initiated on the same day, November 1, 2022.⁴⁸

B. The Prior Proceedings and Arguments of the Parties

1. The Original Investigations

In the original investigations, the Commission cumulated subject imports from Italy, Malaysia, and the Philippines.⁴⁹ It found geographic overlap, simultaneous presence, similar channels of distribution, and at least moderate fungibility among the subject imports from the three countries and between the subject imports and the domestic like product.⁵⁰

2. The Previous Five-Year Reviews

In each of the prior reviews, the Commission exercised its discretion to cumulate subject imports from Italy, Malaysia, and the Philippines. The Commission did not find that subject imports from either Italy, Malaysia, or the Philippines would be likely to have no discernible adverse impact on the domestic industry in the event of revocation.⁵¹ The Commission also

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

⁴⁸ CR/PR at I-1; *Initiation of Five-Year (Sunset) Reviews*, 87 Fed. Reg. 65819, (Nov. 1, 2022).

⁴⁹ The Commission did not cumulate subject imports from Germany because those imports, for purposes of determining present material injury, were not eligible for cumulation under the statute.

⁵⁰ *Original Determinations*, USITC Pub. 3387 at 9.

⁵¹ *First Review Determinations*, USITC Pub. 3889 at 7-8; *Second Review Determinations*, USITC Pub. 4337 at 8-9; *Third Review Determinations*, USITC Pub. 4751 at 10-14.

found that there would likely be a reasonable overlap of competition between the subject imports from Italy, Malaysia, and the Philippines and between the subject imports from each subject country and the domestic like product.⁵² Finally, it found no significant differences in likely conditions of competition with respect to subject imports from each subject country.⁵³

3. The Current Reviews

The Domestic Producers argue that the Commission should exercise its discretion to cumulate subject imports from all three subject countries in these reviews.⁵⁴ In this regard, they assert that the prevailing market conditions that led the Commission to cumulate the subject imports have not changed since the third reviews and that there is no basis to conclude that subject imports from any of the subject countries would be likely to have no discernible adverse impact on the domestic industry.⁵⁵

C. Likelihood of No Discernible Adverse Impact

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

Based on the record in these reviews, we do not find that imports from any of the subject countries would likely have no discernible adverse impact on the domestic industry in the event of revocation, for the reasons detailed below.

⁵² *First Review Determinations*, USITC Pub. 3889 at 8; *Second Review Determinations*, USITC Pub. 4337 at 10-11; *Third Review Determinations*, USITC Pub. 4751 at 15-16.

⁵³ *First Review Determinations*, USITC Pub. 3889 at 9; *Second Review Determinations*, USITC Pub. 4337 at 11; *Third Review Determinations*, USITC Pub. 4751 at 16.

⁵⁴ Domestic Producers’ Response at 5.

⁵⁵ Domestic Producers’ Response at 5-6.

⁵⁶ 19 U.S.C. § 1675a(a)(7).

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

Italy. In the original investigations, the volume of subject imports were *** pounds in 1999, accounting for *** percent of apparent U.S. consumption.⁵⁸ The volume of subject imports from Italy were 192,000 pounds in 2005, accounting for 1.1 percent of apparent U.S. consumption;⁵⁹ 132,000 pounds in 2010, accounting for *** percent of apparent U.S. consumption;⁶⁰ and 149,000 pounds in 2016, accounting for *** percent of apparent U.S. consumption.⁶¹

In these reviews, there is limited new information available concerning the industry in Italy because no subject producer in Italy responded to the Commission's notice of institution. The volume of subject imports from Italy decreased throughout the POR, from 489,000 pounds in 2017, to 356,000 pounds in 2018, 164,000 pounds in 2019, 137,000 pounds in 2020, and

⁵⁸ CR/PR at Tables I-6-7. The volume of subject imports from Italy declined from *** pounds in 1997, to *** pounds in 1998, and then increased to *** pounds in 1999. *Original Determinations*, USITC Pub. 3387 at Table IV-5; Confidential Staff Report Original Investigations, EDIS Doc. 787328 ("Original Investigations CR") INV-X-235 (Nov. 6, 2000) at Table IV-5. They were higher from January through June 2000 ("interim 2000") (*** pounds) than from January through June 1999 ("interim 1999") (*** pounds). *Id.* Subject imports from Italy as a share of apparent U.S. consumption were *** percent in 1997, *** percent in 1998, and *** percent in 1999; the market share of subject imports from Italy was higher in interim 2000 (*** percent) than in interim 1999 (*** percent). *Id.* at Table IV-6.

⁵⁹ *First Review Determinations*, USITC Pub. 3889 at Table I-8; Confidential Staff Report First Reviews, EDIS Doc. 787332, INV-DD-144 (Oct. 11, 2006) ("First Reviews CR") at Tables I-9, IV-2; CR/PR at Appendix C. In the first reviews, the volume of subject imports from Italy peaked at 2.0 million pounds in 2000 but declined after the imposition of the order to 822,000 pounds in 2001, 575,000 pounds in 2002, 177,000 pounds in 2003, and 138,000 pounds 2004, before increasing to 192,000 pounds in 2005. *First Review Determinations*, USITC Pub. 3889 at Table IV-5; First Reviews CR at Table IV-5. Subject imports from Italy as a share of apparent U.S. consumption declined from *** percent in 2000 to 1.1 percent in 2005. *First Review Determinations*, USITC Pub. 3889 at Table I-8; First Reviews CR at Table I-8; CR/PR at Appendix C.

⁶⁰ Confidential Staff Report Second Reviews, EDIS Doc. 787335 (May 24, 2012) INV-KK-059 ("Second Reviews CR") at Table I-8; *Second Review Determinations*, USITC Pub. 4337 at 9 n.37. In the second reviews, subject imports from Italy increased irregularly from 126,000 pounds in 2006 to 132,000 pounds in 2010, having peaked at 398,000 pounds in 2007. *Id.* In 2010, the only year for which market share data were available, subject imports from Italy accounted for *** percent of apparent U.S. consumption. *Second Review Determinations*, USITC Pub. 4337 at Table I-10; *Id.* at Table I-10.

⁶¹ Confidential Third Review Determinations, EDIS Doc. 787344 at 16; Confidential Staff Report Third Reviews, EDIS Doc. 787336 (Aug. 23, 2017) INV-PP-116 ("Third Reviews CR") at Tables I-4, I-6; *Third Review Determinations*, USITC Pub. 4751 at 11, Table I-4. In the third reviews, the volume of imports from Italy increased from 91,000 pounds in 2011, to 175,000 pounds in 2012, 780,000 pounds in 2013, and 786,000 pounds in 2014, before decreasing to 606,000 pounds in 2015, and to 149,000 pounds in 2016. *Third Review Determinations*, USITC Pub. 4751 at 11, Table I-4. In 2016, the only year for which market share data were available, subject imports from Italy accounted for *** percent of apparent U.S. consumption. *Id.* at Table I-6.

133,000 pounds in 2021.⁶² In 2021, the only year for which market share data were available, subject imports from Italy accounted for *** percent of apparent U.S. consumption.⁶³

Domestic Producers provided a list of 16 possible producers of SSBW pipe fittings in Italy.⁶⁴ According to the information provided by Domestic Producers, several subject producers in Italy continue to focus their marketing activities on export markets and have made capital investments to expand their production capacity.⁶⁵ In the original investigations, Italian capacity was *** pounds in each year of the period of investigation (“POI”).⁶⁶ Italian producer Coprosider, S.p.A., the only firm to respond to the Commission’s questionnaire, reported that it accounted for *** percent of total Italian SSBW pipe fittings production in 1999 and that its capacity utilization was consistently above *** percent.⁶⁷ One Italian producer provided sparse data in the full first five-year reviews, one small Italian producer responded to the notice of institution in the expedited second five-year reviews, and no Italian producer provided data in the expedited third five-year reviews.⁶⁸

Global Trade Atlas (“GTA”) export data concerning butt-weld fittings under Harmonized System (“HS”) subheading 7307.23, a category that includes SSBW pipe fittings and possibly out-of-scope merchandise, indicate that Italy was the world’s second largest exporter of such products throughout the POR,⁶⁹ with exports ranging from 15.2 million pounds in 2018 to 18.9 million pounds in 2017; they were 17.8 million pounds in 2021.⁷⁰ Between 2017 and 2021, Italy more than doubled its exports of butt-weld fitting to China, its largest export market for such products in 2021.⁷¹

In the original investigations, subject imports from Italy undersold the domestic like product in 28 of 33 quarterly comparisons, with margins of underselling ranging from 4.1 to

⁶² CR/PR at Table I-6.

⁶³ CR/PR at Table I-7.

⁶⁴ CR/PR at I-20; Domestic Producers’ Response at Exhibit 1.

⁶⁵ Domestic Producers’ Response at 10, Exhibit 4.

⁶⁶ *Original Determinations*, USITC Pub. 3387 at Table VII-2; Original Investigations CR at Table VII-2.

⁶⁷ *Original Determinations*, USITC Pub. 3387 at VII-1-2; Original Investigations CR at VII-3.

⁶⁸ CR/PR at I-19-20; *First Review Determinations*, USITC Pub. 3889, at IV-9; First Reviews CR at IV-18; *Second Review Determinations*, USITC Pub. 4337 at I-21; Second Reviews CR at I-28-29; *Third Review Determinations*, USITC Pub. 4751 at I-22; Third Reviews CR at I-30 to I-31.

⁶⁹ CR/PR at Tables I-9, I-14.

⁷⁰ CR/PR at Table I-9.

⁷¹ CR/PR at Table I-9.

74.1 percent.⁷² In the first five-year reviews, subject imports from Italy undersold the domestic like product in five of eight quarterly comparisons, with margins of underselling ranging from 2.1 to 41.5 percent.⁷³ No product-specific pricing data concerning subject imports from Italy were obtained in the second, third, and current expedited five-year reviews.

Based on the foregoing, including the significant and increasing volume of subject imports from Italy in the original investigations, the continued presence of subject imports from Italy in the U.S. market, the large volume of exports of butt-weld fittings from Italy, and the underselling by subject imports from Italy during the original investigations and first reviews, we find that subject imports from Italy would not likely have no discernible adverse impact on the domestic industry if the order were revoked.

Malaysia. Subject imports from Malaysia have maintained a presence in the U.S. market from the original investigations up through the current POR. In the original investigations, the volume of subject imports from Malaysia were *** pounds in 1999, accounting for *** percent of apparent U.S. consumption.⁷⁴ The volume of subject imports from Malaysia were 1.5 million pounds in 2005, accounting for 8.4 percent of apparent U.S. consumption;⁷⁵ 1.1 million pounds in 2010, accounting for *** percent of apparent U.S.

⁷² *Original Determinations*, USITC Pub. 3387 at Tables V-1-V-7; Revision to Staff Report from the Original Investigations (“Revised Original Investigations CR”), INV-X-239 EDIS Doc. 787329 (Nov. 13, 2000) (“Revised Original Investigations CR”) at Tables V-1-V-7.

⁷³ *First Review Determinations*, USITC Pub. 3889 at Table V-5.

⁷⁴ *Original Determinations*, USITC Pub. 3387 at Table IV-5; Original Investigations CR at Table IV-5. The volume of subject imports from Malaysia declined from *** pounds in 1997 to *** pounds in 1998, and then increased to *** pounds in 1999. *Id.* They were lower in interim 2000 (*** pounds) than in interim 1999 (*** pounds). *Id.* Subject imports from Malaysia as a share of apparent U.S. consumption were *** percent in 1997, *** percent in 1998, and *** percent in 1999; the market share of subject imports from Malaysia was lower in interim 2000 (*** percent) than in interim 1999 (*** percent). *Id.* at Table IV-6.

⁷⁵ *First Review Determinations*, USITC Pub. 3889 at Tables I-9, IV-1; First Reviews CR at Tables I-9, IV-1. In the first reviews, the volume of subject imports from Malaysia declined from 1.5 million pounds in 2000, to 781,000 pounds in 2001, 751,000 pounds in 2002, and 657,000 pounds in 2003, before increasing to 1.0 million pounds in 2004, and 1.5 million pounds in 2005. *Id.* at Table IV-1. Subject imports from Malaysia as a share of apparent U.S. consumption declined from *** percent in 2000, to 6.3 percent in 2001, and 5.3 percent in 2002 and 2003, before increasing to 6.7 percent in 2004, and 8.4 percent in 2005. *Id.* at Table I-9.

consumption;⁷⁶ and 3.6 million pounds in 2016, accounting for *** percent of apparent U.S. consumption.⁷⁷

In these reviews, subject imports from Malaysia increased irregularly during the POR, increasing from 4.0 million pounds in 2017 and 2018, to 4.8 million pounds in 2019, declining to 3.2 million pounds in 2020, and then increasing to 4.1 million pounds in 2021.⁷⁸ In 2021, the only year for which market share data were available, subject imports from Malaysia accounted for *** percent of apparent U.S. consumption.⁷⁹

There is limited new information available concerning the subject industry in Malaysia as only one subject producer in Malaysia, Mac Piping, responded to the notice of institution.⁸⁰ Mac Piping reported exporting 353,000 pounds of subject merchandise to the United States in 2021, accounting for approximately 8.6 percent of all Malaysian exports of SSBW to the United States that year.⁸¹ It reported that its production capacity was 4.0 million pounds, its production was 2.9 million pounds, and its capacity utilization was 72.2 percent in 2021.⁸² Thus, Mac Piping possessed 1.1 million pounds of excess capacity in 2021, equivalent to 5.5 percent of apparent U.S. consumption that year.⁸³

Domestic Producers provided a list of seven possible producers of SSBW pipe fittings in Malaysia.⁸⁴ According to the Domestic Producers, the SSBW pipe fittings industry in Malaysia

⁷⁶ Second Reviews CR at Table I-8; *Second Review Determinations*, USITC Pub. 4337 at 9 n.37. In the second reviews, subject imports from Malaysia increased from 1.0 million pounds in 2006 to 1.5 million pounds in 2007 and 2008, declined to 822,000 pounds in 2009, and then increased to 1.1 million pounds in 2010. *Id.* at Table I-8. In 2010, the only year for which market share data were available, subject imports from Malaysia accounted for *** percent of apparent U.S. consumption. *Id.* at Table I-10.

⁷⁷ *Third Review Determinations*, USITC Pub. 4751 at 12, Table I-4; Third Reviews CR at Table I-4. In the third reviews, subject imports from Malaysia increased from 1.4 million pounds in 2011, to 1.8 million pounds in 2012, 2.1 million pounds in 2013, and 4.1 million pounds in 2014, declined to 3.3 million pounds in 2015, and then increased to 3.6 million pounds in 2016. *Id.* In 2016, the only year for which market share data were available, subject imports from Malaysia accounted for *** percent of apparent U.S. consumption. Confidential Third Review Determinations, EDIS Doc. 787344 at 18.

⁷⁸ CR/PR at Table I-6.

⁷⁹ CR/PR at Table I-7.

⁸⁰ CR/PR at I-22.

⁸¹ CR/PR at Table I-2. This coverage figure is based on staff's estimate as Mac Piping did not provide an estimate of its share of SSBW pipe fittings production in Malaysia. *Id.*

⁸² CR/PR at Table I-10.

⁸³ *Calculated from* CR/PR at Tables I-7 and I-10.

⁸⁴ CR/PR at I-23; Domestic Producers' Response at Exhibit 1.

continues to expand and focus on exports.⁸⁵ They contend that TSS Pipes and Fittings, a Malaysian producer of SSBW pipe fittings, was established in June 2017.⁸⁶

GTA export data concerning butt-weld fittings, a category that includes SSBW pipe fittings and possibly out-of-scope merchandise, indicate that Malaysia was the world's fourth largest exporter of such products in 2021,⁸⁷ and its exports of such products increased irregularly from 11.5 million pounds in 2017 to 13.3 million pounds in 2021.⁸⁸ Malaysia's exports of such products to the United States increased from 3.8 million pounds in 2017 to 4.6 million pounds in 2021, making the United States Malaysia's largest export destination for such products throughout the POR.⁸⁹ During the original investigations, Malaysian capacity fluctuated between a low of *** pounds in 1997 and a high of *** pounds in 1999.⁹⁰ During the first five-year reviews, Malaysian producers reported capacity utilization rates for SSBW pipe fittings ranging from a low of *** percent in 2000, to a high of *** percent in 2005.⁹¹ No data were provided by Malaysia producers in the expedited second or third five-year reviews.⁹²

In the original investigations, subject imports from Malaysia undersold the domestic like product in 56 of 58 quarterly comparisons, with margins of underselling ranging from 36.1 to 57.8 percent.⁹³ In the first five-year reviews, subject imports from Malaysia undersold the domestic like product in all 22 quarterly comparisons, with margins of underselling ranging from 38.2 to 80.5 percent.⁹⁴ No product-specific pricing data concerning subject imports from Malaysia were obtained in the expedited second, third, and current five-year reviews.

Based on the foregoing, including the significant and increasing volume of subject imports from Malaysia in the original investigations, the continued presence of subject imports from Malaysia in the U.S. market, the large capacity of the one responding SSBW pipe fittings producer in Malaysia, the large and U.S.-focused exports of butt-weld fittings from Malaysia, and the underselling by subject imports from Malaysia during the original investigations and

⁸⁵ Domestic Producers' Response at 11, Exhibit 4.

⁸⁶ CR/PR at Table I-11; Domestic Producers' Response at 11.

⁸⁷ CR/PR at Tables I-12, I-14.

⁸⁸ CR/PR at Table I-12.

⁸⁹ CR/PR at Table I-12.

⁹⁰ *Original Determinations*, USITC Pub. 3387 at Table VII-3; *Original Investigations CR* at Table VII-3.

⁹¹ *First Review Determinations*, USITC Pub. 3889 at Table VII-3; *First Reviews CR* at Table VII-3.

⁹² *Second Review Determinations*, USITC Pub. 4337 at I-23; *Second Reviews CR* at I-31-32; *Third Review Determinations*, USITC Pub. 4751 at I-24; *Third Reviews CR* at I-34.

⁹³ *Original Determinations*, USITC Pub. 3387 at Tables V-1-7; *Revised Original Investigations CR* at Tables V-1-7.

⁹⁴ CR from First Reviews at Table V-5.

first reviews, we find that subject imports from Malaysia would not likely have no discernible adverse impact on the domestic industry if the orders were revoked.

The Philippines. Subject imports from the Philippines have maintained a presence in the U.S. market from the original investigations through the current POR. In the original investigations, the volume of subject imports from the Philippines were *** pounds in 1999, accounting for *** percent of apparent U.S. consumption.⁹⁵ The volume of subject imports from the Philippines were 357,000 pounds in 2005, accounting for 2.1 percent of apparent U.S. consumption;⁹⁶ 2.2 million pounds in 2010, accounting for *** percent of apparent U.S. consumption;⁹⁷ and 1.4 million pounds in 2016, accounting for *** percent of apparent U.S. consumption.⁹⁸

In these reviews, there is limited new information available concerning the subject industry in the Philippines because no subject producer in the Philippines responded to the Commission's notice of institution. Subject imports from the Philippines decreased irregularly

⁹⁵ *Original Determinations*, USITC Pub. 3387 at Tables IV-1, IV-5-6; Original Investigations CR at Tables IV-1, IV-5-6. The volume of subject imports from the Philippines increased from *** pounds in 1997 to *** pounds in 1998, and then declined to *** pounds in 1999. *Id.* at Table IV-5. They were higher in interim 2000 (*** pounds) than in interim 1999 (*** pounds). *Id.* Subject imports from the Philippines as a share of apparent U.S. consumption were *** percent in 1997, *** percent in 1998, and *** percent in 1999; the market share of subject imports from the Philippines was higher in interim 2000 (*** percent) than in interim 1999 (*** percent). *Id.* at Table IV-6.

⁹⁶ *First Review Determinations*, USITC Pub. 3889 at Tables IV-1, IV-9; First Reviews CR at Tables IV-1, IV-9. In the first five-year reviews, the volume of subject imports from the Philippines peaked at 1.1 million pounds in 2000 before declining after the imposition of the order to 197,000 pounds in 2001, 187,000 pounds in 2002, 59,000 pounds in 2003, and 25,000 pounds in 2004, and then increasing to 357,000 pounds in 2005. *Id.* at Table IV-1. Subject imports from the Philippines as a share of apparent U.S. consumption declined from *** percent in 2000, to 1.6 percent in 2001, 1.3 percent in 2002, 0.5 percent in 2003, and 0.2 percent in 2004, before increasing to 2.1 percent in 2005. *Id.* at Table I-9.

⁹⁷ *Second Review Determinations*, USITC Pub. 4337 at 9 n.37, Tables I-8, I-10; Second Reviews CR at Tables I-8, I-10. In the second reviews, subject imports from the Philippines increased irregularly from 1.0 million pounds in 2006, to 1.8 million pounds in 2007, and 2.3 million pounds in 2008, before declining to 2.2 million pounds in 2009 and 2010. *Id.* at Table I-8. In 2010, the only year for which market share data were available, subject imports from the Philippines accounted for *** percent of apparent U.S. consumption. *Id.* at Table I-10

⁹⁸ *Third Review Determinations*, USITC pub. 4751 at 13, Table I-4; Confidential Third Review Determinations, EDIS Doc. 787344 at 20. In the third reviews, subject imports from the Philippines decreased from 3.0 million pounds in 2011, to 2.9 million pounds in 2012, 2.8 million pounds in 2013, 2.5 million pounds in 2014, 2.0 million pounds in 2015, and 1.4 million pounds in 2016. *Third Review Determinations*, USITC pub. 4751 at 13, Table I-4. In 2016, the only year for which market share data were available, subject imports from the Philippines accounted for *** percent of apparent U.S. consumption. Confidential Third Review Determinations, EDIS Doc. 787344 at 20.

during the POR, from 1.5 million pounds in 2017, to 1.2 million pounds in 2018, 1.6 million pounds in 2019, 347,000 pounds in 2020, and 116,000 pounds in 2021.⁹⁹ In 2021, the only year for which market share data were available, subject imports from the Philippines accounted for *** percent of apparent U.S. consumption.¹⁰⁰

Domestic Producers provided a list of six possible producers of SSBW pipe fittings in the Philippines.¹⁰¹ During the original investigations, capacity in the Philippines fluctuated between a low of *** pounds in 1997 and a high of *** pounds in 1999.¹⁰² During the first five-year reviews, producers from the Philippines reported capacity utilization rates for SSBW pipe fittings ranging from a low of *** percent in 2003 to a high of *** percent in 2000.¹⁰³ No data were provided by Philippine producers in the second or third expedited five-year reviews.¹⁰⁴

GTA export data concerning butt-weld fittings, a category that includes SSBW pipe fittings and possibly out-of-scope merchandise, indicate that global exports of such products from the Philippines decreased throughout the POR from 3.0 million pounds in 2017 to 199,000 pounds in 2021.¹⁰⁵ Throughout the POR, the United States was the Philippine's largest destination market for such exports, accounting for at least 40.7 percent of exports from the Philippines to all markets each year.¹⁰⁶

In the original investigations, subject imports from the Philippines undersold the domestic like product in all 57 quarterly comparisons, with margins of underselling ranging from 26.7 percent to 69.0 percent.¹⁰⁷ In the first five-year reviews, subject imports from the Philippines undersold the domestic like product in all 39 quarterly comparisons, with margins of underselling ranging from 24.0 to 66.1 percent.¹⁰⁸ No product-specific pricing data concerning

⁹⁹ CR/PR at Table I-6.

¹⁰⁰ CR/PR at Table I-7.

¹⁰¹ CR/PR at I-25; Domestic Producers' Response at Exhibit 1.

¹⁰² *Original Determinations*, USITC Pub. 3387 at Table VII-4; Original Investigations CR at Table VII-4.

¹⁰³ *First Review Determinations*, USITC Pub. 3889 at Table IV-15; First Reviews CR at Table IV-15.

¹⁰⁴ *Second Review Determinations*, USITC Pub. 4337 at I-25; Second Reviews CR at I-34; *Third Review Determinations*, USITC Pub. 4751 at I-26; Third Reviews CR at I-36-37.

¹⁰⁵ CR/PR at Table I-13.

¹⁰⁶ CR/PR at Table I-13. When these exports peaked in 2017, exports from the Philippines to the United States of this category accounted for 71.2 percent of all global exports of such products. CR/PR at Table I-13.

¹⁰⁷ *Original Determinations*, USITC Pub. 3387 at Tables V-1-V-7; Revised Original Investigations CR at Tables V-1-V-7.

¹⁰⁸ *First Review Determinations*, USITC Pub. 3889 at Table V-5.

subject imports from the Philippines were obtained in the expedited second, third, and current five-year reviews.

Based on the foregoing, including the significant and increasing volume of subject imports from the Philippines in the original investigations, the continued presence of subject imports from the Philippines in the U.S. market despite the disciplining effect of the orders, the focus of the butt-weld fittings industry in the Philippines on exports to the United States, and the underselling by subject imports from the Philippines during the original investigations and first reviews, we find that subject imports from the Philippines would not likely have no discernible adverse impact on the domestic industry if the orders were revoked.

D. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.¹⁰⁹ Only a “reasonable overlap” of competition is required.¹¹⁰ In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.¹¹¹

Fungibility. In the original investigations and first five-year reviews, importers and domestic producers indicated that subject imports from Italy, Malaysia, and the Philippines

¹⁰⁹ The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

¹¹⁰ *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

¹¹¹ *See generally Cheflene Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

were always or frequently used interchangeably with the domestic like product.¹¹² The Commission also found that SSBW pipe fittings from subject and domestic sources could be used interchangeably if of the same quality and the record reflected that there was generally no quality difference between subject imports and the domestic like product.¹¹³

The Commission found that there was no information in the second and third five-year reviews to indicate that the fungibility of subject imports from Italy, Malaysia, and the Philippines with each other and with the domestic like product had changed.¹¹⁴

In the current reviews, the Domestic Producers claim that the relevant conditions of competition have not changed since the prior proceedings.¹¹⁵ In particular, they contend that subject imports and the domestic like product remain substitutable and that the U.S. market for SSBW pipe fittings remains “price-sensitive.”¹¹⁶ There is no new information on the record in these reviews to indicate that the degree of fungibility between and among subject imports from Italy, Malaysia, and the Philippines and the domestic like product has changed from that observed in the prior proceedings.

Channels of Distribution. In the original investigations and first five-year reviews, domestically produced SSBW pipe fittings and subject imports from the three countries were generally sold to distributors.¹¹⁷

The Commission found that nothing in the records of the second and third five-year reviews indicated there had been any change in the current or likely channels of distribution.¹¹⁸

In the current reviews, the Domestic Producers claim that the relevant conditions of competition have not changed since the prior proceedings.¹¹⁹ There is no new information on the record of these reviews indicating that there has been any change in the channels of distribution for subject imports from Italy, Malaysia, and the Philippines and the domestic like product since the prior proceedings.¹²⁰

¹¹² *Original Determinations*, USITC Pub. 3387 at 7; *First Review Determinations*, USITC Pub. 3889 at 9.

¹¹³ *Original Determinations*, USITC Pub. 3387 at 7-9.

¹¹⁴ *Second Review Determinations*, USITC Pub. 4337 at 11; *Third Review Determinations*, USITC Pub. 4751 at 15.

¹¹⁵ Domestic Producers’ Response at 6.

¹¹⁶ Domestic Producers’ Response at 15.

¹¹⁷ *Original Determinations*, USITC Pub. 3387 at 9; *First Review Determinations*, USITC Pub. 3889 at 9.

¹¹⁸ *Second Review Determinations*, USITC Pub. 4337; *Third Review Determinations*, USITC Pub. 4751 at 15.

¹¹⁹ Domestic Producers’ Response at 6.

¹²⁰ CR/PR at I-17.

Geographic Overlap. In the original investigations and the first five-year reviews, the Commission found that both the domestic like product and subject imports from each of the three countries were distributed nationally.¹²¹ The Commission found in the second five-year reviews that nothing indicated that there had been any change in geographic overlap.¹²² In the third five-year reviews, the Commission found that Houston-Galveston, Texas was the single largest U.S. customs district for imports of SSBW pipe fittings from each subject country during the period of review. The Commission observed that this was a region with a large concentration of oil and gas refining, a major application for SSBW pipe fittings.¹²³

In these reviews, the majority of subject imports from Italy entered through southern borders of entry in all years of the POR, with almost all imports in 2021 entering through Houston-Galveston, Texas.¹²⁴ The majority of subject imports from Malaysia entered through northern, southern, and eastern borders of entry, combined, in each year of the POR, with the largest share in 2021 entering through Houston-Galveston, Texas.¹²⁵ Most subject imports from the Philippines entered through eastern borders of entry in 2017 and 2018 and through southern borders of entry from 2019 through 2021.¹²⁶ In 2021, the largest share of subject imports from the Philippines entered through Houston-Galveston, Texas.¹²⁷ Thus, the record indicates that subject imports continued to geographically overlap with each other and with the domestic like product during the POR.

Simultaneous Presence. In the prior proceedings, the domestic like product and subject imports from each of the three countries were generally present throughout the periods examined.¹²⁸

¹²¹ *Original Determinations*, USITC Pub. 3387 at 8-9; *First Review Determinations*, USITC Pub. 3889 at 9.

¹²² *Second Review Determinations*, USITC Pub. 4337 at 11.

¹²³ *Third Review Determinations*, USITC Pub. 4751 at 15. The Commission ultimately concluded that the record of the expedited third reviews contained no new information suggesting that the reasonable overlap of competition found in the original investigations and prior reviews would not exist upon revocation. *Id.* at 15-16.

¹²⁴ CR/PR at I-17. We recognize that the official import statistics we have used to analyze geographic overlap may contain out-of-scope merchandise, as discussed in section I above.

¹²⁵ CR/PR at I-17.

¹²⁶ CR/PR at I-17.

¹²⁷ CR/PR at I-17.

¹²⁸ *Original Determinations*, USITC Pub. 3387 at 8; *First Review Determinations*, USITC Pub. 3889 at 9; *Second Review Determinations*, USITC Pub. 4337 at 11; *Third Review Determinations*, USITC Pub. 4751 at 15. In the third reviews, the Commission ultimately concluded that the record contained no new information suggesting that the reasonable overlap of competition found in the original investigations and prior reviews would not exist upon revocation. *Id.*

In these reviews, subject imports from Italy and Malaysia were present in virtually every month of the POR,¹²⁹ while subject imports from the Philippines were present in 47 of the 60 months during the POR.¹³⁰

Conclusion. The record in these expedited reviews contains limited information concerning subject imports in the U.S. market during the current review period. However, the record contains no new information suggesting a change in the considerations that led the Commission to conclude in prior reviews that there would be a likely reasonable overlap of competition between and among imports from the three subject countries and the domestic like product in the event of revocation of the orders. In light of this, and in the absence of any contrary argument, we find that there would likely be a reasonable overlap of competition between and among subject imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines and the domestic like product, if the orders were revoked.

E. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate the subject imports, we consider whether subject imports from Italy, Malaysia, and the Philippines would likely compete under similar or different conditions of competition in the U.S. market after revocation of the orders. In prior reviews, the Commission did not find that subject imports from Italy, Malaysia and the Philippines would likely compete under different conditions of competition. The limited record in these reviews likewise does not indicate that there would likely be any significant difference in the conditions of competition between subject imports from Italy, Malaysia, and the Philippines if the orders were revoked.

F. Conclusion

In sum, we determine that subject imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines, considered individually, are not likely to have no discernible adverse impact on the domestic industry if the corresponding orders were revoked. We also find a likely reasonable overlap of competition between and among subject imports from Italy, Malaysia, and the Philippines and the domestic like product if the orders were revoked. Finally, we find

¹²⁹ Imports of such products from Italy were present in 58 of the 60 months during the POR while imports of such products from Malaysia were reported in all 60 months. CR/PR at I-17. We recognize that the official import statistics we have used to analyze simultaneous presence may contain out-of-scope merchandise, as discussed in section I above.

¹³⁰ CR/PR at I-17.

that imports from each subject country would be likely to compete under similar conditions of competition if the orders were revoked. We therefore exercise our discretion to cumulate subject imports of Italy, Malaysia, and the Philippines for purposes of our analysis in these reviews.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”¹³¹ 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.”¹³² Thus, the likelihood standard is prospective in nature.¹³³ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.¹³⁴

¹³¹ 19 U.S.C. § 1675a(a).

¹³² 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.

¹³³ 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.

¹³⁴ 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 (Continued...)

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.”¹³⁵ 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.”¹³⁶

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”¹³⁷ 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).¹³⁸ 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.¹³⁹

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.¹⁴⁰ In doing so, the Commission

(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’”).

¹³⁵ 19 U.S.C. § 1675a(a)(5).

¹³⁶ 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.*

¹³⁷ 19 U.S.C. § 1675a(a)(1).

¹³⁸ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the orders. See Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, (Mar. 1, 2023) at 2-4.

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

¹⁴⁰ 19 U.S.C. § 1675a(a)(2).

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.¹⁴¹

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.¹⁴²

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.¹⁴³ 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.¹⁴⁴

¹⁴¹ 19 U.S.C. § 1675a(a)(2)(A-D).

¹⁴² See 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

¹⁴³ 19 U.S.C. § 1675a(a)(4).

¹⁴⁴ 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 (Continued...)

As indicated in Section III.C, Mac Piping, a Malaysian producer of SSBW pipe fittings, is the only respondent interested party to have responded to the notice of institution, and only accounted for approximately 8.6 percent of Malaysian exports of SSBW to the United States in 2021.¹⁴⁵ The record, therefore, contains limited new information with respect to the SSBW pipe fittings industries in Italy, Malaysia, and the Philippines. There also is limited information on the SSBW pipe fittings market in the United States during the current POR. Accordingly, for our determinations, we rely as appropriate on the facts available from the prior proceedings, and the limited new information on the record in these current five-year reviews.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”¹⁴⁶ The following conditions of competition inform our determinations.

1. Demand Conditions

The Prior Proceedings. In the prior proceedings, the Commission found that SSBW pipe fittings were used in industrial piping systems to join pipes in straight lines or to change the direction and flow of fluids, where their ability to withstand corrosion and oxidation, as well as extreme temperature and pressure, is important.¹⁴⁷ In the first five-year reviews, the Commission explained further that demand for SSBW pipe fittings was derived from demand in major end use markets, including the petrochemical, nuclear, food processing, textile, and semiconductor industries, as well as breweries and paper mills.¹⁴⁸ During the second five-year reviews, the Commission identified the oil and gas industry as a primary driver of demand, and observed that fluctuating oil prices and adjustments in refinery capacity and maintenance caused fluctuations in demand in the United States.¹⁴⁹ During the third five-year reviews, 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.

¹⁴⁵ See Adequacy Explanation. Commissioner Johanson found that Mac Piping’s response to the notice of institution was individually adequate. *Id.*

¹⁴⁶ 19 U.S.C. § 1675a(a)(4).

¹⁴⁷ *Original Determinations*, USITC Pub. 3387 at 9.

¹⁴⁸ *First Review Determinations*, USITC Pub. 3889 at 12-13.

¹⁴⁹ *Second Review Determinations*, USITC Pub. 4337 at 14.

Commission found that the principal uses and markets for SSBW pipe fittings had not changed since the prior proceedings.¹⁵⁰

During the original POI, apparent U.S. consumption of SSBW pipe fittings fluctuated, increasing overall from *** pounds in 1997 to *** pounds in 1999, and was *** pounds in interim 2000 compared to *** pounds in interim 1999.¹⁵¹ During the first five-year reviews, apparent U.S. consumption by volume was *** pounds in 2000, 12.4 million pounds in 2001, 14.1 million pounds in 2002, 12.4 million pounds in 2003, 15.2 million pounds in 2004, and 17.3 million pounds in 2005.¹⁵² During the second five-year reviews, apparent U.S. consumption by volume increased from 17.3 million pounds in 2005 to *** pounds in 2010.¹⁵³ During the third five-year reviews, apparent U.S. consumption was *** pounds in 2016.¹⁵⁴

Current Reviews. Apparent U.S. consumption was *** pounds in 2021, lower than in 2016, but higher than in 2010, 2005, and 1999.¹⁵⁵ Domestic Producers indicate that demand for SSBW pipe fittings generally tracks fluctuations in the U.S. economy, with trends in the oil and gas sectors having a notable impact. They state that the negative impact of the COVID-19 pandemic on the U.S. economy and demand for petroleum products caused demand for SSBW pipe fittings to contract in 2020 and 2021, but that demand increased in 2022.¹⁵⁶

2. Supply Conditions

The Prior Proceedings. In the original investigations, the Commission found the domestic market was supplied by twelve domestic producers, imports from subject countries, and nonsubject imports. The market share of cumulated subject imports increased. The volume of nonsubject imports declined and their share of apparent U.S. consumption, by volume, fell from *** percent in 1997 to *** percent in 1999.¹⁵⁷

¹⁵⁰ *Third Review Determinations*, USITC Pub. 4751 at 19.

¹⁵¹ *Original Determinations*, USITC Pub. 3387 at 9. Apparent U.S. consumption was *** pounds in 1998. *Original Determinations*, USITC Pub. 3387 at Table IV-5; Original Investigations CR at Table IV-5.

¹⁵² *First Review Determinations*, USITC Pub. 3889 at 13; Confidential First Review Determinations, EDIS Doc. 787342 at 15.

¹⁵³ *Second Review Determinations*, USITC Pub. 4337 at 14; Confidential Second Review Determinations, EDIS Doc. 787343 at 17.

¹⁵⁴ *Third Review Determinations*, USITC Pub. 4751 at 19; Confidential Third Review Determinations, EDIS Doc. 787344 at 30.

¹⁵⁵ CR/PR at Table I-7. Apparent U.S. consumption was *** pounds in 2016, *** pounds in 2010, 17.3 million pounds in 2005, and *** pounds in 1999. *Id.*

¹⁵⁶ Domestic Producers' Response at 22.

¹⁵⁷ *Original Determinations*, USITC Pub. 3387 at 10-11, Table C-1; Original Investigations CR, at Table C-1.

In the prior five-year reviews, the U.S. market continued to be supplied by domestic producers,¹⁵⁸ imports from subject countries, and nonsubject imports. During the first five-year reviews, the domestic industry's market share declined from *** percent in 2000 to 25.7 percent in 2005, subject import market share declined from *** percent in 2000 to 11.6 percent in 2005, and nonsubject import market share increased from *** percent in 2000 to 62.7 percent in 2005.¹⁵⁹ During the second five-year reviews, the domestic industry had increased its share of U.S. consumption by volume since the first reviews. In 2010, its market share was *** percent, that of cumulated subject imports was *** percent, and that of nonsubject imports was *** percent.¹⁶⁰ During the third five-year reviews, the domestic industry was the smallest source of supply in the U.S. market, with a market share of *** percent in 2016. Cumulated subject imports were the second largest source of supply, with a *** percent market share, and nonsubject imports were the largest source of supply, with a *** percent market share.¹⁶¹ The principal sources of nonsubject imports during the third reviews included South Korea, China, Taiwan, and Canada.¹⁶²

Current Reviews. The domestic industry was the smallest source of supply to the U.S. market during the POR, accounting for *** percent of apparent U.S. consumption in 2021.¹⁶³

¹⁵⁸ Domestic industry capacity declined from *** million pounds in 2000 to 7.0 million pounds in 2005, as the American Fittings plant closed in 2004. *First Review Determinations*, USITC Pub. 3889 at 13; Confidential First Review Determinations, EDIS Doc. 787342 at 15-16. During the second five-year reviews, the number of domestic producers fell from 12 to eight. *Second Review Determinations*, USITC Pub. 4337 at 15.

¹⁵⁹ *First Review Determinations*, USITC Pub. 3889 at 13; Confidential First Review Determinations, EDIS Doc. 787342 at 18.

¹⁶⁰ *Second Review Determinations*, USITC Pub. 4337 at 18; Confidential Second Review Determinations, EDIS Doc. 787343 at 18.

¹⁶¹ *Third Review Determinations*, USITC Pub. 4751 at 31.

¹⁶² *Third Review Determinations*, USITC Pub. 4751 at 31.

¹⁶³ CR/PR at Table I-7. The domestic industry's share of apparent U.S. consumption in 2021 may be understated relative to its shares in the prior proceedings due to the lower coverage of domestic industry production, and thus U.S. shipments, in these reviews. CR/PR at I-11. In these reviews, responding domestic interested parties accounted for approximately *** percent of domestic production of SSBW pipe fittings in 2021. *Id.* at I-12. By contrast, responding U.S. producers accounted for the great majority of domestic production of SSBW pipe fittings in the original investigations and a substantial majority of such production in the full first reviews, while responding domestic interested parties accounted for *** percent of domestic production of SSBW pipe fittings in the expedited second reviews and *** percent of such production in the expedited third reviews. *Id.* at I-11. The domestic industry's share of apparent U.S. consumption in 2021 may also be understated as import shipments are based on imports of HTS statistical reporting numbers 7307.23.0000, 7307.23.0030, and 7307.23.0090, categories that may contain out-of-scope merchandise.

There were several changes to the domestic industry during the POR: McDermott acquired Chicago Bridge and Iron in 2017 and subsequently filed and exited from Chapter 11 bankruptcy in 2020; Alaskan Copper ceased producing SSBW pipe fittings in 2017; and Italian producer, M.E.G.A. S.p.A. opened its first U.S. SSBW pipe fittings facility in 2017.¹⁶⁴

Cumulated subject imports were the second largest source of supply of SSBW pipe fittings to the U.S. market during the POR, accounting for *** percent of apparent U.S. consumption in 2021.¹⁶⁵ Nonsubject imports were the largest source of supply of SSBW pipe fittings to the U.S. market during the POR, accounting for *** percent of apparent U.S. consumption in 2021.¹⁶⁶

3. Substitutability and Other Conditions

The Prior Proceedings. In the original investigations, the Commission observed that the available data suggested that subject imports from Italy, Malaysia, and the Philippines were at least moderately fungible with one another and with the domestic like product. Specifically, products from domestic and all subject sources were produced to ASTM, ASME, and ANSI standards that specified standard diameters (based on nominal pipe sizes) and standard wall thickness to ensure compatibility with pipes in flow systems. Further, domestic producers and importers reported that subject imports from the three countries were always or frequently interchangeable with each other and with the domestic like product and the record demonstrated that subject imports from the three countries and the domestic like product were all sold in both the approved manufacturers list (“AML”) and the non-AML markets for overlapping end uses.¹⁶⁷

In the first five-year reviews, the Commission found that subject imports from each country were moderately fungible with each other and with the domestic like product. The

¹⁶⁴ CR/PR at Table I-4.

¹⁶⁵ CR/PR at Table I-7. The subject imports’ share of apparent U.S. consumption in 2021 may be overstated relative to its shares in the prior proceedings due to the lower coverage of domestic industry production in these reviews, as discussed in section IV.B.2 above. See CR/PR at I-11-12. CR/PR at I-11. Subject imports’ share of apparent U.S. consumption in 2021 may also be overstated as it is based on imports that may contain out-of-scope merchandise, as discussed in section I above.

¹⁶⁶ CR/PR at Table I-7. The nonsubject imports’ share of apparent U.S. consumption in 2021 may be overstated relative to its shares in the prior proceedings due to the lower coverage of domestic industry production in these reviews, as discussed in section IV.B.2 above. See CR/PR at I-11-12. Nonsubject imports’ share of apparent U.S. consumption in 2021 may also be overstated as it is based on imports that may contain out-of-scope merchandise, as discussed in section I above.

¹⁶⁷ *Original Determinations*, USITC Pub. 3387 at 7-10.

Commission observed that shipments of subject imports from each country and the domestic like product overlapped to a significant extent during the first review period in terms of input material, size, and end use. Further, a majority of producers, importers, and purchasers reported that subject imports from each country and the domestic like product were either always or frequently interchangeable.¹⁶⁸

In the second and third five-year reviews, the Commission found that there was no new information contradicting the substitutability findings from the prior reviews. Accordingly, the Commission found that there was a moderate degree of fungibility between subject imports and the domestic like product and, in the third reviews, that price was an important factor in purchasing decisions.¹⁶⁹

The Current Reviews. The record in these reviews contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports or the importance of price in purchasing decisions has changed since the prior reviews. The Domestic Producers claim that there continues to be a high degree of substitutability between the domestic like product and subject imports, and that price remains an important factor in purchasing decisions.¹⁷⁰ As noted above, in the original investigations the Commission found that subject imports and domestically produced SSBW pipe fittings were at least moderately fungible, and in the only full reviews of the orders, majorities of U.S. producers, importers, and purchasers reported that subject imports from each subject source and domestic product were always or frequently interchangeable.¹⁷¹ Accordingly, we continue to find that subject imports and domestically produced SSBW pipe fittings are at least moderately substitutable, and that price remains an important factor in purchasing decisions.

C. Likely Volume of Subject Imports

Original Investigations. In the original investigations, the Commission found a significant increase in cumulated subject import volume. Cumulated subject import volume increased from *** pounds in 1997 to *** pounds in 1999, and was *** pounds in interim 1999 compared with *** pounds in interim 2000. Cumulated subject imports as a share of apparent

¹⁶⁸ *First Review Determinations*, USITC Pub. 3889 at 13-14.

¹⁶⁹ *Second Review Determinations*, USITC Pub. 4337 at 15, 18; *Third Review Determinations*, USITC Pub. 4751 at 21.

¹⁷⁰ Domestic Producers' Response at 29.

¹⁷¹ *Original Determinations*, USITC Pub. 3387 at 9-10; *First Review Determinations*, USITC Pub. 3889 at 13-14.

U.S. consumption increased from *** percent in 1997 to *** percent in 1999, and was *** percent in interim 1999 and *** percent in interim 2000.¹⁷²

First Reviews. In the first five-year reviews, the Commission found that although cumulated subject import volume and market share both declined from 2000 to 2003, they increased in 2004 and 2005. Each subject country possessed significant excess capacity and also held significant inventories of subject merchandise. With respect to the Italian industry, the Commission found that although exports of subject merchandise from Italy peaked in 2001 and declined through the end of the first review period, and that one Italian exporter reportedly went out of business, there was no evidence that such declines indicated that the Italian industry had decreased its production capacity. With respect to Malaysia, the Commission found that the two responding producers' combined excess capacity and inventories would have equaled *** percent of apparent U.S. consumption by volume in 2005.¹⁷³ The Commission further found that the Philippine industry *** its capacity during the first review period, and its combined excess capacity and end-of-period inventories were equal to *** percent of apparent U.S. consumption by volume in 2005. In addition, each subject industry was highly export oriented.¹⁷⁴ Cumulated subject import volume declined from 4.6 million pounds in 2000 to 1.8 million pounds in 2001, the year in which the orders were imposed. Subject imports declined further to 1.5 million pounds in 2002, and to 893,000 pounds in 2003, before increasing to 1.2 million pounds in 2004 and to 2.0 million pounds in 2005. Subject import market share followed a similar trend, declining from *** percent in 2000 to 14.5 percent in 2001, 10.7 percent in 2002, and 7.2 percent in 2003, before increasing to 7.8 percent in 2004 and to 11.6 percent in 2005.¹⁷⁵ Based on these findings, the Commission found that the volume of cumulated subject imports would likely be significant absent the antidumping duty orders.¹⁷⁶

Second Reviews. In the second five-year reviews, cumulated subject import volume increased overall and remained at a significant level throughout the second review period. Cumulated subject imports increased from 2.2 million pounds in 2006 to 3.7 million pounds in 2007, increased again to 4.0 million pounds in 2008, declined to 3.2 million pounds in 2009, and

¹⁷² *Original Determinations*, USITC Pub. 3387 at 11, 14-15; Confidential Original Determinations, EDIS Doc. 787341 at 15.

¹⁷³ *First Review Determinations*, USITC Pub. 3889 at 16; Confidential First Review Determinations, EDIS Doc. 787342 at 20.

¹⁷⁴ *First Review Determinations*, USITC Pub. 3889 at 16; Confidential First Review Determinations, EDIS Doc. 787342 at 20.

¹⁷⁵ Confidential First Review Determinations, EDIS Doc. 787342 at 18.

¹⁷⁶ *First Review Determinations*, USITC Pub. 3889 at 18-21.

then increased to 3.4 million pounds in 2010, a level 68.3 percent higher than the 2005 level.¹⁷⁷ Cumulated subject imports accounted for *** percent of apparent U.S. consumption by volume in 2010, compared with 11.6 percent in 2005.¹⁷⁸ Further, the information in the record indicated that the subject industries in Italy, Malaysia, and the Philippines had significant capacity, were significantly export oriented, and demonstrated the ability to increase exports rapidly. Based on these findings, the Commission found that the volume of cumulated subject imports, both in absolute terms and relative to production and consumption in the United States, would likely be significant and increase significantly absent the antidumping duty orders.¹⁷⁹

Third Reviews. In the third five-year reviews, cumulated subject imports maintained a substantial presence in the U.S. market, increasing from 4.5 million pounds in 2011 to 4.9 million pounds in 2012, 5.7 million pounds in 2013, and 7.3 million pounds in 2014, before declining to 5.9 million pounds in 2015 and 5.1 million pounds in 2016.¹⁸⁰ Cumulated subject imports accounted for *** percent of apparent U.S. consumption in 2016, compared with *** percent in 2010.¹⁸¹ The Commission found that the continuous presence of substantial quantities of cumulated subject imports indicated that subject producers remained interested in supplying the U.S. market.¹⁸² The Commission also found that the information available indicated that subject producers in Italy, Malaysia, and the Philippines had significant capacity, were significantly export oriented, and had demonstrated the ability to increase exports rapidly.¹⁸³ Based on these findings, the Commission concluded that cumulated subject import

¹⁷⁷ *Second Review Determinations*, USITC Pub. 4337 at 16.

¹⁷⁸ Confidential Second Review Determinations, EDIS Doc. 787343 at 21.

¹⁷⁹ *Second Review Determinations*, USITC Pub. 4337 at 16-18.

¹⁸⁰ *Third Review Determinations*, USITC Pub. 4751 at 22.

¹⁸¹ Confidential Third Review Determinations, EDIS Doc. 787344 at 31.

¹⁸² *Third Review Determinations*, USITC Pub. 4751 at 23.

¹⁸³ *Third Review Determinations*, USITC Pub. 4751 at 22-23. The Commission found that Italy was the second largest world exporter of SSBW pipe fittings throughout most of the third review period and that it increased its exports of SSBW pipe fittings from 13.6 million in 2011 to 21.9 million in 2013, indicating an ability to increase exports rapidly. *Id.* at 23. The Commission also found that the industry in Malaysia was export oriented and had the ability to increase exports rapidly as its exports more than doubled from a period low of 5.9 million in 2012 to 12.2 million pounds in 2016, when Malaysia was the fourth-largest global exporter of SSBW pipe fittings. *Id.* The Commission further found that capacity in Malaysia had increased since the original investigations due to the introduction of two new producers, Superinox and Pantech, which became two of the largest suppliers of SSBW pipe fittings to the U.S. market. *Id.* Finally, the Commission found that the industry in the Philippines was also among the top ten global exporters of SSBW pipe fittings during the third review period. *Id.* The Commission reasoned (Continued...)

volume would likely be significant, in absolute terms and relative to consumption, after revocation of the orders.¹⁸⁴

The Current Reviews. Cumulated subject imports of SSBW pipe fittings maintained a presence in the U.S. market throughout the POR, even under the disciplining effect of the orders, at levels generally higher than during the original investigations. The volume of cumulated subject imports fluctuated during the POR, declining from 6.0 million pounds in 2017 to 5.5 million pounds in 2018, increasing to 6.5 million pounds in 2019, declining to 3.7 million pounds in 2020, and then increasing to 4.3 million pounds in 2021.¹⁸⁵ Cumulated subject imports accounted for *** percent of apparent U.S. consumption in 2021.¹⁸⁶

The record in these expedited reviews contains limited information on the subject industries in Italy, Malaysia, and the Philippines. The information available, however, indicates that the subject industries in all three countries have the means and incentive to produce and export significant volumes of subject merchandise to the United States if the orders were revoked. As previously discussed, the Domestic Producers have identified 16 possible producers of SSBW pipe fittings in Italy, seven possible producers of SSBW pipe fittings in Malaysia, and six possible producers of SSBW pipe fittings in the Philippines.¹⁸⁷ The Domestic Producers claim that subject producers in Italy, Malaysia, and the Philippines continue to have substantial capacity to produce SSBW pipe fittings and are willing and able to export large and increasing volumes of subject merchandise.¹⁸⁸ Specifically, Domestic Producers contend that Italian producers market themselves actively to global export markets and continue to make capital investments to expand their production capacity.¹⁸⁹ They also maintain that the subject

that because there was nothing in the record indicating that a decrease in exports of SSBW pipe fittings from the Philippines was accompanied by increased sales to the domestic market or a decrease in production capacity, subject producers in the Philippines had the ability to increase exports upon revocation of the orders. *Id.*

¹⁸⁴ *Third Review Determinations*, USITC Pub. 4751 at 23.

¹⁸⁵ CR/PR at Table I-6. We recognize that cumulated subject import volume may be overstated as it is based on imports that may contain out-of-scope merchandise, as discussed in section I above. *Id.* at Table I-6 Note.

¹⁸⁶ CR/PR at Table I-7.

¹⁸⁷ Domestic Producers' Response at Exhibit 1; CR/PR at I-20, 22, 25.

¹⁸⁸ Domestic Producers' Response at 9.

¹⁸⁹ Domestic Producers' Response at 9-10, Exhibits 1, 4. Specifically, according to information provided by the Domestic Producers, subject Italian producer Coprosider, S.r.l., has promoted its international "qualifications" and customers. *Id.* Subject Italian producer IRC S.p.A. has touted its significant role in the global market, its increasing exports, and the expansion of its production facility from the original 7,000 square meters to 70,000 square meters. *Id.* Subject Italian producer Officine (Continued...)

industry in Malaysia has expanded since the original investigations with two new producers – Pantech Stainless and Alloy, established in 2010, and TSS Pipes and Fittings, established in June 2017 -- that have become among the largest suppliers of SSBW pipe fittings to the U.S. market.¹⁹⁰ As discussed in Section III.C, Malaysian subject producer Mac Piping reported SSBW pipe fittings capacity of 4.0 million pounds in 2021, including excess capacity of 1.1 million pounds, equivalent to *** percent of apparent U.S. consumption that year.¹⁹¹ Finally, the Domestic Producers claim that the subject industry in the Philippines has grown from two subject producers in the original investigations to six subject producers today.¹⁹²

The available information also indicates that subject producers in Italy, Malaysia, and the Philippines export significant volumes of SSBW pipe fittings globally. Specifically, according to GTA export data concerning butt-weld fittings, a category that includes SSBW pipe fittings and possibly out-of-scope merchandise, Italy was the world's second largest exporter of such products throughout the POR, exporting 17.8 million pounds in 2021,¹⁹³ while Malaysia was the world's fourth largest exporter of such products in 2021, exporting 13.3 million pounds that year.¹⁹⁴ MAC Piping reported exports of 353,000 pounds of subject merchandise to the United

Meccaniche Righi S.p.A. has touted its status as “one of the largest manufacturers” of butt-weld fittings in Europe, its “significant” position in the “international market,” its investments in production capacity, as well as its increased production. *Id.* Information provided by the Domestic Producers concerning subject Italian producer Raccortubi indicates that it has made significant investments in production efficiency. *Id.* Subject Italian producer Tectubi Raccordi S.p.A., has stated that it is a “world-leading manufacturer of steel and that it has invested in improving efficiency, and lauded its “foreign market positioning,” and its investment in a new facility with an annual production capacity of 30,000 metric tons that is “ready to compete in the global market.” *Id.* Finally, according to the information provided by the Domestic Producers, subject Italian producer Steelcom Fittings has touted its extended sales network which “guarantees” its presence in foreign markets. *Id.*

¹⁹⁰ Domestic Producers’ Response at 11, Exhibit 4. The Domestic Producers also provided information indicating that subject Malaysian producer S.P. United Industry Sdn. Bhd. has stated that “90 percent of its production is exported worldwide,” that its products have been “successfully exported to Japan, Europe, America and Asia,” and that it aims to be “the foremost worldwide manufacturer” of SSBW pipe fittings. *Id.* This information also indicates that subject Malaysian producer Superinox has an annual production capacity of 12,000 metric tons to produce products that include SSBW pipe fittings. *Id.* at 12, Exhibit 4.

¹⁹¹ CR/PR at Table I-10. Mac Piping reported higher capacity and a lower capacity utilization than subject producers in Malaysia reported for 2005 and 1999. *Id.*

¹⁹² Domestic Producers’ Response at 12. According to information provided by the Domestic Producers, these four additional possible exporters of subject merchandise from the Philippines are E N Corporation, Vinox Corporation, CQS Stainless, and Haitima Clark Corpestic Producers. Domestic Producers’ Response at 12, Exhibits 1, 4.

¹⁹³ CR/PR at Tables I-11, I-14.

¹⁹⁴ CR/PR at Tables I-12, I-14.

States in 2021.¹⁹⁵ Although exports from the Philippines as reported in the GTA data decreased from a period high of 3.0 million pounds in 2017 to 199,000 pounds in 2021, nothing in the record suggests that this decline was accompanied by increased sales of SSBW pipe fittings to the domestic market or a decrease in production capacity that would limit the ability of subject producers in the Philippines to increase their exports to the United States after revocation.¹⁹⁶ Indeed, in the prior reviews, exports of SSBW pipe fittings from the Philippines ranged between a period high of 10.1 million pounds in 2012 to 4.4 million pounds in 2016.¹⁹⁷

Available information also indicates that the U.S. market remains attractive to subject producers. First, despite the disciplining effect of the orders, the volume of cumulated subject imports was generally higher during the POR than during the original investigations, accounting for *** percent of apparent U.S. consumption in 2021,¹⁹⁸ indicating that subject producers have maintained customers and ready distribution networks in the United States through affiliated importers and sales agents. Further, according to GTA data, the United States was the largest destination market for exports of butt-weld fittings (including SSWB pipe fittings and possibly out-of-scope merchandise) from Malaysia and the Philippines throughout the POR.¹⁹⁹

Given the foregoing, including the significant and increasing volume of cumulated subject imports during the original investigations, the significant volume of cumulated subject imports in the U.S. market during the POR, the subject industries' substantial capacities and exports of butt-weld fittings, and the attractiveness of the U.S. market to subject producers, we find that the volume of cumulated subject imports would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.²⁰⁰

¹⁹⁵ CR/PR at Table I-10.

¹⁹⁶ CR/PR at Tables I-13, I-14, I-25.

¹⁹⁷ *Third Review Determinations*, USITC Pub. 4751 at 23.

¹⁹⁸ CR/PR at Table I-7.

¹⁹⁹ CR/PR at Tables I-12-13.

²⁰⁰ The record of these expedited reviews does not contain information about inventories of the subject merchandise or the potential for product shifting. Imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines are not subject to antidumping or countervailing duty orders in third countries. CR/PR at I-26.

D. Likely Price Effects

Original Investigations. In the original investigations, the Commission found that the subject imports consistently undersold the domestic like product by significant margins.²⁰¹ It further found that subject imports depressed and suppressed prices for the domestic like product to a significant degree.²⁰²

First Reviews. In the first five-year reviews, the Commission found that the domestic like product and subject imports were moderately fungible and that price was an important factor in purchasing decisions. Cumulated subject imports undersold the domestic like product in 66 of 74 pricing product comparisons at margins ranging up to 80.5 percent. The Commission found that the presence of nonsubject imports in the U.S. market was unlikely to limit the ability of subject imports to increase because the average unit values of the nonsubject imports were higher than those of the subject imports. Finally, the Commission determined that subject imports were likely to depress or suppress the prices of the domestic like product if the antidumping duty orders were revoked.²⁰³

Second Reviews. In the second five-year reviews, there was no new product-specific pricing information on the record. Consequently, the Commission adopted its findings from the first five-year reviews that the domestic like product and subject imports were moderately fungible and that price was an important factor in purchasing decisions. It found that if the orders were revoked, subject producers would resume their pattern of underselling as a means of increasing their market share. To respond, domestic producers would have to either reduce their prices or relinquish market share. The Commission consequently concluded that the likely significant increase in subject import volume at prices that would likely undersell the domestic like product to a significant degree would likely have significant price effects on the domestic industry.²⁰⁴

Third Reviews. There was no new product-specific pricing information on the record of the third five-year review. Consequently, the Commission adopted its findings from the prior proceedings that the domestic like product and the subject imports were moderately fungible and that price was an important factor in purchasing decisions. It found that if the orders were

²⁰¹ In the original investigations, cumulated subject imports undersold the domestic like product in 163 of 221 pricing product comparisons at margins up to 74.1 percent. *Calculated from* Revised Original Investigations CR, at Tables V-1-7.

²⁰² *Original Determinations*, USITC Pub. 3387 at 11-12.

²⁰³ *First Review Determinations*, USITC Pub. 3889 at 22-23.

²⁰⁴ *Second Review Determinations*, USITC Pub. 4337 at 18-19.

revoked, the increased and significant volumes of cumulated subject imports likely upon revocation would likely significantly undersell the domestic like product to gain market share, as they did in the original investigations. It stated that this would likely force the domestic industry to cut prices, forego price increases, or risk losing market share. The Commission concluded that absent the restraining effect of the orders, cumulated subject imports would likely cause significant price effects.²⁰⁵

Current Reviews. As discussed in section IV.B.3 above, we have found that subject imports and domestically produced SSBW pipe fittings are at least moderately substitutable, and that price remains an important factor in purchasing decisions.

The record in these expedited reviews does not contain recent product-specific pricing information. Based on the information available in these reviews, including the significant subject import underselling in the original investigations and first five-year reviews, the at least moderate degree of substitutability between subject imports and the domestic like product, and the importance of price in purchasing decisions, we find that the significant volume of subject imports that is likely after revocation would likely undersell the domestic like product to a significant degree, as a means of gaining market share. Absent the discipline of the orders, the significant volume of low-priced subject imports would likely force U.S. producers to reduce their prices, forego needed price increases, or risk losing sales and market share to subject imports, as they did in the original investigations. Consequently, we find that if the orders were revoked, cumulated subject imports would likely have significant price effects.

E. Likely Impact

Original Investigations. In the original investigations, the Commission found that the significant increase in the volume of subject imports, coupled with their price depressing and suppressing effects, had adversely affected the domestic industry. Over the period examined, the domestic industry's capacity utilization, sales value, employment levels, and operating income declined, and inventories increased. The Commission observed that the modest improvement in some domestic industry indicators between the interim periods occurred as other indicators declined. In particular, it cited continued declines in employment levels and evidence that recent price increases, resulting from a temporary boost in demand, were beginning to soften.²⁰⁶

²⁰⁵ *Third Review Determinations*, USITC Pub. 4751 at 24-25.

²⁰⁶ *Original Determinations*, USITC Pub. 3387 at 13-14.

First Reviews. In the first five-year reviews, the Commission found that the domestic industry's operating and financial performance, production, employment, the volume and value of U.S. shipments, operating profit margins, and return on investment declined from 2000 to 2003 but recovered in 2004 and 2005. The Commission further found only modest declines in the domestic industry's capacity and market share during the first review period, observing that the domestic industry's capital expenditures and research and development expenses declined over the period reviewed, and that productivity increased during the period. Given the domestic industry's recovery toward the end of the period, the Commission found that the domestic industry was not vulnerable to the continuation or recurrence of material injury. Nevertheless, because of the likely significant increase in the volume of subject imports and their likely adverse price effects, the Commission concluded that subject imports would likely have a significant impact on the domestic industry if the antidumping duty orders were revoked.²⁰⁷

Second Reviews. In the second five-year reviews, the Commission found that the domestic industry's capacity and output were higher in 2010 than in 1999 or 2005; however, its capacity utilization in 2010 was lower and its ratio of cost of goods sold to sales was higher.²⁰⁸ Given the expedited nature of the reviews, the Commission found the information available insufficient to make a finding on whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders. Nevertheless, because of the likely significant increase in the volume of subject imports and their likely adverse price effects, the Commission concluded that subject imports would likely have a significant impact on the domestic industry if the antidumping orders were revoked.²⁰⁹ The Commission acknowledged that while subject imports would displace nonsubject imports to some extent upon revocation, a significant portion of the expected increase in subject imports would be at the expense of the domestic industry, particularly given the general substitutability of SSBW pipe fittings from different sources and the likelihood of subject import underselling and adverse price effects.²¹⁰

Third Reviews. In the third five-year reviews, the Commission found that the limited information about the performance of the domestic industry was insufficient for it to make a finding on whether the domestic industry was vulnerable. It observed that in 2016, the

²⁰⁷ *First Review Determinations*, USITC Pub. 3889 at 25-27.

²⁰⁸ *Second Review Determinations* USITC Pub. 4337 at 20; Confidential Second Review Determinations, EDIS Doc. 787343 at 27.

²⁰⁹ *Second Review Determinations*, USITC Pub. 4337 at 20.

²¹⁰ *Second Review Determinations*, USITC Pub. 4337 at 20-21.

domestic industry's capacity, production, capacity utilization, and U.S. shipments were lower than in the prior two reviews or in 1999, the final full year of the original POI.²¹¹ By contrast, the domestic industry's operating income and operating income margin were higher than in the prior two review periods or in 1999.²¹² The Commission concluded that the likely significant volume of subject imports, coupled with their adverse price effects, would likely have a significant impact on the domestic industry.²¹³

For purposes of non-attribution, the Commission found that there was no evidence or argument that the presence of nonsubject imports would prevent cumulated subject imports from significantly increasing their presence in the U.S. market after revocation, given the export orientation of the subject industries and the attractiveness of the U.S. market.²¹⁴ It also found that the likely increase in subject imports would likely take significant market share from the domestic industry, given the fungibility between the subject imports and the domestic like product.²¹⁵

Current Reviews. The record in these expedited reviews contains limited information on the domestic industry's performance since the last reviews.

The information available in these reviews indicates that the domestic industry's performance was weaker in 2021 than in the final years examined in the prior proceedings by most measures.²¹⁶ Specifically, the domestic industry capacity, production, capacity utilization, U.S. shipments, market share, net sales revenue, and gross profit were lower in 2021 than in the prior proceedings. In 2021, the domestic industry's production capacity was *** pounds, its production was *** pounds, and its capacity utilization rate was *** percent.²¹⁷ Its U.S.

²¹¹ *Third Review Determinations*, USITC Pub. 4751 at 26. In 2016, capacity was *** pounds, production was *** pounds, capacity utilization was *** percent, and U.S. commercial shipments were *** pounds. Confidential Third Review Determinations, EDIS Doc. 787344 at 41 n. 163.

²¹² *Third Review Determinations*, USITC Pub. 4751 at 26. Operating income was \$*** in 2016; as a ratio to net sales, operating income was *** percent in 2016. Confidential Third Review Determinations, EDIS Doc. 787344 at 41 n. 164.

²¹³ *Third Review Determinations*, USITC Pub. 4751 at 26.

²¹⁴ *Third Review Determinations*, USITC Pub. 4751 at 26-27.

²¹⁵ *Third Review Determinations*, USITC Pub. 4751 at 27.

²¹⁶ The domestic industry's trade and financial data may be understated relative to the prior proceedings due to the lower coverage of domestic industry production in these reviews, as discussed in section IV.B.2 above. See CR/PR at I-11-12.

²¹⁷ CR/PR at Table I-5. The domestic industry's capacity was *** pounds in 2016, *** pounds in 2010, 7.0 million pounds in 2005, and *** pounds in 1999; production was *** pounds in 2016, *** pounds in 2010, 4.6 million pounds in 2005, and *** pounds in 1999; and its capacity utilization was *** percent in 2016, *** percent in 2010, 65.2 percent in 2005, and *** percent in 1999. *Id.*

shipments were *** pounds, equivalent to *** percent of apparent U.S. consumption that year, with a value of \$***.²¹⁸ Its net sales revenue was of \$*** and its gross profit was \$***.²¹⁹ On the other hand, the domestic industry's operating income, at ***, was higher than in 1999 and 2005, but lower than in 2010 and 2016, while the industry's operating income to net sales ratio was higher, at *** percent, and its COGS to net sales ratio lower, at *** percent, than in the prior proceedings.²²⁰ The limited information in these expedited reviews is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available in these reviews, we find that revocation of the orders would likely lead to a significant volume of subject imports that would likely significantly undersell the domestic like product to gain market share. Given the at least moderate degree of substitutability between domestically produced SSBW pipe fittings and subject imports and the importance of price to purchasers, the likely significant volume of low-priced subject imports would likely capture sales and market share from the domestic industry and/or force U.S. producers to lower their prices or forgo price increases to defend their sales, thereby depressing or suppressing prices for the domestic like product to a significant degree. Consequently, subject imports would likely have a significant adverse impact on the production, shipments, sales, market share, and revenue of the domestic industry, which in turn, would have a direct adverse impact the domestic industry's profitability and employment, as well as its ability to raise capital, and to make and maintain capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to subject imports. Although nonsubject imports have increased their presence in the U.S. market since

²¹⁸ CR/PR at Tables I-5, I-7. The domestic industry's share of apparent U.S. consumption was *** percent in 2016, *** percent in 2010, 25.7 percent in 2005, and *** percent in 1999. *Id.* at Table I-7. Its U.S. shipments were *** pounds in 2016, *** pounds in 2010, 4.5 million pounds in 2005, and *** pounds in 1999. *Id.* at Table I-5.

²¹⁹ CR/PR at Table I-5. Net sales were \$*** in 2016, \$*** in 2010, \$45.1 million in 2005, and \$*** in 1999 and gross profits were \$*** in 2016, \$*** in 2010, \$13.3 million in 2005, and \$*** in 1999. *Id.*

²²⁰ CR/PR at Table I-5. COGS was \$*** in 2016, \$*** in 2010, \$31.8 million in 2005, and \$*** in 1999; operating income was \$*** in 2016, \$*** in 2010, \$2.8 million in 2005, and \$*** in 1999; operating income to net sales ratio was *** percent in 2016, *** percent in 2010, 6.1 percent in 2005, and *** percent in 1999; and its COGS to net sales ratio was *** percent in 2016, *** percent in 2010, 70.4 percent in 2005, and *** percent in 1999. *Id.*

the prior proceedings, accounting for *** percent of apparent U.S. consumption in 2021,²²¹ as the domestic industry's market share *** over the life of the orders, the record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant volumes through significant underselling if the orders were revoked. Given the moderate degree of substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions, we find the likely significant volume of subject imports would likely take market share, at least in part, from the domestic industry and/or depress or suppress prices for the domestic like product to a significant degree. We also note that the domestic industry was able to improve its operating income to net sales ratio in 2021 compared to the prior proceedings despite the increased presence of nonsubject imports.²²² Consequently, we find that subject imports would likely cause adverse effects on the domestic industry that are distinct from any impact of nonsubject imports in the event of revocation.

We recognize that apparent U.S. consumption was *** percent lower in 2021 than in 2016.²²³ However, Domestic Producers reported that U.S. demand for SSBW pipe fittings increased in 2022, after declining in 2020 and 2021 due to the COVID-19 pandemic.²²⁴ Furthermore, the lower level of apparent U.S. consumption in 2021 compared to 2016 did not prevent the domestic industry from improving its operating income to net sales ratio in 2021 relative to 2016.²²⁵ We therefore find that the effects of demand trends would be distinct from the likely effects attributable to cumulated subject imports.

In sum, we conclude that if the orders were revoked, cumulated subject imports from Italy, Malaysia, and the Philippines would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

²²¹ CR/PR at Table I-7. We note that the nonsubject imports' share of apparent U.S. consumption in 2021 may be overstated relative to its shares in the in the prior proceedings due to the lower coverage of domestic industry production in these reviews, as discussed in section IV.B.2 above. See CR/PR at I-11-12. CR/PR at I-11. Nonsubject imports' share of apparent U.S. consumption in 2021 may also be overstated as it is based on imports that may contain out-of-scope merchandise, as discussed in section I above.

²²² CR/PR at Table I-5.

²²³ *Calculated from* CR/PR at Table I-7.

²²⁴ Domestic Producers' Response at 22.

²²⁵ See CR/PR at Table I-5.

V. Conclusion

For the foregoing reasons, we determine that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On November 1, 2022, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of the antidumping duty orders on stainless steel butt-weld pipe fittings (“SSBW pipe fittings”) from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.³ Table I-1 presents information relating to the background and schedule of this proceeding:

Table I-1
SSBW pipe fittings: Information relating to the background and schedule of this proceeding

Effective date	Action
November 1, 2022	Notice of initiation by Commerce (87 FR 65746, November 1, 2022)
November 1, 2022	Notice of institution by Commission (87 FR 65819, November 1, 2022)
February 6, 2023	Commission’s vote on adequacy
March 7, 2023	Commerce’s results of its expedited reviews (88 FR 14136, March 7, 2023)
March 31, 2023	Commission’s determinations and views

Responses to the Commission’s notice of institution

Individual responses

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

¹ 19 U.S.C. 1675(c).

² 87 FR 65819, November 1, 2022. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping duty orders. 87 FR 65746, November 1, 2022. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

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

1. Core Pipe Products, Inc. (“Core Pipe”), Felker Brothers Corporation, (“Felker Brothers”), and Jero Inc. (“Jero”), domestic producers of SSBW pipe fittings (collectively referred to herein as “domestic interested parties”).⁴
2. Mac Piping Materials SDN BHD (“Mac Piping”), a Malaysian producer of SSBW pipe fittings (referred to herein as “respondent interested party”).⁵

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
SSBW pipe fittings: Summary of completed responses to the Commission’s notice of institution

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	3	***%
Foreign producer/exporter	Respondent (Malaysia)	1	8.6%

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of SSBW pipe fittings during 2021. Domestic interested party’s revised response to the notice of institution, January 23, 2023, exh. 1.

Note: The respondent interested party did not provide an estimate of its share of total production of SSBW pipe fittings in Malaysia during 2021, nor did it provide an estimate of its share of total exports of SSBW pipe fittings from Malaysia to the United States. The foreign producer coverage figure presented is staff’s estimate of the share of the quantity of total exports to the United States of SSBW pipe fittings from Malaysia in 2021 accounted for by the responding firm. The estimate was calculated as the quantity of reported exports (352,740 pounds) divided by the quantity of total U.S. imports from Malaysia reported for 2021 in Commerce’s official import statistics (4,088,245 pounds).

⁴ Legal counsel for Core Pipe submitted as part of its client’s response to the notice of institution the information of two additional domestic producers (Felker Brothers and Jero), along with individual company declarations in support of continuation of the orders and certifications of accuracy of each firm’s information. Counsel argues that, given the support for continuation of the orders and data provided by all three domestic producers, for purposes of the adequacy vote, the Commission should consider the entire response as being also filed on behalf of Felker Brothers and Jero. Domestic interested parties’ supplemental response to the notice of institution, December 9, 2022, p. 2 and the domestic interested parties’ revised substantive response to the notice of institution, January 23, 2023, exh. 2.

⁵ In its response to the notice of institution, Mac Piping originally indicated its willingness to participate in the proceeding. However, Mac Piping did not respond to staff’s efforts to cure certain items in its original response, noting in its subsequent official filing with the Secretary to the Commission that it “. . . has decided not to further participate in this sunset review. . .” Respondent interested party’s response to the notice of institution, December 1, 2022; Respondent interested party’s notice of non-participation, December 19, 2022.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from the domestic interested parties. The domestic interested parties request that the Commission conduct expedited reviews of the antidumping duty orders on SSBW pipe fittings.⁶

The original investigations

The original investigations resulted from petitions filed on December 29, 1999 with Commerce and the Commission by Alloy Piping Products, Inc., Shreveport, Louisiana; Flowline Division of Markovitz Enterprises, Inc., New Castle, Pennsylvania; Gerlin, Inc., (“Gerlin”), Carol Stream, Illinois; and Taylor Forge Stainless, Inc., North Branch, New Jersey.⁷ On December 27, 2000, Commerce determined that imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines were being sold at less than fair value (“LTFV”).⁸ The Commission determined on January 29, 2001 that the domestic industry was materially injured by reason of LTFV imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines.⁹ On February 23, 2001, Commerce issued its antidumping duty orders with the following final weighted-average dumping margins on imports of SSBW pipe fittings: Italy (26.59 percent), Malaysia (7.51 percent), and the Philippines (33.81 percent).¹⁰ On March 23, 2005, Commerce amended its original calculations relating to the weighted-average margins of dumping for both Tung Fong Industrial Co., Inc. and

⁶ Domestic interested parties’ comments on adequacy, January 11, 2022, pp. 1-2.

⁷ Certain Stainless Steel Butt-Weld Pipe Fittings from Germany, Inv. No. 731-TA-864 (Final), USITC Publication 3372, November 2000 (“Original Germany publication”), p. I-1. Certain Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Inv. Nos. 731-TA-865-867 (Final), USITC Publication 3387, January 2001 (“Original Italy/Malaysia/Philippines publication”), p. I-1. The original petitions included Germany, as well as Italy, Malaysia, and the Philippines. In its final investigation concerning Germany, the Commission determined on November 29, 2000, that imports of the subject merchandise from Germany were negligible for purposes of the Commission’s analysis of material injury by reason of imports of SSBW pipe fittings from Germany but that there was a potential that such imports would imminently account for more than three percent of total imports. The Commission also determined that an industry in the United States was not threatened with material injury by reason of imports of SSBW pipe fittings from Germany that were found by Commerce to be sold in the United States at less than fair value. 65 FR 75955, December 5, 2000.

⁸ 65 FR 81823, 65 FR 81825, 65 FR 81830, December 27, 2000.

⁹ 66 FR 8981, February 5, 2001. The Commission majority also found that imports subject to Commerce’s affirmative critical circumstances determination were not likely to undermine seriously the remedial effect of the order on Italy and the Philippines.

¹⁰ 66 FR 11257, February 23, 2001.

the “all others rate” for imports of SSBW pipe fittings from the Philippines from 33.81 percent to 7.59 percent based on a remand from the Court of International Trade (“CIT”).¹¹

The first five-year reviews

On April 10, 2006, the Commission determined that it would conduct full reviews of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines.¹² On May 8, 2006, Commerce determined that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of dumping.¹³ On November 17, 2006, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁴ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective December 11, 2006, Commerce issued a continuation of the antidumping duty orders on imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines.¹⁵

The second five-year reviews

On February 6, 2012, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines.¹⁶ On March 8, 2012, Commerce determined that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of dumping.¹⁷ On June 28, 2012, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁸ Following affirmative determinations in the five-year reviews by Commerce

¹¹ 70 FR 30086, May 25, 2005. In the remand from the CIT, Commerce was required to calculate a weighted-average margin of dumping for Tung Fong Industrial Co., Inc. based on data that had been submitted to Commerce during the conduct of the original LTFV investigations, and not to rely upon an adverse facts available duty rate. The effect of Commerce’s compliance with this court instruction was to lower the original 33.81 percent applicable to Tung Fong Industrial Co., Inc. and the “all other rates” to 7.59 percent. This change applied retroactively as well as prospectively to imports of SSBW fittings from the Philippines. *Id.*; see also *Tung Fong Ind. Co., Inc. v. United States*, 29 CIT 346, 366 F.Supp.2d 1308 (2005).

¹² 71 FR 20132, April 19, 2006.

¹³ 71 FR 26748, May 8, 2006.

¹⁴ 71 FR 67904, November 24, 2006.

¹⁵ 71 FR 71530, December 11, 2006.

¹⁶ 77 FR 10773, February 23, 2012.

¹⁷ 77 FR 14002, March 8, 2012.

¹⁸ 77 FR 39735, July 5, 2012.

and the Commission, effective July 20, 2012, Commerce issued a continuation of the antidumping duty orders on imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines.¹⁹

The third five-year reviews

On September 5, 2017, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines.²⁰ On October 6, 2017, Commerce determined that revocation of the antidumping duty orders on SSBW pipe fittings from Italy, Malaysia, and the Philippines would be likely to lead to continuation or recurrence of dumping.²¹ The Commission published its determinations that material injury would be likely to continue or recur within a reasonably foreseeable time on December 20, 2017.²² Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective December 29, 2017, Commerce issued a continuation of the antidumping duty orders on imports of on SSBW pipe fittings from Italy, Malaysia, and the Philippines.²³

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on SSBW pipe fittings, as presented in table I-3.

¹⁹ 77 FR 42697, July 20, 2012.

²⁰ 82 FR 46524, October 5, 2017.

²¹ 82 FR 46763, October 6, 2017.

²² 82 FR 60419, December 20, 2017.

²³ 82 FR 61751, December 29, 2017.

Table I-3**SSBW pipe fittings: Previous and related Commission proceedings and status of orders**

Date	Number	Country	ITC original determination	Current status of order
1987	731-TA-376	Japan	Affirmative	Order revoked after second review, October 20, 2010
1992	731-TA-563	Korea	Affirmative	Order revoked after second review, October 20, 2010
1992	731-TA-564	Taiwan	Affirmative	Order revoked after second review, October 20, 2010
1999	731-TA-864	Germany	Negative	---
1999	731-TA-865	Italy	Affirmative	Ongoing fourth review
1999	731-TA-866	Malaysia	Affirmative	Ongoing fourth review
1999	731-TA-867	Philippines	Affirmative	Ongoing fourth review

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

Note: While stainless steel fittings were included in global safeguard investigation TA-201-073, the Commission issued a negative determination with respect to stainless steel fittings. Steel, Inv. No. TA-201-73, USITC Publication 3479, December 2001, p. 1.

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

Commerce’s five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines with the intent of issuing the final results of these reviews based on the facts available not later than March 1, 2023.²⁴ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <http://enforcement.trade.gov/frn/>. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty orders on imports of SSBW pipe fittings from Italy, Malaysia, and the Philippines are noted in the sections titled “The original investigations” and “U.S. imports,” if applicable.

²⁴ Letter from Eric Greynolds, Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, December 20, 2022.

The product

Commerce's scope

Commerce has defined the scope as follows:

Certain stainless steel butt-weld pipe fittings (butt-weld fittings). Butt-weld fittings are under 14 inches in outside diameter (based on nominal pipe size), whether finished or unfinished. The product encompasses all grades of stainless steel and "commodity" and "specialty" fittings. Specifically excluded from the definition are threaded, grooved, and bolted fittings, and fittings made from any material other than stainless steel.

The butt-weld fittings subject to these Orders are generally designated under specification ASTM A403/A403M, the standard specification for Wrought Austenitic Stainless Steel Piping Fittings, or its foreign equivalents (e.g., DIN or JIS specifications). This specification covers two general classes of fittings, WP and CR, of wrought austenitic stainless steel fittings of seamless and welded construction covered by the latest revision of ANSI B16.9, ANSI B16.11, and ANSI B16.28. Butt-weld fittings manufactured to specification ASTM A774, or its foreign equivalents, are also covered by the Orders.

These Orders do not apply to cast fittings. Cast austenitic stainless steel pipe fittings are covered by specifications A351/A351M, A743/ 743M, and A744/A744M.²⁵

U.S. tariff treatment

SSBW pipe fittings are provided for by name in HTS subheading 7307.23.00. Imports classified in this subheading may include SSBW pipe fittings that are outside of the scope of these antidumping duty orders (e.g., stainless steel butt-weld pipe fittings with a diameter size of 14 inches or greater). SSBW pipe fittings produced in Italy, Malaysia, and the Philippines come into the U.S. market at a column 1-general duty rate of 5 percent ad valorem. However,

²⁵ 82 FR 61752, December 29, 2017.

SSBW pipe fittings produced in the Philippines and provided for in subheading 7307.23.00 may be eligible for duty-free entry under the Generalized System of Preferences (“GSP”), when that program is in effect. Effective September 24, 2018, SSBW pipe fittings originating in China were subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for SSBW pipe fittings was increased to 25 percent ad valorem.²⁶ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.²⁷

Description and uses²⁸

SSBW pipe fittings are used to connect pipe sections where conditions require permanent, welded connections. The beveled edges of SSBW pipe fittings distinguish them from other types of pipe fittings, such as threaded, grooved, or bolted fittings, which rely on different fastening methods. When placed against the matching beveled end of a pipe or another fitting, the beveled edges of SSBW pipe fittings form a shallow channel that accommodates the “bead” of the weld that fastens the two adjoining pieces. SSBW pipe fittings are identified by their diameter, wall thickness, shape or configuration, and material composition. Only those SSBW pipe fittings of wrought stainless steel which are less than 14 inches in outside diameter are covered by the antidumping duty orders under review. Compared to butt-weld fittings made from carbon steel, the use of stainless steel in the creation of butt-weld fittings imparts extra resistance to corrosion²⁹ and oxidation, as well as, depending on the specific alloy and manufacturing process used, the ability to withstand extreme temperatures and pressure.

SSBW pipe fittings subject to these antidumping duty orders are available in several basic shapes, such as elbows, returns, tees, crosses, reducers, caps, and stub-ends. Elbows are two outlet fittings usually having a 45-degree or 90-degree bend, tees are T-shaped fittings

²⁶ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS headings 9903.88.03 and 9903.88.04 and U.S. notes 20(e)–20(g) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. HTSUS (2023) Basic Edition, USITC publication 5398, January 2023, pp. 99-III-26–99-III-51, 99-III-293. Goods exported from China to the United States prior to May 10, 2019, and entering the United States prior to June 1, 2019, were not subject to the escalated 25 percent duty (84 FR 21892, May 15, 2019).

²⁷ HTSUS (2023) Basic Edition, USITC publication 5398, January 2023, pp. 73-21.

²⁸ Unless otherwise noted, this information is based on Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Investigation Nos. 731-TA-865-867 (Third Review), USITC Publication 4751, January 2018, (“Third review publication”), pp. I-8-I-9.

²⁹ Corrosion resistance is primarily from the presence of chromium in stainless steel.

having three outlets, and reducers are two-outlet fittings that connect pipes of two different diameters. Caps are used to seal the end of a pipe. Each of these basic product categories includes a wide range of fittings which vary by size, alloy type, and wall thickness.³⁰ Figure I-1 illustrates a number of SSBW pipe fitting types.

Figure I-1
SSBW pipe fittings: Types of products



Source: Sunny Steel Enterprise Ltd. website, <http://buttweldpipefittings.blogspot.com/p/the-normal-types-ofpipe-fittings.html>, retrieved January 6, 2023.

In general, the SSBW pipe fittings subject to these antidumping duty orders are used by a variety of industries in “process” operations (piping systems) to join pipes in straight lines or to change the direction or flow of fluids. SSBW pipe fittings are typically used in bitumen upgraders, heavy oil refineries, offshore oil and gas production platforms, nuclear power plants, and some acid and chemical plants. SSBW pipe fittings classified under the American Society for Testing and Materials (“ASTM”) A403/A403M specification are used in high pressure and/or high heat piping applications,³¹ while those classified under ASTM A774/A774M-14 are general

³⁰ Original Germany publication, pp. I-3-I-5.

³¹ ASTM A403 / A403M - 11 Standard Specification for Wrought Austenitic Stainless Steel Piping Fittings, ASTM International, <http://www.astm.org/Standards/A403.htm>, retrieved January 6, 2023.

use corrosive-resistant SSBW pipe fittings that are not tested or manufactured for use in high heat or full pressure environments.³²

Manufacturing process³³

Most SSBW pipe fittings are cold-formed from seamless or welded stainless steel pipe. However, stub-ends are usually hot-forged, generally from stainless steel bar. The production process is similar among the different shapes available, including elbows, returns, tees, crosses, reducers, and caps, although steps related to forming the fitting vary depending on shape. Some elements of the production process for a particular type of fitting may differ from one manufacturer to another, but the basics of the process are very similar throughout the world. To manufacture an elbow by the cold-forming process, a piece of pipe that has been cut to the proper length is shaped under hydraulic pressure by being pushed over a mandrel to achieve the desired interior diameter and degree of bend, followed by resizing in a press to achieve the desired outside diameter. The resulting form is annealed (heat treated) to relieve metallurgical stresses that build up during the cold-working process. Some larger sizes may require additional forming and annealing steps to ensure uniform surfaces and wall thicknesses. After annealing, the blanks are quenched in water and the oxide scale that formed on exposed surfaces during the heat-treating process is removed by immersing the blanks in a pickling bath. The final sizing operation is performed in a press to achieve the required tolerances. Ends of the unfinished elbows are then machined to the exact size and a bevel is added for welding purposes. The machined elbow is degreased before being immersed in a hot dilute nitric acid solution to give the surface a corrosion-resistant character. Additional finishing steps may include grinding, die-stamping, inspection, and possibly painting to produce the finished fitting.

³² ASTM A774 / A774M - 09 Standard Specification for As-Welded Wrought Austenitic Stainless Steel Fittings for General Corrosive Service at Low and Moderate Temperatures, ASTM International, <http://www.astm.org/Standards/A774.htm>, retrieved January 6, 2023.

³³ Unless otherwise noted, this information is based on Third review publication, p. I-10.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from 12 firms, which accounted for the great majority of SSBW pipe fittings in the United States during January 1997-June 2000.³⁴

During the full first five-year reviews, the Commission received useable U.S. producer questionnaires from eight firms, which accounted for a substantial majority of production of SSBW pipe fittings in the United States during 2005.³⁵

During the expedited second five-year reviews, domestic interested parties provided a list of eight known and currently operating U.S. producers of SSBW pipe fittings. The four responding firms accounted for *** percent of production of SSBW pipe fittings in the United States during 2012.³⁶ During the expedited third five-year reviews, domestic interested parties once again identified eight known and currently operating U.S. producers of SSBW pipe fittings. The three responding firms accounted for approximately *** percent of production of SSBW pipe fittings in the United States during 2016.³⁷

In response to the Commission's notice of institution in these current reviews, interested parties provided a list of seven known and currently operating U.S. producers of SSBW pipe fittings.³⁸ Three firms providing U.S. industry data in response to the Commission's

³⁴ Investigation Nos. 731-TA-864-867 (Final): Certain Stainless Steel Butt-weld Pipe Fittings from Germany, Italy, Malaysia, and the Philippines, Confidential Report, INV-X-235, November 6, 2000, as revised in INV-X-239, November 13, 2000, and supplemented in INV-Y-002, January 4, 2001, and INV-Y-008, January 6, 2001 ("Original confidential report"), p. III-I.

³⁵ Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Investigation Nos. 731-TA-865-867 (First Review), USITC Publication 3889, November 2006 ("First review publication"), p. I-22.

³⁶ Investigation Nos. 731-TA-855-867 (Second Review): Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Confidential Report, INV-KK-059, May 24, 2012, ("Second review confidential report"), p. I-12, table I-4.

³⁷ Investigation Nos. 731-TA-855-867 (Third Review): Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Confidential Report, INV-PP-116, August 23, 2017, ("Third review confidential report"), pp. I-18 and I-20.

³⁸ Domestic interested parties' response to the notice of institution, December 1, 2022, p. 19, Respondent interested party's response to the notice of institution, December 1, 2022, p. 5.

notice of institution accounted for approximately *** percent of production of SSBW pipe fittings in the United States during 2021.³⁹

Recent developments

Table I-4 presents events in the U.S. industry since the Commission’s last five-year reviews.⁴⁰

Table I-4
SSBW pipe fittings: Recent developments in the U.S. industry

Item	Firm	Event
Acquisition	McDermott	McDermott completed its acquisition of Chicago Bridge and Iron (“CBI”) in December 2017 and the companies combined into one entity in 2018. CBI is a producer of SSBW pipe fittings.
Bankruptcy	McDermott	McDermott filed for chapter 11 bankruptcy protection in 2020. McDermott exited chapter 11 bankruptcy shortly after. There are no indications CBI was impacted or that there were any changes to SSBW pipe fittings production.
Closure	Alaskan Copper	According to the domestic interested parties’ response to the notice of institution, Alaskan Copper ceased producing SSBW pipe fittings in the United States after the third five-year reviews.
Plant Opening	M.E.G.A. S.p.A	Italian producer, M.E.G.A. S.p.A opened its first USA based facility, M.E.G.A. USA in 2017. The facility is located in Cypress, Texas. No public information was identified to confirm whether the U.S. facility produces SSBW fittings.

Source: Reuters, “McDermott adds onshore services with its Chicago Bridge and Iron deal,” CNBC.com, December 19, 2017, <https://www.cnbc.com/2017/12/19/mcdermott-adds-onshore-services-with-chicago-bridge-buy.html>, retrieved January 6, 2023; McDermott, “Who We Are / Years of Excellence,” McDermott.com, <https://www.mcdermott.com/Who-We-Are/125-Years-of-Excellence>, retrieved January 6, 2023; Reuters Staff, “McDermott to file for Chapter 11 bankruptcy protection”, Reuters.com, January 21, 2020, <https://www.reuters.com/article/us-mcdermott-intern-bankruptcy/mcdermott-to-file-for-chapter-11-bankruptcy-protection-idUSKBN1ZK1L8>, retrieved January 6, 2023; Domestic interested parties’ response to the notice of institution, December 1, 2022, pp 21, 99.

U.S. producers’ trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.⁴¹ Table I-5 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

³⁹ Domestic interested parties’ revised substantive response to the notice of institution, January 23, 2023, exh. 1.

⁴⁰ For recent developments, if any, in tariff treatment, please see “U.S. tariff treatment” section.

⁴¹ Individual company trade and financial data are presented in app. B.

Table I-5**SSBW pipe fittings: Trade and financial data submitted by U.S. producers, by period**

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

Item	Measure	1999	2005	2010	2016	2021
Capacity	Quantity	***	7,036	***	***	***
Production	Quantity	***	4,588	***	***	***
Capacity utilization	Ratio	***	65.2	***	***	***
U.S. shipments	Quantity	***	4,464	***	***	***
U.S. shipments	Value	***	43,273	***	***	***
U.S. shipments	Unit value	***	9.69	***	***	***
Net sales	Value	***	45,130	***	***	***
COGS	Value	***	31,781	***	***	***
COGS to net sales	Ratio	***	70.4	***	***	***
Gross profit or (loss)	Value	***	13,349	***	***	***
SG&A expenses	Value	***	10,580	***	***	***
Operating income or (loss)	Value	***	2,769	***	***	***
Operating income or (loss) to net sales	Ratio	***	6.1	***	***	***

Note: The 1999 data presented for the original investigations exclude ***, for which the Commission excluded from the domestic industry as a related party. The capacity utilization reported in the original investigations also ***.

Source: For the years 1999, 2005, 2010, and 2016, data are compiled using data submitted in the Commission's original investigations, and first, second, and third five-year reviews. For the year 2021, data are compiled using data submitted by domestic interested parties. Domestic interested parties' revised response to the notice of institution, January 23, 2023, exh. 1.

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

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the

related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.⁴²

In its original determinations, its full first five-year review determinations, and its expedited second and third five-year review determinations, the Commission defined the domestic like product as all SSBW pipe fittings coextensive with Commerce’s scope.

In its original determinations, the Commission defined the domestic industry as all domestic producers of finished and unfinished butt-weld fittings having an outside diameter (based on nominal pipe size) of less than 14 inches, although one domestic producer was excluded from the domestic industry under the related parties provision. In its full first five-year review determinations and its expedited second five-year review determinations, the Commission defined the domestic industry as all domestic producers of stainless steel butt-weld pipe fittings. In its expedited third five-year review determinations, the Commission defined the domestic industry as all domestic producers of finished and unfinished butt-weld fittings having an outside diameter (based on nominal pipe size) of less than 14 inches.⁴³

U.S. importers

During the final phase of the original investigations, the Commission received useable U.S. importer questionnaires from 22 firms.⁴⁴ Import data presented in the original investigations are based on questionnaire responses for imports from Malaysia and the Philippines and official Commerce statistics for imports from Italy and nonsubject sources with modifications to account for the inclusions of merchandise outside of Commerce’s scope in the HTS subheading (i.e., SSBW pipe fittings with a diameter equal to or larger than 14 inches).⁴⁵

During the full first five-year reviews, the Commission received useable U.S. importer questionnaires from 14 firms, of which three reported imports of SSBW pipe fittings from Italy (accounting for *** percent of official imports in 2005), three reported imports of SSBW pipe fittings from Malaysia (accounting for *** percent of official imports in 2005), and five reported imports of SSBW pipe fittings from the Philippines (accounting for *** percent of

⁴² Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁴³ 87 FR 65820, November 1, 2022.

⁴⁴ Original Germany publication, p. IV-1.

⁴⁵ Original Germany publication, p. IV-1.

imports in 2005.⁴⁶ Import data presented in the first reviews are based on official Commerce statistics.

In the expedited second five-year reviews, the domestic interested parties provided a list of 29 U.S. importers of SSBW pipe fittings in the United States, while the respondent interested party provided at least two additional U.S. importers of SSBW pipe fittings.⁴⁷ Import data presented in the second reviews are based on official Commerce statistics.⁴⁸

In the third five-year reviews, the domestic interested parties provided a list of 60 U.S. importers of SSBW pipe fittings in the United State.⁴⁹ Import data presented in the third reviews are based on official Commerce statistics.⁵⁰

In its response to the Commission's notice of institution, the domestic interested parties provided a list of 67 potential U.S. importers of SSBW pipe fittings from Italy, Malaysia, and the Philippines.⁵¹ In addition, the respondent interested party provided a list of five firms that may currently import subject merchandise.⁵²

U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports from Italy, Malaysia, and the Philippines as well as the other leading sources of U.S. imports (shown in descending order of 2021 imports by quantity).⁵³

⁴⁶ Investigation Nos. 731-TA-865-867 (Review): Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Confidential Report, INV-DD-144, October 11, 2006, as revised in INV-DD-145, October 19, 2006, ("First review confidential report"), pp. I-30 and IV-1.

⁴⁷ Stainless Steel Butt-Weld Pipe Fittings from Italy, Malaysia, and the Philippines, Investigation Nos. 731-TA-865-867 (Second Review), USITC Publication 4337, June 2012 ("Second review publication"), p. I-12.

⁴⁸ Second review publication, pp. I-13-I-14.

⁴⁹ Third review publication, p. I-16.

⁵⁰ Third review publication, p. I-16.

⁵¹ Domestic interested party's response to the notice of institution, December 1, 2022, exh. 1.

⁵² Respondent interested party's response to the notice of institution, December 1, 2022, p. 5.

⁵³ For the years 2017-18, imports are based on subheading 7307.23.00 since it was the only 8-digit subheading under subheading 7307.23. The subheading 7307.23 was expanded after 2018 and therefore, for 2019-21, imports are based on 7307.23.0000, 7307.23.0030, and 7307.23.0090.

Table I-6
SSBW pipe fittings: U.S. imports, by source and period

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

U.S. imports from	Measure	2017	2018	2019	2020	2021
Italy	Quantity	489	356	164	137	133
Malaysia	Quantity	4,019	3,977	4,757	3,174	4,088
Philippines	Quantity	1,487	1,207	1,613	347	116
Subject sources	Quantity	5,996	5,540	6,535	3,658	4,337
Taiwan	Quantity	5,178	5,433	6,910	3,446	4,579
China	Quantity	5,246	5,934	4,730	3,088	3,927
South Korea	Quantity	1,774	4,304	4,632	2,108	3,427
All other sources	Quantity	2,618	2,954	2,817	3,270	2,802
Nonsubject sources	Quantity	14,816	18,625	19,089	11,912	14,735
All import sources	Quantity	20,812	24,165	25,624	15,570	19,072
Italy	Value	3,791	1,861	1,599	1,285	998
Malaysia	Value	10,414	11,822	15,450	9,633	12,023
Philippines	Value	4,175	3,396	4,645	1,001	559
Subject sources	Value	18,380	17,079	21,694	11,919	13,579
Taiwan	Value	13,956	16,690	21,751	10,671	16,423
China	Value	27,526	34,362	32,994	25,995	26,919
South Korea	Value	8,501	16,789	21,782	10,186	14,011
All other sources	Value	20,685	23,469	24,769	21,538	22,733
Nonsubject sources	Value	70,668	91,310	101,296	68,390	80,086
All import sources	Value	89,048	108,389	122,990	80,309	93,665
Italy	Unit value	7.75	5.23	9.75	9.40	7.50
Malaysia	Unit value	2.59	2.97	3.25	3.03	2.94
Philippines	Unit value	2.81	2.81	2.88	2.89	4.80
Subject sources	Unit value	3.07	3.08	3.32	3.26	3.13
Taiwan	Unit value	2.70	3.07	3.15	3.10	3.59
China	Unit value	5.25	5.79	6.98	8.42	6.85
South Korea	Unit value	4.79	3.90	4.70	4.83	4.09
All other sources	Unit value	7.90	7.94	8.79	6.59	8.11
Nonsubject sources	Unit value	4.77	4.90	5.31	5.74	5.44
All import sources	Unit value	4.28	4.49	4.80	5.16	4.91

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 7307.23.0000, 7307.23.0030, and 7307.23.0090, accessed January 6, 2023. These data may be overstated as HTS statistical reporting numbers 7307.23.0000, 7307.23.0030, and 7307.23.0090 may contain products outside the scope of these reviews.

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

Cumulation considerations⁵⁴

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.⁵⁵

Imports from Italy were reported in 58 of the 60 months between 2017 and 2021. Imports from Malaysia were reported in each month between 2017 and 2021. Imports from the Philippines were reported in 47 of the 60 months between 2017 and 2021.

The majority of imports from Italy entered through southern borders of entry in all years from 2017 through 2021. Almost all imports of SSBW pipe fittings from Italy in 2021 were entered through the same southern border of entry (Houston-Galveston, Texas).

The majority of imports from Malaysia entered through northern, southern, and eastern borders of entry in all years from 2017 through 2021. The largest share of imports of SSBW pipe fittings from Malaysia in 2021 were entered through the southern border of entry (Houston-Galveston, Texas) followed by the eastern border of entry (Cleveland, Ohio).

The majority of imports from the Philippines entered through eastern borders of entry from 2017 through 2018, and then the majority of imports entered through southern borders of entry from 2019 through 2021. Imports of SSBW pipe fittings from the Philippines in 2021 were entered through the same southern border of entry (Houston-Galveston, Texas).

Apparent U.S. consumption and market shares

Table I-7 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

⁵⁴ Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting numbers 7307.23.0000, 7307.23.0030 and 7307.23.0090.

⁵⁵ In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

Table I-7**SSBW pipe fittings: Apparent U.S. consumption and market shares, by source and period**

Quantity in 1,000 pounds; value in 1,000 dollars; shares in percent

Source	Measure	1999	2005	2010	2016	2021
U.S. producers (excluding ***)	Quantity	***	NA	NA	NA	NA
***	Quantity	***	NA	NA	NA	NA
Total U.S. producers	Quantity	***	4,464	***	***	***
Italy	Quantity	***	192	132	149	133
Malaysia	Quantity	***	1,460	1,059	3,553	4,088
Philippines	Quantity	***	357	2,191	1,393	116
Subject sources	Quantity	***	2,009	3,382	5,094	4,337
Nonsubject sources	Quantity	***	10,872	8,084	14,354	14,735
All import sources	Quantity	***	12,881	11,466	19,448	19,072
Apparent U.S. consumption	Quantity	***	17,345	***	***	***
U.S. producers (excluding ***)	Value	***	NA	NA	NA	NA
***	Value	***	NA	NA	NA	NA
Total U.S. producers	Value	***	43,273	***	***	***
Italy	Value	***	1,847	1,118	1,347	998
Malaysia	Value	***	4,984	3,238	8,030	12,023
Philippines	Value	***	1,448	7,873	3,892	559
Subject sources	Value	***	8,279	12,228	13,268	13,579
Nonsubject sources	Value	***	56,722	51,192	68,176	80,086
All import sources	Value	***	65,001	63,420	81,444	93,665
Apparent U.S. consumption	Value	***	108,274	***	***	***

Table I-7 Continued**SSBW pipe fittings: Apparent U.S. consumption and market shares, by source and period**

Quantity in 1,000 pounds; value in 1,000 dollars; shares in percent

Source	Measure	1999	2005	2010	2016	2021
U.S. producers (excluding ***)	Share of quantity	***	NA	NA	NA	NA
***	Share of quantity	***	NA	NA	NA	NA
Total U.S. producers	Share of quantity	***	25.7	***	***	***
Italy	Share of quantity	***	1.1	***	***	***
Malaysia	Share of quantity	***	8.4	***	***	***
Philippines	Share of quantity	***	2.1	***	***	***
Subject sources	Share of quantity	***	11.6	***	***	***
Nonsubject sources	Share of quantity	***	62.7	***	***	***
All import sources	Share of quantity	***	74.3	***	***	***
U.S. producers (excluding ***)	Share of value	***	NA	NA	NA	NA
***	Share of value	***	NA	NA	NA	NA
Total U.S. producers	Share of value	***	40.0	***	***	***
Italy	Share of value	***	1.7	***	***	***
Malaysia	Share of value	***	4.6	***	***	***
Philippines	Share of value	***	1.3	***	***	***
Subject sources	Share of value	***	7.6	***	***	***
Nonsubject sources	Share of value	***	52.4	***	***	***
All import sources	Share of value	***	60.0	***	***	***

Source: For the years 1999, 2005, 2010, and 2016, data are compiled using data submitted in the Commission's original investigations, and first, second, and third five-year reviews. For the year 2021, U.S. producers' U.S. shipments are compiled from the domestic interested parties' revised response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 7307.23.0000, 7307.23.0030, and 7307.23.0090, accessed January 6, 2023.

Note: Share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent.

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

The industry in Italy

Producers in Italy

During the final phase of the original investigations, the Commission received a foreign producer/exporter questionnaire from one firm (Coprosider S.p.A.), which accounted for ***

percent of production of SSBW pipe fittings in Italy during 1999, and all SSBW pipe fitting exports from Italy to the United States.⁵⁶

During the full first five-year reviews, the Commission received a useable foreign producer/exporter questionnaire response from *** firm, (***), which provided only sparse data amounting to ***.⁵⁷

During the expedited second five-year reviews, the Commission received a response to the notice of institution from one firm, (Filmag Italia S.R.L.), which was a small manufacturer of SSBW pipe fittings that focused on high-quality fittings used in the petrochemical industry.^{58 59} The domestic interested parties in the second five-year reviews provided a list of nine possible producers of SSBW pipe fittings in Italy.⁶⁰

Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of 15 possible producers of SSBW pipe fittings in Italy in that proceeding.⁶¹

While the respondent interested party in these current fourth five-year reviews did not provide a list of producers of SSBW pipe fittings in Italy, the domestic interested parties provided a list of 16 possible producers of SSBW pipe fittings in Italy.⁶²

⁵⁶ Original confidential report, p. VII-3.

⁵⁷ First review confidential report, pp. IV-17-IV-18.

⁵⁸ The Italian respondent party, Filmag indicated that “Coprosider is no longer producing SSBW pipe fittings and thus Italy as a whole has diminished export capacity.” Second review publication, p. I-21.

⁵⁹ Second review publication, p. I-21.

⁶⁰ Second review publication, p. I-21.

⁶¹ Third review publication, p. I-22.

⁶² Domestic interested parties’ response to the notice of institution, December 1, 2022, exh. 1.

Recent developments

Table I-8 presents events in the Italian industry since the Commission's last five-year reviews.

Table I-8
SSBW pipe fittings: Developments in the Italian industry

Item	Firm	Event
Acquisition	Allied International S.R.L.	Allied International S.r.l. acquired Bassi Luigi & C. S.p.A., a producer of SSBW pipe fittings in 2018. There are no indications this influenced production capacity or production levels.

Source: Bassi, "History," Bassiluigi.com, <https://www.bassiluigi.com/template.php?rpage=history&l=en>, retrieved January 6, 2023.

Exports

Table I-9 presents export data for butt weld fittings, a category that includes SSBW pipe fittings and out-of-scope products, from Italy (by export destination in descending order of quantity for 2021).

Table I-9
Butt-weld fittings: Quantity of exports from Italy, by destination and period

Quantity in 1,000 pounds

Reporter	2017	2018	2019	2020	2021
China	1,533	609	675	4,582	3,209
Russia	482	578	1,283	383	2,206
France	4,034	2,753	2,180	1,368	2,205
Netherlands	858	1,103	1,115	1,043	1,137
Saudi Arabia	200	158	80	131	845
Spain	684	743	795	575	763
Poland	1,091	717	581	536	679
Germany	441	745	710	863	625
Hungary	368	334	232	271	581
United Kingdom	602	575	647	545	435
All other markets	8,558	6,908	7,118	8,175	5,145
All markets	18,851	15,225	15,416	18,472	17,829

Note: Because of rounding, figures may not add to totals shown. Exports to Chile were excluded from calculations as the unit of measure wasn't able to be verified. Exports to Chile were negligible and were 0 in 2018, 2019, and 2021.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7307.23 accessed January 6, 2023. These data may be overstated as HS subheading 7307.23 may contain products outside the scope of these reviews.

The industry in Malaysia

Producers in Malaysia

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from three firms (Kanzen Tetsu Sdn. Bhd., Schulz Manufacturing Sdn., and Amalgamated Industrial Stainless Steel Sdn. Bhd.), which accounted for *** production of SSBW pipe fittings in Malaysia.⁶³

During the first full five-year reviews, the Commission received useable foreign producer/exporter questionnaires from two firms (***). These two firms accounted for a *** of production of SSBW pipe fittings in Malaysia.⁶⁴

Although the Commission did not receive responses from any respondent interested parties in its second five-year reviews, the domestic interested parties provided a list of four possible producers of SSBW pipe fittings in Malaysia.⁶⁵

Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of seven possible producers of SSBW pipe fittings in Malaysia in that proceeding.⁶⁶

In its response to the notice of institution for these current reviews, one foreign producer of the subject merchandise provided approximated data regarding its capacity, production, and exports to the United States but did not provide an estimate of its percentage of total production of SSBW pipe fittings in Malaysia during 2021.⁶⁷

Trade data for producers in Malaysia

Table I-10 presents the production, capacity, and exports to the United States of SSBW pipe fittings during 2021, reported by the responding producer in Malaysia, as well as data compiled in the original investigations and subsequent five-year reviews. Although the

⁶³ Original confidential report, pp. VII-4-VII-5.

⁶⁴ The largest producer in Malaysia, ***, did not provide a response to the Commission questionnaire in the first five-year reviews (despite having initially participated in the adequacy phase of those reviews) and ***, stated that its SSBW pipe fittings plant ceased operation in ***, at which time it also ceased exports to the United States. First review confidential report, pp. IV-19-IV-21.

⁶⁵ Second review publication, p. I-23.

⁶⁶ Third review publication, p. I-7.

⁶⁷ Respondent interested party's response to the notice of institution, December 1, 2022, pp. 7-8.

respondent interested party did not provide a list of firms that may currently produce and/or export SSBW pipe fittings in Malaysia, the domestic interested parties provided a list of seven firms that may currently produce and/or export SSBW pipe fittings in Malaysia.⁶⁸

Table I-10
SSBW pipe fittings: Production, capacity, and exports to the United States reported by firms in Malaysia, by period

Quantity in 1,000 pounds; value in 1,000 dollars; ratio in percent

Item	Measure	1999	2005	2010	2016	2021
Capacity	Quantity	***	***	NA	NA	3,968
Production	Quantity	***	***	NA	NA	2,866
Capacity utilization	Ratio	***	***	NA	NA	72.2
Exports to the United States	Quantity	***	***	NA	NA	353
Exports to the United States	Value	NA	***	NA	NA	1,000

Source: For the years 1999 and 2005, data are compiled using data submitted in the Commission's original investigations and first five-year reviews. For the year 2021, data are compiled using data submitted by respondent interested party. Respondent interested party's response to the notice of institution, December 1, 2022, p. 7.

Recent developments

Table I-11 presents events in the Malaysian industry since the Commission's last five-year reviews.

Table I-11
SSBW pipe fittings: Developments in the Malaysian industry

Item	Firm	Event
Plant Opening	TSS Pipes and Fittings	According to the domestic interest parties' response to the notice of institution, TSS Pipes and Fittings, a producer of SSBW pipe fittings was established in June 2017. Their plant is located in Panang, Malaysia.

Source: Domestic interested parties' response to the notice of institution, December 1, 2022, p. 11.

⁶⁸ Domestic interested parties' response to the notice of institution, December 1, 2022, exh. 1.

Exports

Table I-12 presents export data for butt-weld fittings, a category that includes SSBW pipe fittings and out-of-scope products, from Malaysia (by export destination in descending order of quantity for 2021).

Table I-12
Butt-weld fittings: Quantity of exports from Malaysia, by destination and period

Quantity in 1,000 pounds

Reporter	2017	2018	2019	2020	2021
United States	3,762	4,037	4,827	3,740	4,623
Netherlands	1,819	2,179	2,437	1,869	2,679
Canada	934	687	373	446	1,108
Italy	374	292	637	391	765
Spain	348	363	442	331	549
Japan	1,356	1,143	1,128	892	533
Indonesia	386	622	935	678	480
United Kingdom	689	595	586	497	465
Germany	198	464	489	271	447
Singapore	220	125	353	242	296
All other markets	1,385	1,007	1,686	759	1,402
All markets	11,471	11,513	13,895	10,117	13,348

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7307.23 accessed January 6, 2023. These data may be overstated as HS subheading 7307.23 may contain products outside the scope of these reviews.

The industry in the Philippines

Producers in the Philippines

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms, Enlin Steel Corp. and Tung Fong Industrial Co., Inc. (“Tung Fong”), which accounted for virtually all production of SSBW pipe fittings in the Philippines during 1999.⁶⁹

During the full first five-year reviews, the Commission received useable foreign producer/exporter questionnaires from two firms (Vinox Manufacturing Co. Ltd. and Tung Fong).⁷⁰

Although the Commission did not receive responses from any respondent interested parties in its second five-year reviews, the domestic interested parties provided a list of two possible producers of SSBW pipe fittings in the Philippines.⁷¹

Although the Commission did not receive responses from any respondent interested parties in its third five-year reviews, the domestic interested parties provided a list of four possible producers of SSBW pipe fittings in the Philippines in that proceeding.⁷²

While the respondent interested party did not provide a list of possible producers of SSBW pipe fittings in the Philippines in these current fourth five-year reviews, the domestic interested parties provided a list of six possible producers of SSBW pipe fittings in the Philippines.⁷³

Recent developments

There were no major developments in the SSBW pipe fittings industry in the Philippines since the continuation of the orders identified by interested parties in this proceeding and no relevant information from outside sources was found.

⁶⁹ Original Germany publication, p. VII-2.

⁷⁰ *** with ***. First review confidential report, pp. IV-24-IV-25.

⁷¹ Second review publication, p. I-25.

⁷² Third review publication, p. I-25.

⁷³ Domestic interested parties’ response to the notice of institution, December 1, 2022, exh. 1.

Exports

Table I-13 presents export data for butt-weld fittings, a category that includes SSBW pipe fittings and out-of-scope products, from the Philippines (by export destination in descending order of quantity for 2021).

Table I-13
Butt-weld fittings: Quantity of exports from the Philippines, by destination and period

Quantity in 1,000 pounds

Reporter	2017	2018	2019	2020	2021
United States	2,149	1,537	1,647	463	91
United Kingdom	39	65	88	27	53
Japan	591	615	375	455	50
Taiwan	4	200	0	-	4
Virgin Islands (U.S.)	22	-	-	-	-
Spain	96	124	99	137	-
Malaysia	-	78	237	10	-
Greece	11	10	10	21	-
Fiji	-	-	-	0	-
Canada	71	177	60	22	-
All other markets	36	136	43	-	-
All markets	3,020	2,942	2,560	1,135	199

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7307.23 accessed January 6, 2023. These data may be overstated as HS subheading 7307.23 may contain products outside the scope of these reviews.

Third-country trade actions

Based on available information, SSBW pipe fittings from Italy, Malaysia, and the Philippines have not been subject to other antidumping or countervailing duty investigations outside the United States.

The global market

Based on available information, there is no public or subscription-based source for information on global production, consumption, or prices of SSBW pipe fittings.

Table I-14 presents global export data for butt-weld fittings, a category that includes SSBW pipe fittings and out-of-scope products (by source in descending order of quantity for 2021).

Table I-14
Butt-weld fittings: Quantity of global exports by country and period

Quantity in 1,000 pounds

Exporting country	2017	2018	2019	2020	2021
China	39,425	42,826	44,505	51,237	45,826
Italy	18,851	15,225	15,416	18,472	17,829
South Korea	15,085	12,493	14,038	16,841	15,126
Malaysia	11,471	11,513	13,895	10,117	13,348
Germany	12,894	13,328	11,921	12,307	12,487
Poland	763	2,333	4,341	11,735	9,430
Sweden	7,126	6,973	7,520	7,025	7,242
Netherlands	5,265	5,943	6,950	6,195	6,699
Austria	3,432	2,895	4,279	5,081	6,634
France	5,801	6,093	6,266	5,310	5,236
All other exporters	47,950	49,169	49,791	38,381	38,092
All exporters	168,063	168,791	178,923	182,699	177,950

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7307.23 accessed January 6, 2023. These data may be overstated as HS subheading 7307.23 may contain products outside the scope of these reviews.

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
87 FR 65819 November 1, 2022	<i>Stainless Steel Butt-Weld Pipe Fittings From Italy, Malaysia, and the Philippines; Institution of Five Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2022-11-01/pdf/2022-23732.pdf
87 FR 65746 November 1, 2022	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2022-11-01/pdf/2022-23744.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

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APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

SUMMARY DATA COMPILED IN FINAL INVESTIGATIONS

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SUMMARY DATA COMPILED IN FIRST REVIEWS

Table C-1

SS butt-weld pipe fittings: Summary data concerning the U.S. market, 2000-05

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

Item	Reported data						Period changes					
	2000	2001	2002	2003	2004	2005	2000-05	2000-01	2001-02	2002-03	2003-04	2004-05
U.S. consumption quantity:												
Amount	***	12,396	14,085	12,414	15,242	17,345	***	***	13.6	-11.9	22.8	13.8
Producers' share (1)	***	41.4	32.5	27.3	25.7	25.7	***	***	-8.9	-5.2	-1.6	-0.0
Importers' share (1):												
Italy	***	6.6	4.1	1.4	0.9	1.1	***	***	-2.5	-2.7	-0.5	0.2
Malaysia	***	6.3	5.3	5.3	6.7	8.4	***	***	-1.0	-0.0	1.4	1.7
Philippines	***	1.6	1.3	0.5	0.2	2.1	***	***	-0.3	-0.8	-0.3	1.9
Subtotal	***	14.5	10.7	7.2	7.8	11.6	***	***	-3.8	-3.5	0.6	3.8
Other sources	***	44.1	56.7	65.5	66.5	62.7	***	***	12.7	8.8	1.0	-3.8
Total imports	***	58.6	67.5	72.7	74.3	74.3	***	***	8.9	5.2	1.6	0.0
U.S. consumption value:												
Amount	***	79,677	80,712	68,695	88,859	108,274	***	***	1.3	-14.9	29.4	21.8
Producers' share (1)	***	49.7	44.8	39.0	40.7	40.0	***	***	-4.8	-5.9	1.8	-0.7
Importers' share (1):												
Italy	***	3.2	2.2	1.7	1.3	1.7	***	***	-1.0	-0.5	-0.4	0.4
Malaysia	***	2.4	2.3	2.4	3.5	4.6	***	***	-0.1	0.0	1.1	1.1
Philippines	***	0.7	0.5	0.3	0.1	1.3	***	***	-0.2	-0.2	-0.3	1.3
Subtotal	***	6.4	5.0	4.4	4.9	7.6	***	***	-1.3	-0.6	0.5	2.8
Other sources	***	44.0	50.1	56.6	54.4	52.4	***	***	6.2	6.5	-2.2	-2.0
Total imports	***	50.3	55.2	61.0	59.3	60.0	***	***	4.8	5.9	-1.8	0.7
U.S. imports from:												
Italy:												
Quantity	1,962	822	575	177	138	192	-90.2	-58.1	-30.0	-69.2	-22.2	39.0
Value	5,938	2,538	1,768	1,155	1,156	1,847	-68.9	-57.3	-30.4	-34.7	0.1	59.7
Unit value	\$3.03	\$3.09	\$3.07	\$6.51	\$8.37	\$9.62	217.9	2.0	-0.4	111.8	28.6	14.9
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia:												
Quantity	1,520	781	751	657	1,022	1,460	-3.9	-48.6	-3.8	-12.5	55.6	42.8
Value	4,408	1,938	1,878	1,628	3,113	4,984	13.1	-56.0	-3.1	-13.3	91.2	60.1
Unit value	\$2.90	\$2.48	\$2.50	\$2.48	\$3.04	\$3.41	17.7	-14.4	0.7	-0.9	22.9	12.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Philippines:												
Quantity	1,083	197	187	59	25	357	-67.0	-81.8	-5.5	-68.4	-58.0	1342.1
Value	3,618	588	399	236	68	1,448	-60.0	-83.7	-32.2	-40.8	-71.1	2021.2
Unit value	\$3.34	\$2.98	\$2.14	\$4.00	\$2.76	\$4.05	21.3	-10.8	-28.3	87.2	-31.1	47.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal:												
Quantity	4,564	1,800	1,513	893	1,185	2,009	-56.0	-60.6	-16.0	-41.0	32.7	69.5
Value	13,964	5,065	4,045	3,019	4,337	8,279	-40.7	-63.7	-20.1	-25.4	43.7	90.9
Unit value	\$3.06	\$2.81	\$2.67	\$3.38	\$3.66	\$4.12	34.7	-8.0	-5.0	26.4	8.3	12.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Other sources:												
Quantity	8,972	5,461	7,988	8,130	10,132	10,872	21.2	-39.1	46.3	1.8	24.6	7.3
Value	56,123	35,043	40,473	38,914	48,348	56,722	1.1	-37.6	15.5	-3.9	24.2	17.3
Unit value	\$6.26	\$6.42	\$5.07	\$4.79	\$4.77	\$5.22	-16.6	2.6	-21.1	-5.5	-0.3	9.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	13,536	7,261	9,502	9,024	11,318	12,881	-4.8	-46.4	30.9	-5.0	25.4	13.8
Value	70,087	40,108	44,518	41,932	52,685	65,001	-7.3	-42.8	11.0	-5.8	25.6	23.4
Unit value	\$5.18	\$5.52	\$4.69	\$4.65	\$4.66	\$5.05	-2.5	6.7	-15.2	-0.8	0.2	8.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
SSBW pipe fittings: Summary data concerning the U.S. market, 2000-05

(Quantity=1,000 pounds, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per pound; period changes=percent, except where noted)												
Item	Reported data						Period changes					
	2000	2001	2002	2003	2004	2005	2000-05	2000-01	2001-02	2002-03	2003-04	2004-05
U.S. producers':												
Average capacity quantity	***	8,100	8,050	8,062	8,281	7,036	***	***	-0.6	0.1	2.7	-15.0
Production quantity	***	4,695	4,599	3,450	3,869	4,588	***	***	-2.0	-25.0	12.1	18.6
Capacity utilization (1)	***	58.0	57.1	42.8	46.7	65.2	***	***	-0.8	-14.3	3.9	18.5
U.S. shipments:												
Quantity	***	5,135	4,583	3,390	3,924	4,464	***	***	-10.7	-26.0	15.8	13.8
Value	***	39,569	36,194	26,763	36,174	43,273	***	***	-8.5	-26.1	35.2	19.6
Unit value	***	\$7.71	\$7.90	\$7.89	\$9.22	\$9.69	***	***	2.5	-0.0	16.8	5.2
Export shipments:												
Quantity	***	232	173	176	168	231	***	***	-25.4	1.7	-4.5	37.5
Value	***	1,569	1,299	1,358	1,428	2,070	***	***	-17.2	4.5	5.2	45.0
Unit value	***	\$6.76	\$7.51	\$7.72	\$8.50	\$8.96	***	***	11.0	2.8	10.2	5.4
Ending inventory quantity	***	2,085	1,928	1,812	1,585	1,479	***	***	-7.5	-6.0	-12.5	-6.7
Inventories/total shipments (1) . .	***	38.8	40.5	50.8	38.7	31.5	***	***	1.7	10.3	-12.1	-7.2
Production workers	***	364	356	289	322	329	***	***	-2.2	-18.8	11.4	2.2
Hours worked (1,000s)	***	685	648	519	555	584	***	***	-5.5	-19.8	7.0	5.2
Wages paid (\$1,000s)	***	8,530	8,105	6,782	7,707	7,981	***	***	-5.0	-16.3	13.6	3.6
Hourly wages	***	\$12.45	\$12.52	\$13.06	\$13.88	\$13.66	***	***	0.6	4.4	6.2	-1.6
Productivity (pounds per hour) . .	***	6.9	7.1	6.6	7.0	7.9	***	***	3.7	-6.4	4.8	12.7
Unit labor costs	***	\$1.82	\$1.76	\$1.97	\$1.99	\$1.74	***	***	-3.0	11.5	1.3	-12.7
Net sales:												
Quantity	5,379	5,358	4,752	3,565	4,070	4,689	-12.8	-0.4	-11.3	-25.0	14.2	15.2
Value	43,698	40,914	37,362	27,858	37,316	45,130	3.3	-6.4	-8.7	-25.4	34.0	20.9
Unit value	\$8.12	\$7.64	\$7.86	\$7.81	\$9.17	\$9.62	18.5	-6.0	3.0	-0.6	17.3	5.0
Cost of goods sold (COGS)	30,380	30,622	28,820	21,108	27,548	31,781	4.6	0.8	-5.9	-26.8	30.5	15.4
Gross profit or (loss)	13,318	10,292	8,542	6,750	9,768	13,349	0.2	-22.7	-17.0	-21.0	44.7	36.7
SG&A expenses	9,763	9,179	8,457	7,473	8,953	10,580	8.4	-6.0	-7.9	-11.6	19.8	18.2
Operating income or (loss)	3,555	1,113	85	(723)	815	2,769	-22.1	-68.7	-92.4	(3)	(3)	239.7
Capital expenditures	1,015	765	1,690	505	888	510	-49.8	-24.6	120.9	-70.1	75.8	-42.6
Unit COGS	\$5.65	\$5.72	\$6.06	\$5.92	\$6.77	\$6.78	20.0	1.2	6.1	-2.4	14.3	0.1
Unit SG&A expenses	\$1.82	\$1.71	\$1.78	\$2.10	\$2.20	\$2.26	24.3	-5.6	3.9	17.8	4.9	2.6
Unit operating income or (loss) . .	\$0.66	\$0.21	\$0.02	(\$0.20)	\$0.20	\$0.59	-10.6	-68.6	-91.4	(3)	(3)	194.8
COGS/sales (1)	69.5	74.8	77.1	75.8	73.8	70.4	0.9	5.3	2.3	-1.4	-1.9	-3.4
Operating income or (loss)/ sales (1)	8.1	2.7	0.2	(2.6)	2.2	6.1	-2.0	-5.4	-2.5	-2.8	4.8	4.0

(1) "Reported data" are in percent and "period changes" are in percentage points.

(2) Not applicable.

(3) Undefined.

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

Source: Compiled from data submitted in response to Commission questionnaires and from official statistics of the U.S. Department of Commerce.

