

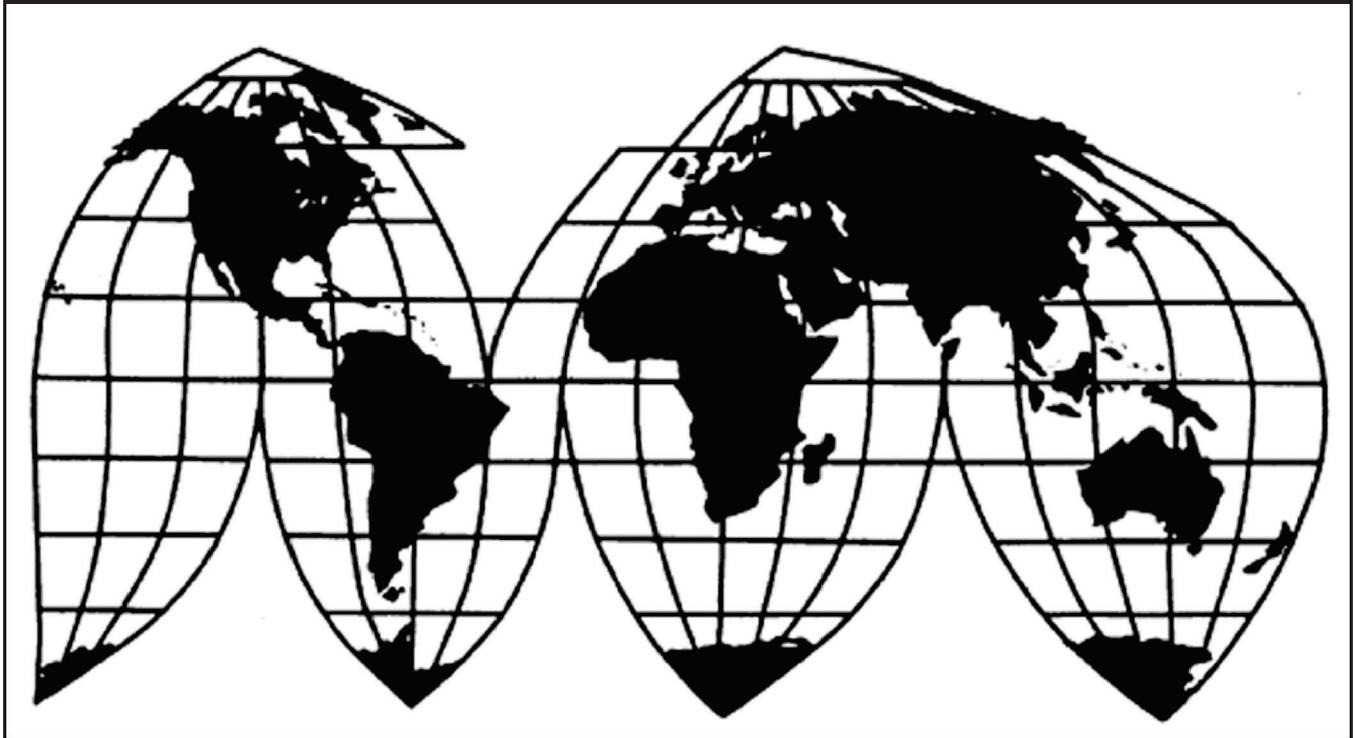
Steel Wire Garment Hangers from Taiwan and Vietnam

Investigation Nos. 701-TA-487 and 731-TA-1197-1198 (Second Review)

Publication 5464

September 2023

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

COMMISSIONERS

David S. Johanson, Chairman

Rhonda K. Schmidlein

Jason E. Kearns

Randolph J. Stayin

Amy A. Karpel

Catherine DeFilippo

Director of Operations

Staff assigned

Tyler Berard, Investigator

Anna Perry, Industry Analyst

James Horne, Economist

Adriana Campos-Korn, Attorney

Kristina Lara, Supervisory Investigator

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

U.S. International Trade Commission

Washington, DC 20436

www.usitc.gov

Steel Wire Garment Hangers from Taiwan and Vietnam

Investigation Nos. 701-TA-487 and 731-TA-1197-1198 (Second Review)

Publication 5464



September 2023

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-2
Individual responses	I-2
Party comments on adequacy	I-2
The original investigations	I-3
The first five-year reviews.....	I-4
Previous and related investigations.....	I-4
Commerce’s five-year reviews.....	I-5
The product.....	I-6
Commerce’s scope	I-6
U.S. tariff treatment.....	I-6
Description and uses.....	I-7
Manufacturing process	I-8
The industry in the United States	I-10
U.S. producers.....	I-10
Recent developments	I-11
U.S. producers’ trade and financial data	I-12
Definitions of the domestic like product and domestic industry	I-13
U.S. importers	I-13
U.S. imports.....	I-14
Cumulation considerations	I-15
Apparent U.S. consumption and market shares.....	I-16
The industry in Taiwan.....	I-18
Producers in Taiwan.....	I-18
Recent developments	I-18
Exports	I-18
The industry in Vietnam.....	I-20
Producers in Vietnam	I-20
Recent developments	I-20
Exports	I-20
Third-country trade actions	I-21
The global market	I-22

Appendixes

A.	<i>Federal Register</i> notices	A-1
B.	Company-specific data	B-1
C.	Summary data compiled in prior proceedings	C-1
D.	Purchaser questionnaire responses	D-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Note: Information that would reveal confidential operations of individual concerns may not be published.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. 701-TA-487 and 731-TA-1197-1198 (Second Review)

Steel Wire Garment Hangers from Taiwan and Vietnam

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 steel wire garment hangers from Taiwan and Vietnam and the countervailing duty order on steel wire garment hangers from Vietnam 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 April 3, 2023 (88 FR 19669) and determined on July 7, 2023 that it would conduct expedited reviews (88 FR 55068, August 14, 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 countervailing duty order on steel wire garment hangers (“SWG hangers” or “hangers”) from Vietnam and the antidumping duty orders on SWG hangers from Taiwan and Vietnam 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 investigation: The original investigations resulted from antidumping and countervailing duty petitions filed on December 29, 2011, by three U.S. producers of SWG hangers. On October 15, 2012, the Department of Commerce (“Commerce”) determined that imports of SWG hangers from Taiwan were being sold at less than fair value (“LTFV”). The Commission subsequently made an affirmative determination on November 29, 2012, with respect to imports of SWG hangers from Taiwan on the basis of a cumulated analysis of subject imports from both Taiwan and Vietnam.¹ Commerce published an antidumping duty order on SWG hangers from Taiwan on December 10, 2012.² On December 24, 2012, Commerce determined that SWG hanger imports from Vietnam were being subsidized by the government of Vietnam and sold at LTFV, and the Commission subsequently made affirmative determinations on January 28, 2013, with respect to imports of SWG hangers from Vietnam.³

¹ *Steel Wire Garment Hangers from Taiwan: Final Determination of Sales at Less Than Fair Value*, 77 Fed. Reg. 62492 (Oct. 15, 2012); *Steel Wire Garment Hangers from Taiwan*, 77 Fed. Reg. 72884 (Dec. 6, 2012). Although the petitions concerning SWG hangers from Taiwan and Vietnam were filed on the same day, the investigation schedules became “staggered” when Commerce issued its determination for Taiwan earlier than its determinations for Vietnam. *Steel Wire Garment Hangers from Taiwan*, Inv. Nos. 731-TA-1197 (Final), USITC Pub. 4363 (Nov. 2012) (“*Original Determinations*”) at 3 n.2; *Steel Wire Garment Hangers from Vietnam*, Inv. Nos. 701-TA-487 and 731-TA-1198 (Final), USITC Pub. 4371 (Jan. 2013) at 3.

² 77 Fed. Reg. 73424 (Dec. 10, 2012).

³ *Certain Steel Wire Garment Hangers from the Socialist Republic of Vietnam: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination*, 77 Fed. Reg. 75972 (Dec. 26, 2012); *Steel Wire Garment Hangers from Socialist Republic of Vietnam: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances*, 77 Fed. Reg. 75980 (Dec. 26, 2012); *Steel Wire Garment Hangers from Vietnam; Determinations*, 78 Fed. Reg. 7452 (Feb. 1, 2013). In the determinations with respect to Vietnam, the Commission adopted the findings from its determination on Taiwan with respect to the issues of domestic like product, domestic industry, cumulation, and material injury by reason of cumulated

Commerce published antidumping and countervailing duty orders on SWG hangers from Vietnam on February 5, 2013.⁴

First Reviews: The Commission instituted the first five-year reviews of the orders on November 1, 2017.⁵ On May 16, 2018, after conducting expedited reviews, the Commission determined that revocation of the antidumping and countervailing duty orders on SWG hangers from Taiwan and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.⁶ Following affirmative determinations by Commerce and the Commission, Commerce issued a notice of continuation of the antidumping duty orders on imports of SWG hangers from Taiwan and Vietnam on May 31, 2018,⁷ and a notice of continuation of the countervailing duty order on imports of SWG hangers from Vietnam on August 20, 2018.⁸

Current Reviews: On April 3, 2023, the Commission instituted these second five-year reviews.⁹ It received one response to the notice of institution from M&B Metal Products Company, Inc. (“M&B” or “domestic interested party”), a domestic producer of SWG hangers.¹⁰ No respondent interested party responded to the notice of institution or participated in these reviews. On July 7, 2023, the Commission determined that the domestic interested party group response to its notice of institution was adequate and that the respondent interested party group responses were inadequate.¹¹ The Commission did not find any circumstances that would warrant conducting full reviews and thus determined that it would conduct expedited reviews.¹² On September 7, 2023, M&B filed comments with the Commission pursuant to 19 C.F.R. § 207.62(d).¹³

subject imports. *Steel Wire Garment Hangers from Vietnam*, Inv. Nos. 701-TA-487 and 731-TA-1198 (Final), USITC Pub. 4371 (Jan. 2013) at 3.

⁴ 78 Fed. Reg. 8105 (Feb. 5, 2013); 78 Fed. Reg. 8107 (Feb. 5, 2013).

⁵ 82 Fed. Reg. 50686 (Nov. 1, 2017).

⁶ *Steel Wire Garment Hangers from Taiwan and Vietnam*, Inv. Nos. 701-TA-487 and 731-TA-1197-1198 (Review), USITC Pub. 4784 (May 2018) at 3 (“*First Reviews*”). 83 Fed. Reg. 23723 (May 22, 2018).

⁷ 83 Fed. Reg. 24972 (May 31, 2018).

⁸ 83 Fed. Reg. 42111 (Aug. 20, 2018).

⁹ 88 Fed. Reg. 19669 (Apr. 3, 2023).

¹⁰ Response from M&B Metal Products Company, Inc., EDIS Doc. 795433 (May 3, 2023) (“M&B Response”) at 1.

¹¹ Explanation of Commission Determination on Adequacy, EDIS Doc. 805049 (Sept. 28, 2023).

¹² *Id.*

¹³ Domestic Industry’s Final Comments Regarding the Commission’s Determination in This Review, EDIS Doc. 803979 (Sept. 7, 2023).

U.S. industry data are based on information submitted by M&B in its response to the notice of institution, which is estimated to have accounted for *** percent of domestic production of SWG hangers in 2022.¹⁴ U.S. import data and related information are based on Commerce’s official import statistics.¹⁵ Foreign industry data and related information are based on information from the original investigation and prior reviews, as well as information submitted by M&B in these expedited reviews and publicly available information, such as Global Trade Atlas (“GTA”) data, gathered by the Commission. Two U.S. purchasers of SWG hangers responded to the Commission’s adequacy phase questionnaire.¹⁶

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.”¹⁷ 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.”¹⁸ 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.¹⁹

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

¹⁴ M&B Response at 2; Confidential Report, INV-VV-055 (Jun. 26, 2023) (“CR”); *Steel Wire Garment Hangers from Taiwan and Vietnam*, Inv. Nos. 701-TA-487 and 731-TA-1197-1198 (Second Review), USITC Pub. 5464 (Sept. 2023) (“PR”) at Table I-2.

¹⁵ CR/PR at Tables I-6-I-10. Imports of SWG hangers from Vietnam may be understated in the years 2017-2020; in 2020, U.S. Customs and Border Protection (“CBP”) determined that imports of Vietnamese-origin SWG hangers had been transhipped through Laos. *Id.* at Table I-6 Note.

¹⁶ CR/PR at Appendix D-3 (responses by ***).

¹⁷ 19 U.S.C. § 1677(4)(A).

¹⁸ 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).

¹⁹ *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 merchandise subject to the order{s} is steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers.

Specifically excluded from the scope of the order{s} are (a) wooden, plastic, and other garment hangers that are not made of steel wire; (b) steel wire garment hangers with swivel hooks; (c) steel wire garment hangers with clips permanently affixed; and (d) chrome-plated steel wire garment hangers with a diameter of 3.4 mm or greater.²⁰

SWG hangers are produced primarily for use by the dry cleaning, industrial laundry, textile, and uniform rental industries. The four most common types of dry cleaning SWG hangers are caped hangers, shirt hangers, suit hangers, and strut hangers. Each type includes hangers in varying sizes and finishes, but with common distinguishing features. Caped hangers have a paper “cape” or cover, normally white and often with commercial or custom printing. Strut hangers have a paper tube that runs along the length of the bottom of the hanger. Wire in strut hangers does not run through the paper tube, but rather folds in at the edges. This paper tube, or “strut,” may be coated with a nonslip material to prevent the garment from falling off the hanger. Shirt hangers are produced with the thinnest wire for lighter items, while hangers for heavier items use heavier wire. SWG hangers are generally painted (in a variety of colors) or epoxy-coated to prevent rusting.²¹

In the original investigations, the Commission observed that all SWG hangers had the same physical characteristics and makeup and were used by the same end users. The Commission found that domestically produced SWG hangers were sold to distributors for use by dry cleaners and to end users such as industrial laundries and uniform rental and textile firms. It noted that domestic producers reported using similar manufacturing machinery regardless of type of hanger, that all parties considered SWG hangers to be the same product, and that SWG hangers were priced on a continuum depending on the type. It therefore found

²⁰ 88 Fed. Reg. 52123 (Aug. 7, 2023).

²¹ CR/PR at I-7.

no clear dividing lines among the various types of hangers and defined a single domestic like product consisting of SWG hangers that was coextensive with the scope.²²

In the first reviews, the Commission found no new information on the record that suggested a reason for departing from the definition of the domestic like product from the original investigations.²³ Consequently, the Commission defined the domestic like product as SWG hangers, coextensive with the scope.²⁴

In the current reviews, the record does not contain any new information indicating that the pertinent characteristics and uses of SWG hangers have changed since the prior proceedings so as to warrant revisiting the Commission's domestic like product definition.²⁵ M&B agrees with the domestic like product definition the Commission adopted in the original investigations.²⁶ Consequently, we again define the domestic like product as SWG hangers, coextensive with the 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."²⁷ In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations and first reviews, the Commission defined the domestic industry as all U.S. producers of SWG hangers. There were no related party or other domestic industry issues.²⁸

In the current reviews, M&B agrees with the definition of the domestic industry from the prior proceedings and there is no information in these reviews to indicate that there are any related party or other domestic industry issues.²⁹ Accordingly, consistent with our

²² *Original Determinations*, USITC Pub. 4363 at 5.

²³ *First Reviews*, USITC Pub. 4784 at 5.

²⁴ *First Reviews*, USITC Pub. 4784 at 5.

²⁵ CR/PR at I-6 to I-10.

²⁶ M&B Response at 19.

²⁷ 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.

²⁸ *Original Determinations*, USITC Pub. 4363 at 6. See 19 U.S.C. § 1677(4)(B).

²⁹ M&B Response at 13, 19.

definition of the domestic like product, we define the domestic industry as consisting of all U.S. producers of SWG hangers, consistent with the prior proceedings.

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.³⁰

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.³¹ The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

B. The Prior Proceedings and Arguments of the Parties

Prior Proceedings: In the original investigations, the Commission cumulated subject imports from the two subject countries for its material injury analysis. The Commission found

³⁰ 19 U.S.C. § 1675a(a)(7).

³¹ 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).

that subject imports from both countries were fungible with both the domestic like product and each other due to similarities in the types of SWG hangers sold in the U.S. market that were produced in the United States and in subject countries; moreover, responding domestic producers and a majority of responding importers and purchasers reported that SWG hangers from each source were always interchangeable with each other. It also found that the domestic like product and subject imports from each source served overlapping U.S. geographic markets and were simultaneously present in the U.S. market during the period of investigation. While the Commission observed that imports from the two subject countries had different trends in channels of distribution, it found that the domestic like product and subject imports from each source were sold both to distributors and end users. Accordingly, the Commission found a reasonable overlap of competition among subject imports and between the imports from each subject country and the domestic like product.³²

In the first reviews, the Commission exercised its discretion to cumulate subject imports from the two subject countries.³³ Specifically, it did not find that subject imports from either country would be likely to have no discernible adverse impact on the domestic industry in the event of revocation, citing the significant volume of subject imports from each subject country during the original period of investigation and the continued interest in the U.S. market by each subject industry. It also found that there was no change since the original investigations with respect to the high degree of fungibility between the subject imports and the domestic like product, the channels of distribution for SWG hangers from different sources, and geographic overlap. Additionally, it found that imports from Taiwan and Vietnam were present in the U.S. market during each year of the period of review (“POR”), although they were not simultaneously present in every month of the POR. Finally, the Commission found that no significant differences in the conditions of competition were likely to prevail after revocation with respect to subject imports from each source.³⁴

Current Reviews: M&B argues that the Commission should again cumulate subject imports from Taiwan and Vietnam, as it did in the first reviews, because the same conditions continue to prevail. It argues that subject imports from Taiwan and Vietnam, considered individually, are not likely to have no discernible adverse impact on the domestic industry if the orders were revoked, that there continues to be a reasonable overlap of competition between and among the subject imports and the domestic like product, and that subject imports from

³² *Original Determinations*, USITC Pub. 4363 at 7-8.

³³ *First Reviews*, USITC Pub. 4784 at 7-12.

³⁴ *First Reviews*, USITC Pub. 4784 at 8-11.

each source are likely to compete with each other and with the domestic like product under similar conditions in the event of revocation.³⁵

C. Analysis

In these reviews, the statutory threshold for cumulation is satisfied as all reviews were instituted on the same day: April 3, 2023.³⁶ In addition, we consider the following issues in deciding whether to exercise our discretion to cumulate the subject imports: (1) whether imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product; and (3) whether subject imports are likely to compete in the U.S. market under different conditions of competition.

1. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.³⁷ 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.³⁸ 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, we do not find that subject imports from Taiwan or Vietnam are likely to have no discernible adverse impact on the domestic industry in the event of revocation of the antidumping or countervailing duty orders.

Taiwan. In the original investigations, the volume of subject imports from Taiwan was 331.7 million hangers in 2009, 334.1 million hangers in 2010, and 54.9 million hangers in 2011. Their share of apparent U.S. consumption was *** percent in 2009, *** percent in 2010, and

³⁵ M&B Response at 4-9.

³⁶ *Steel Wire Garment Hangers; Institution of Five-Year Reviews*, 88 Fed. Reg. 19669 (Apr. 3, 2023).

³⁷ 19 U.S.C. § 1675a(a)(7).

³⁸ SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

*** percent in 2011.³⁹ The production, capacity, and volume of exports from the SWG hanger industry in Taiwan were unknown due to lack of responses from Taiwanese respondents.⁴⁰

In the first reviews, the volume of SWG hangers from Taiwan declined from 1.4 million hangers in 2012 to 1.3 million hangers in 2013, 1.2 million hangers in 2014, 628,000 hangers in 2015, and 26,000 hangers in 2016.⁴¹ M&B argued that the SWG hanger industry in Taiwan had developed significant capacity following the 2008 imposition of the U.S. antidumping duty order on SWG hanger imports from China.⁴² In 2016, subject imports from Taiwan accounted for *** percent of apparent U.S. consumption.⁴³ The record contained no information on SWG hanger production capacity in Taiwan for the POR, but M&B provided a list of 24 firms that it believed produced SWG hangers in Taiwan.⁴⁴ GTA data, which may have included out-of-scope products, indicated that from 2012 to 2016 the United States was by far the largest export market for articles of iron and steel wire (including SWG hangers) products from Taiwan in terms of value.⁴⁵

In these expedited reviews, there is limited information on the SWG hanger industry in Taiwan. The volume of SWG hanger imports from Taiwan was 30,000 hangers in 2017, 71,000 hangers in 2018, less than 500 hangers in 2019 and 2020, 114,000 hangers in 2021, and 2,000 hangers in 2022.⁴⁶ In 2022, subject imports from Taiwan accounted for *** percent of apparent U.S. consumption.⁴⁷ Although the record contains no information on SWG hanger production capacity in Taiwan for the POR, M&B provided a list of 25 firms that are believed to be producing SWG hangers in Taiwan.⁴⁸ GTA data for articles of iron and steel wire, a category that includes SWG hangers and out-of-scope products, indicate that exports of such products from Taiwan fluctuated from \$12.4 million in 2017 to \$8.8 million in 2022, and that the United States was the largest export market for such products throughout the period.⁴⁹

³⁹ *Original Determinations*, USITC Pub. 4363 at 8; Confidential First Five-Year Review Commission Views, EDIS Doc. 797929, at 10 (“Confidential First Five Year Reviews”).

⁴⁰ *Original Determinations*, USITC Pub. 4363 at VII-1.

⁴¹ *First Reviews*, USITC Pub. 4784 at 8; Confidential First Five Year Reviews at 10, Table I-3.

⁴² *First Reviews*, USITC Pub. 4784 at 8.

⁴³ *First Reviews*, USITC Pub. 4784 at 8; Confidential First Five Year Reviews at 10; Table I-5.

⁴⁴ *First Reviews*, USITC Pub. 4784 at 8.

⁴⁵ *First Reviews*, USITC Pub. 4784 at 8-9.

⁴⁶ CR/PR at I-14, Table I-6.

⁴⁷ CR/PR at I-17, Table I-7.

⁴⁸ M&B Response at Exhibit 2.

⁴⁹ CR/PR at I-19, Table I-8.

During the original investigations, subject imports from Taiwan undersold the domestic like product in 5 of 42 (or 11.9 percent of) quarterly comparisons.⁵⁰ No pricing data for subject imports from Taiwan were obtained in the first or current reviews.

In light of the foregoing, including the significant volume of subject imports in the original investigations, the substantial decline in volume following imposition of the orders indicating the disciplining effect of the orders, the continued presence of subject imports in the U.S. market, and the size of the Taiwan industry and its substantial exports of iron and steel wire products, we do not find that subject imports from Taiwan would likely have no discernible adverse impact on the domestic industry if the antidumping duty order covering these imports were to be revoked.

Vietnam. In the original investigations, the volume of subject imports from Vietnam was 426.6 million hangers in 2009, 823.9 million hangers in 2010, and 912.3 million hangers in 2011. Their share of apparent U.S. consumption was *** percent in 2009, *** percent in 2010, and *** percent in 2011.⁵¹ Based on available information from responding Vietnamese firms, accounting for *** of SWG hanger production in 2011, SWG hanger production capacity in Vietnam was *** hangers in 2009, *** hangers in 2010, and *** hangers in 2011; production was *** hangers in 2009, *** hangers in 2010, and *** hangers in 2011; and exports to the United States accounted for the *** of the responding producers' total shipments throughout the period of investigation.⁵²

In the first reviews, the volume of SWG hangers was 487.1 million hangers in 2012, 3.4 million hangers in 2013, 4.4 million hangers in 2014, 17,000 hangers in 2015, and 2.4 million hangers in 2016.⁵³ In 2016, subject imports from Vietnam accounted for *** percent of apparent U.S. consumption.⁵⁴ The record contained no information on SWG hanger production capacity in Vietnam, but M&B provided a list of 42 firms that it believed produced SWG hangers in Vietnam.⁵⁵ As with the subject industry in Taiwan, M&B argued that the SWG hanger industry in Vietnam had developed significant capacity following the 2008 imposition of the

⁵⁰ *Original Determinations*, USITC Pub. 4363 at V-9.

⁵¹ *Original Determinations*, USITC Pub. 4363 at 9; Confidential First Five Year Reviews at 11, Table C-1.

⁵² Original Determinations Confidential Report, Memorandum INV-KK-108 (Nov. 8, 2012), EDIS Doc. 633221, at VII-6 and Table VII-2. The Vietnamese industry data were based on foreign questionnaire responses from two producers in Vietnam, which accounted for *** percent of U.S. imports of SWG hangers from Vietnam in 2011. *Id.* at VII-5.

⁵³ *First Reviews*, USITC Pub. 4784 at 9; Confidential First Five Year Reviews at 12; Table I-3.

⁵⁴ *First Reviews*, USITC Pub. 4784 at 9; Confidential First Five Year Reviews at 12; Table I-5.

⁵⁵ *First Reviews*, USITC Pub. 4784 at 9; Confidential First Five Year Reviews at I-24.

U.S. antidumping duty order on SWG hanger imports from China.⁵⁶ GTA data, which may have included out-of-scope products, indicated that from 2012 to 2016 the United States was by far the largest export market for articles of iron and steel wire (including SWG hangers) from Vietnam in terms of value.⁵⁷

In the current reviews, there is limited information on the SWG hanger industry in Vietnam. Subject imports from Vietnam were 1.1 million hangers in 2017, 11.3 million hangers in 2018, 43.7 million hangers in 2019, 1.3 million hangers in 2020, 62,000 hangers in 2021, and 3.2 million hangers in 2022.⁵⁸ In 2022, subject imports from Vietnam accounted for *** percent of apparent U.S. consumption.⁵⁹ Although the record contains no information on SWG hanger production capacity in Vietnam for the POR, M&B provided a list of 45 firms that are believed to be producing SWG hangers in Vietnam.⁶⁰ M&B also contends that CBP's final determination in 2020 that SWG hangers from Vietnam were transshipped through Laos to evade the orders reflects the subject producers' continued interest in serving the U.S. market.⁶¹ GTA data indicate that from 2017 to 2022, the value of Vietnam's exports of articles of iron and steel wire, a category that includes SWG hangers and out-of-scope products, increased from \$3.7 million in 2017 to \$11.8 million in 2022, and that the United States was among Vietnam's two largest markets for such exports throughout the period.⁶²

During the original investigations, subject imports from Vietnam undersold the domestic like product in 65 of 68 (or 95.6 percent of) quarterly comparisons.⁶³ No pricing data for subject imports from Vietnam were obtained in the first or current reviews.

In light of the foregoing, including the significant and increasing volume of subject imports from Vietnam in the original investigations, the continued presence of subject imports from Vietnam in the U.S. market, the size of the Vietnamese industry and its increasing exports of iron and steel wire products, the industry's continued interest in the U.S. market, as evidenced by its efforts to evade the orders, and the underselling by subject imports from Vietnam in the original investigations, we do not find that subject imports from Vietnam would

⁵⁶ *First Reviews*, USITC Pub. 4784 at 9.

⁵⁷ *First Reviews*, USITC Pub. 4784 at 9.

⁵⁸ CR/PR at I-14, Table I-6. As noted earlier, imports of SWG hangers from Vietnam may be understated in the years 2017-2020; in 2020, CBP determined that imports of Vietnamese-origin SWG hangers had been transshipped through Laos. *Id.* at Table I-6 Note.

⁵⁹ CR/PR at I-17, Table I-7.

⁶⁰ M&B Response at Exhibit 2.

⁶¹ M&B Response at 17-19; Exhibit 5.

⁶² CR/PR at I-21, Table I-9.

⁶³ *Original Determinations*, USITC Pub. 4363 at V-9.

likely have no discernible adverse impact on the domestic industry if the antidumping and countervailing duty orders covering these imports were to be revoked.

2. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.⁶⁴ Only a “reasonable overlap” of competition is required.⁶⁵ 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.⁶⁶

Fungibility. In the original investigations, the Commission found a high degree of fungibility among the domestic like product and subject imports from Taiwan and Vietnam. The Commission found similarities in the types of SWG hangers sold in the U.S. market that were produced in the United States, Taiwan, and Vietnam. It also observed that all responding domestic producers and most responding U.S. importers and purchasers reported that SWG hangers produced in the United States, Taiwan, and Vietnam were always interchangeable with each other.⁶⁷ In the first reviews, the Commission did not find any new information in the record to indicate that the fungibility between and among subject imports and the domestic like product had changed since the original investigations.⁶⁸

⁶⁴ 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).

⁶⁵ *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-812-813 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom., Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-762 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

⁶⁶ *See generally, Cheflene Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

⁶⁷ *Original Determinations*, USITC Pub. 4363 at 7.

⁶⁸ *First Reviews*, USITC Pub. 4784 at 10.

In the current reviews, M&B claims that there continues to be a high level of substitutability between subject imports and the domestic like product.⁶⁹ There is no new information in the record indicating that the fungibility between and among subject imports from Taiwan and Vietnam and the domestic like product has changed since the prior proceedings.

Channels of Distribution. In the original investigations, the Commission found that SWG hangers produced in the United States, Taiwan, and Vietnam were sold both to distributors and end users, with some variations by country. Subject imports from Vietnam were sold more to distributors than to end users, subject imports from Taiwan were sold increasingly to distributors over the period of investigation, and the domestic like product was sold increasingly to end users.⁷⁰ In the first reviews, the Commission found no new information that these channels of distribution had changed.⁷¹ There is no new information in the record in these reviews to indicate that the channels of distribution have changed since the prior proceedings or are likely to do so upon revocation.

Geographic Overlap. In the original investigations, the Commission found that SWG hangers from all sources competed in overlapping geographic markets throughout the United States.⁷² In the first reviews, from 2012 to 2016, the top two ports of entry for subject imports from Taiwan and Vietnam were New York, NY, and Los Angeles, CA.⁷³

In the current reviews, subject imports from Taiwan entered through northern and western borders of entry in 2017, eastern and western borders of entry in 2018, eastern borders of entry during 2019-21, and southern and western borders of entry in 2022.⁷⁴ Subject imports from Vietnam entered through eastern borders of entry in 2017, all borders of entry during 2018-19, eastern and southern borders of entry in 2020 and 2022, and northern and western borders of entry in 2021.⁷⁵

Simultaneous Presence in Market. In the original investigations, the Commission found that the domestic like product and subject imports from Taiwan and Vietnam were simultaneously present in the U.S. market in almost all 42 months of the January 2009 to June 2012 period of investigation.⁷⁶ In the first reviews, subject imports from Taiwan and Vietnam

⁶⁹ M&B Response at 16.

⁷⁰ *Original Determinations*, USITC Pub. 4363 at 8.

⁷¹ *First Reviews*, USITC Pub. 4784 at 11.

⁷² *Original Determinations*, USITC Pub. 4363 at 8.

⁷³ *Original Determinations*, USITC Pub. 4363 at 11; Confidential First Five Year Reviews at 14.

⁷⁴ CR/PR at I-15 to I-16.

⁷⁵ CR/PR at I-16.

⁷⁶ *Original Determinations*, USITC Pub. 4363 at 8.

were present in the U.S. market during each year from 2012 to 2016, although these imports were not simultaneously present in every month of the January 2012 to December 2016 period of review.⁷⁷

In the current reviews, subject imports from Taiwan were reported in 14 months of the 72-month POR and imports from Vietnam were reported in 27 months.⁷⁸

Conclusion. The record of these expedited reviews contains limited information concerning subject imports in the U.S. market during the period of review. The record contains no information suggesting a change in the considerations that led the Commission in the original investigations and first reviews to conclude that there was a reasonable overlap of competition between and among subject imports from Taiwan and Vietnam and the domestic like product. In light of this, and absent any contrary argument, we find that there would likely be a reasonable overlap of competition among subject imports from Taiwan and Vietnam and between the domestic like product and subject imports from each source if the orders were revoked.

3. Likely Conditions of Competition

In determining whether to exercise our discretion to cumulate subject imports, we assess whether the subject imports from Taiwan and Vietnam are likely to compete under similar or different conditions in the U.S. market after revocation of the orders. The record in these expedited reviews contains limited current information about the U.S. market for SWG hangers and the SWG hanger industries in Taiwan and Vietnam. Based on the information available, and in the absence of any argument to the contrary, we do not find any likely significant difference in conditions of competition that would warrant not cumulating subject imports from both countries.

4. Conclusion

In sum, we determine that subject imports of SWG hangers from Taiwan and Vietnam, considered individually, would not likely have no discernible adverse impact on the domestic industry if the corresponding orders were revoked. We also find a likely reasonable overlap of competition among subject imports from Taiwan and Vietnam and between the subject imports from each subject country and the domestic like product. Finally, we find that subject imports from Taiwan and Vietnam are likely to compete in the U.S. market under similar conditions of

⁷⁷ *First Reviews*, USITC Pub. 4784 at 11.

⁷⁸ CR/PR at I-15.

competition should the orders be revoked. We therefore exercise our discretion to cumulate subject imports from Taiwan and Vietnam for purposes of our analysis in these reviews.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”⁷⁹ 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.”⁸⁰ Thus, the likelihood standard is prospective in nature.⁸¹ The U.S. Court of International Trade (“CIT”) has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.⁸²

⁷⁹ 19 U.S.C. § 1675a(a).

⁸⁰ 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.

⁸¹ 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.

⁸² See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

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.”⁸³ 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.”⁸⁴

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.”⁸⁵ 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).⁸⁶ 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.⁸⁷

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.⁸⁸ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the

⁸³ 19 U.S.C. § 1675a(a)(5).

⁸⁴ 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.*

⁸⁵ 19 U.S.C. § 1675a(a)(1).

⁸⁶ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings in relation to the orders under review. Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Antidumping Duty Orders on Steel Wire Garment Hangers from Taiwan and the Socialist Republic of Vietnam, EDIS Doc. 801936 (Aug. 1, 2023).

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

⁸⁸ 19 U.S.C. § 1675a(a)(2).

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.⁸⁹

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.⁹⁰

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.⁹¹ 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.⁹²

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the SWG hanger industries in Taiwan and Vietnam. There also is limited information on the SWG hanger market in the

⁸⁹ 19 U.S.C. § 1675a(a)(2)(A-D).

⁹⁰ 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.

⁹¹ 19 U.S.C. § 1675a(a)(4).

⁹² The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

United States during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and first reviews, and the limited new information on the record in these second 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.”⁹³ The following conditions of competition inform our determinations.

1. Demand Conditions

Prior Proceedings. In the original investigations, the Commission observed that apparent U.S. consumption of SWG hangers experienced modest fluctuations but was relatively stable during the period of investigation. The Commission found that SWG hanger demand was driven by demand from the dry cleaning, industrial laundry, and uniform rental industries. It also noted that all domestic producers and most U.S. importers and purchasers reported that SWG hangers were not subject to business cycles or seasonality. It also stated that market participants’ views on demand trends over the period of investigation were mixed.⁹⁴

In the first five-year reviews, the Commission observed that apparent U.S. consumption of SWG hangers in 2016 was *** hangers, which was lower than the *** hangers in 2011 at the end of the original period of investigation, and noted that the United States remained the largest market in the world for SWG hangers and that the largest purchasers of SWG hangers were still the dry cleaning, industrial laundry, and uniform rental industries.⁹⁵

Current Reviews. In the current five-year reviews, according to M&B, the United States remains the largest market in the world for SWG hangers and the only market of any significance, and there are no meaningful alternative markets for foreign producers of hangers, including those in Taiwan and Vietnam.⁹⁶ M&B observes that the responding Vietnamese producers identified the United States as their only export market in the original investigations.⁹⁷

⁹³ 19 U.S.C. § 1675a(a)(4).

⁹⁴ *Original Determinations*, USITC Pub. 4363 at 11-12.

⁹⁵ *First Reviews*, USITC Pub. 4784 at 15; Confidential First Five Year Reviews at 21.

⁹⁶ M&B Response at 15.

⁹⁷ M&B Response at 15.

M&B also claims that U.S. consumption of garment hangers was affected by the COVID-19 pandemic from 2020 to 2022 as workers migrated from the office to home, and dry cleaning of business apparel – which had already been in decline as the result of a casual working environment – fell further.⁹⁸ At the same time, it contends, industrial laundries and uniform rental firms continued to require large quantities of hangers to meet the demand for uniforms in the service and manufacturing sectors, whose workers could not work offsite during the pandemic.⁹⁹

Apparent U.S. consumption of SWG hangers was *** hangers in 2022, which was lower than in 2016, at *** hangers, and 2011, at *** hangers.¹⁰⁰

2. Supply Conditions

Prior Proceedings. In the original investigations, the Commission noted that the domestic industry's share of the U.S. market increased from *** percent in 2009 to *** percent in 2011; cumulated subject imports' market share increased irregularly from *** percent in 2009 to *** percent in 2011; and nonsubject imports' market share declined overall from *** percent in 2009 to *** percent in 2011.¹⁰¹ The Commission also observed that China and Mexico were the two leading sources of nonsubject imports. It found that the level of imports from China varied markedly over the period of investigation due to changes in the antidumping duty deposit rate applicable to SWG hanger imports from China that were subject to antidumping duties.¹⁰² It also found that the principal source of imports from Mexico was a facility owned by M&B.¹⁰³

⁹⁸ M&B Response at 16.

⁹⁹ M&B Response at 16.

¹⁰⁰ CR/PR at I-16, Table I-7. Apparent U.S. consumption in 2016 and 2022 may be understated relative to that in 2011 because data coverage of the domestic industry was lower in the first and current reviews, at *** percent, than in the original investigations, at *** percent. CR/PR at I-10.

¹⁰¹ *Original Determinations*, USITC Pub. 4363 at 12; Confidential Original Investigations Commission Views, EDIS Doc. 633225, at 17. The domestic industry's market share was *** percent in January to June ("interim") 2011 and *** percent in interim 2012; cumulated subject imports' market share was *** percent in interim 2011 and *** percent in interim 2012; and nonsubject imports' market share was *** percent in interim 2011 and *** percent in interim 2012. *Id.*

¹⁰² An antidumping duty order was imposed in October 2008 on SWG hanger imports from China. *First Reviews*, USITC Pub. 4784 at 15-16; Confidential First Five Year Reviews at 22. The order was continued, effective March 11, 2014, after expedited five-year reviews by Commerce and the Commission. *Id.* The order was continued once again, effective August 2019, following second expedited five-year reviews by Commerce and the Commission. 84 Fed. Reg. 43615 (Aug. 21, 2019); 84 Fed. Reg. 45127 (Aug. 28, 2019).

¹⁰³ *Original Determinations*, USITC Pub. 4363 at 12.

In the first five-year reviews, the majority of apparent U.S. consumption was satisfied by nonsubject imports, followed by the domestic industry,¹⁰⁴ while cumulated subject imports market share was minimal. The domestic industry accounted for *** percent of apparent U.S. consumption in 2016, cumulated subject imports for *** percent, and nonsubject imports for *** percent.¹⁰⁵ With respect to the substantial and growing market share of nonsubject imports, M&B claimed that as subject imports from Taiwan and Vietnam exited the market since the imposition of the orders, SWG hangers from China had been increasingly transshipped into the United States through third countries in an apparent effort to evade the antidumping duty order on SWG hangers from China.¹⁰⁶

Current Review. In the current five-year reviews, the majority of apparent U.S. consumption continues to be satisfied by nonsubject imports, followed by the domestic industry and subject imports.¹⁰⁷

The domestic industry accounted for *** percent of apparent U.S. consumption in 2022.¹⁰⁸ According to M&B, there are currently three domestic producers of SWG hangers: M&B, Innovative Fabrication LLC / Indy Hanger, and U.S. Hanger Company, LLC.¹⁰⁹ Another domestic producer, Metro Supply Company, ceased operations in early 2019.¹¹⁰ M&B claims that it continued investing in and improving its production processes during the period of review in order to maintain its competitiveness.¹¹¹

Cumulated subject imports accounted for *** percent of apparent U.S. consumption in 2022. As previously noted, in 2020, CBP made an affirmative determination that SWG hangers

¹⁰⁴ *First Reviews*, USITC Pub. 4784 at 16; Confidential First Five Year Reviews at 22. Nonsubject imports accounted for *** percent of apparent U.S. consumption in 2016, substantially higher than its share of *** percent in 2011. The domestic industry accounted for *** percent of apparent U.S. consumption in 2016, lower than its share of *** percent in 2011. *Id.*

¹⁰⁵ *First Reviews*, USITC Pub. 4784 at 16; Confidential First Five Year Reviews at 22.

¹⁰⁶ *First Reviews*, USITC Pub. 4784 at 16. M&B stated that it filed petitions with CBP in 2016 and 2017 regarding certain SWG hanger imports from Thailand and Malaysia that were alleged to be Chinese origin SWG hangers. According to M&B, in August 2017, CBP determined that certain Chinese SWG hangers were transshipped through Thailand in an effort to evade duties, and there had been no reported imports of SWG hangers from Thailand since January 2017.

¹⁰⁷ CR/PR at I-17, Table I-7.

¹⁰⁸ CR/PR at I-17, Table I-7.

¹⁰⁹ M&B Response at 12. M&B also identifies a SWG hanger producer in Puerto Rico, Ganchos N.V. *Id.*

¹¹⁰ CR/PR at Table I-4.

¹¹¹ M&B Response at 15. In 2022, M&B incorporated robotic technology into its operations to load wire into its hanger machines and to count and pack finished hangers for shipment. M&B also reports updating its wiredrawing machinery to reduce employee time and energy usage. CR/PR at Table I-4; M&B Response at 15.

from Vietnam were transshipped through Laos to evade the order, including during the 2017-2020 period.¹¹²

Nonsubject imports accounted for *** percent of apparent U.S. consumption in 2022.¹¹³ The main sources of nonsubject imports during the period of review were Mexico, Cambodia, and South Korea.¹¹⁴ SWG hanger imports from China have been subject to an antidumping duty order since 2007.¹¹⁵

Responding purchaser *** reports that ***.¹¹⁶

3. Substitutability and Other Conditions

Prior Proceedings. In the original investigations, the Commission found that there was a high degree of substitutability between the domestic like product and subject imports, and that price was an important factor in purchasing decisions.¹¹⁷ The Commission explained that all responding domestic producers and a majority of responding importers and purchasers reported that SWG hangers produced in the United States, Taiwan, and Vietnam are always interchangeable with one another, and that most purchasers found the domestic like product to be comparable to subject imports from both Taiwan and Vietnam with regard to most non-price characteristics. It also found that movements in the channels of distribution for domestic producers and subject imports were in opposite directions; domestic producers shifted sales from distributors to end users for industrial use, while subject imports shifted sales from end users to distributors.¹¹⁸

In the first five-year reviews, the Commission again found that subject imports and the domestic like product were highly substitutable and that price remained an important factor in purchasing decisions.¹¹⁹

Current Review. 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 proceedings. M&B argues that there continues to be a high level of substitutability between subject imports and

¹¹² CR/PR at Table I-6 Note.

¹¹³ CR/PR at Table I-7.

¹¹⁴ CR/PR at Table I-6.

¹¹⁵ CR/PR at Table I-3.

¹¹⁶ CR/PR at D-3.

¹¹⁷ *Original Determinations*, USITC Pub. 4363 at 13 and 14.

¹¹⁸ *Original Determinations*, USITC Pub. 4363 at 13.

¹¹⁹ *First Reviews*, USITC Pub. 4784 at 16 and 18.

the domestic like product and that price remains an important factor in purchasing decisions.¹²⁰ Accordingly, we again find that there is a high degree of substitutability between the domestic like product and subject imports, and that price remains an important factor in purchasing decisions.

Effective September 24, 2018, SWG hangers originating in China became 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 SWG hangers from China was increased to 25 percent.¹²¹

Effective March 23, 2018, imports of carbon and certain alloy steel wire rod, an input for the production of SWG hangers, became subject to additional 25 percent ad valorem Section 232 duties or, in certain cases, quotas.¹²²

C. Likely Volume of Subject Imports

1. Prior Proceedings

In the original investigations, the Commission found that the volume of cumulated subject imports was significant both in absolute terms and relative to apparent U.S. consumption and domestic production. Both cumulated subject import volume and market share increased overall from 2009 to 2011, while the ratio of subject imports to U.S. production remained high during this period notwithstanding an overall decline.¹²³ Although the Commission observed that subject import volume in interim 2012 was lower than interim 2011, it attributed the lower volume to the filing of the petitions in late 2011 and discounted post-

¹²⁰ M&B Response at 16.

¹²¹ 83 Fed. Reg. 47974, September 21, 2018; 84 Fed. Reg. 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. USITC, HTS (2022) Revision 8, USITC Publication 5345, July 2022, 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 Fed. Reg. 21892, May 15, 2019).

¹²² CR/PR at I-7 n.25. Imports of SWG hangers are not subject to Section 232 measures. *Id.*

¹²³ Subject import quantity increased from 758.2 million SWG hangers in 2009 to 1.2 billion SWG hangers in 2010, before declining to 967.2 million SWG hangers in 2011, for an overall increase of 27.6 percent from 2009 to 2011. *Original Determinations*, USITC Pub. 4363 at 13. Subject import market share increased from *** percent in 2009 to *** percent in 2010, then declined to *** percent in 2011, for a net gain of *** percentage points over the period. Confidential Original Determinations Commission Views, EDIS Doc. 633225, at 19 (“Confidential Original Determinations”). The ratio of subject imports to U.S. production also remained high during the period; it was 229.0 percent in 2009 and 208.2 percent in 2011. *Id.*

petition effects in its analysis.¹²⁴ However, the Commission found that the subject import volume remained substantial relative to apparent U.S. consumption in 2012.¹²⁵ The Commission concluded that the volume of subject imports was significant both in absolute terms and relative to consumption and production in the United States.¹²⁶

In the first five-year reviews, the Commission observed that the orders significantly restrained the volume of cumulated subject imports, which declined during the period of review from 488.5 million hangers in 2012 to 2.4 million hangers in 2016.¹²⁷ Cumulated subject imports' market share was only *** percent in 2016, while it had fluctuated between *** percent and *** percent during the original investigations.¹²⁸ The record contained only limited data concerning the SWG hanger industries in the subject countries because no producer or exporter of subject merchandise participated in the reviews.¹²⁹ The Commission found that subject producers had the ability to substantially increase their exports to the U.S. market as well as an interest in supplying that market.¹³⁰ It noted that the United States remained a key export market for both subject countries for the product category that included SWG hangers.¹³¹ The data also showed that producers in the subject countries could quickly shift exports among different markets.¹³² Given that producers and exporters in the subject countries maintained a presence in the U.S. market throughout the duration of the orders, the Commission found that they would likely be able to use existing relationships to quickly increase shipments to the U.S. in the event of revocation.¹³³ Based on these factors, the

¹²⁴ Subject import volume was 557.9 million SWG hangers in interim 2011 and 425.3 million SWG hangers in interim 2012, and subject import market share was *** percent in interim 2011 and *** percent in interim 2012. *Original Determinations*, USITC Pub. 4363 at 13; Confidential Original Determinations, EDIS Doc. 633225, at 19. The ratio of subject imports to U.S. production was *** percent in interim 2011 and *** percent in interim 2012. *Id.*

¹²⁵ *Original Determinations*, USITC Pub. 4363 at 13-14.

¹²⁶ *Original Determinations*, USITC Pub. 4363 at 14.

¹²⁷ *First Reviews*, USITC Pub. 4784 at 17; Confidential First Five Year Reviews at 24. Cumulated subject import volume was 488.5 million hangers in 2012, 4.6 million hangers in 2013, 5.6 million hangers in 2014, 645,000 hangers in 2015, and 2.4 million hangers in 2016. *Id.*

¹²⁸ *First Reviews*, USITC Pub. 4784 at 17; Confidential First Five Year Reviews at 24.

¹²⁹ *First Reviews*, USITC Pub. 4784 at 17. M&B provided a list of firms that it believed produced SWG hangers in Taiwan and Vietnam during the POR. M&B also asserted that the subject industries in Taiwan and Vietnam created substantial SWG hanger production capacity in a relatively short period after the imposition of the antidumping duty orders on SWG hangers from China, and that their production was rapidly exported to the United States. M&B further asserted that there was no meaningful market other than the United States for subject imports. *Id.*

¹³⁰ *First Reviews*, USITC Pub. 4784 at 17.

¹³¹ *First Reviews*, USITC Pub. 4784 at 17.

¹³² *First Reviews*, USITC Pub. 4784 at 17.

¹³³ *First Reviews*, USITC Pub. 4784 at 17-18.

Commission concluded that the volume of cumulated subject imports likely would increase and that the likely volume of cumulated subject imports would be significant if the orders were revoked.¹³⁴

2. The Current Reviews

The information available indicates that the orders have continued to have a restraining effect on the volume of cumulated subject imports. The volume of cumulated subject imports fluctuated during the 2017 to 2022 period of review, increasing from 1.2 million hangers in 2017 to 11.4 million hangers in 2018 and 43.7 million hangers in 2019, declining to 1.3 million hangers in 2020 and 176,000 hangers in 2021, and then increasing to 3.2 million hangers in 2022.¹³⁵ Cumulated subject imports accounted for *** percent of apparent U.S. consumption in 2022.¹³⁶ These data may understate the presence of subject imports from Vietnam in the U.S. market during the 2017-2020 period, given CBP's final determination that SWG hangers from Vietnam were transshipped through Laos to evade the order in those years.¹³⁷ Nonetheless, the available data reflect a clear restraining effect from the imposition of the orders.

The record in these expedited reviews contains limited information on the subject industries in Taiwan and Vietnam. Nonetheless, the information available indicates that subject producers continue to have the ability to export significant levels of subject merchandise to the U.S. market in the event of revocation of the orders. As previously noted, M&B has identified 25 possible producers of SWG hangers in Taiwan and 45 possible producers in Vietnam.¹³⁸ M&B argues that the subject industries in Taiwan and Vietnam created the capacity to produce hundreds of millions of SWG hangers after imposition of the antidumping duty order on SWG hangers from China, and would likely use this capacity to rapidly increase exports to the United States in the event of revocation.¹³⁹

The information available also indicates that the subject industries remained large exporters of articles of iron and steel wire, a category that includes SWG hangers. According to GTA data, in 2022, Taiwan exports of articles of iron and steel wire were valued at \$26.3 million,

¹³⁴ *First Reviews*, USITC Pub. 4784 at 18.

¹³⁵ CR/PR at I-14, Table I-6.

¹³⁶ CR/PR at I-17, Table I-7.

¹³⁷ CR/PR at I-15, Table I-6 Note. Nonsubject imports from Laos increased from 162.8 million hangers in 2017 to 265.7 million hangers in 2018, before declining to 118.3 million hangers in 2019, 719,000 hangers in 2020, and zero in 2021 and 2022. *Id.*

¹³⁸ CR/PR at I-18, I-20; M&B Response at 14; Exhibit 2.

¹³⁹ M&B Response at 5-6.

while Vietnamese exports of such merchandise were valued at \$27.1 million, up from \$15.1 million in 2017.¹⁴⁰

The information available also indicates that the U.S. market remains attractive to subject producers in Taiwan and Vietnam. Cumulated subject imports maintained a presence in the U.S. market throughout the period of review while under the restraining effect of the orders, thereby retaining customers and distribution networks.¹⁴¹ M&B contends that the United States remains the largest market in the world for SWG hangers, and that subject producers have no meaningful alternative markets, including home markets, for their SWG hangers.¹⁴² Indeed, CBP's final determination that SWG hangers from Vietnam were transshipped through Laos to evade the orders during the 2017-2020 period indicates that subject producers in Vietnam continue to have a strong interest in supplying the U.S. market.¹⁴³

Given the foregoing, including the significant and increasing volume of cumulated subject imports in the original investigations, the continued presence of cumulated subject imports in the U.S. market during the period of review, the subject industries' large size and exports of iron and steel wire products, 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 U.S. consumption, if the orders were to be revoked.¹⁴⁴

D. Likely Price Effects

1. Prior Proceedings

In the original investigations, the Commission found that subject imports significantly undersold the domestic industry's prices and depressed prices for the domestic like product.¹⁴⁵ The Commission observed that subject imports undersold the domestic like product in 70 of 110 (or 63.6 percent of) quarterly price comparisons, with underselling margins that ranged from *** percent to *** percent.¹⁴⁶ Domestic prices fluctuated within a narrow range, with prices lower at the end of the period of investigation for four of the five pricing products. The Commission found that the domestic price declines occurred during a timeframe in which the

¹⁴⁰ CR/PR at Tables I-8-9.

¹⁴¹ M&B Response at 18-19.

¹⁴² M&B Response at 15.

¹⁴³ M&B Response at 17-19.

¹⁴⁴ The record of these expedited reviews contains no information on inventories of subject merchandise or the ability of subject producers to product shift.

¹⁴⁵ *Original Determinations*, USITC Pub. 4363 at 14.

¹⁴⁶ *Original Determinations*, USITC Pub. 4363 at 14; Confidential Original Investigations Commission Views, EDIS Doc. 633225, at 21.

increase in subject imports was most substantial. It further found that confirmed lost sales and lost revenue allegations and evidence of purchasers switching from the domestic like product to subject imports on the basis of price demonstrated that subject imports had significant adverse price effects on domestic prices.¹⁴⁷

In the first five-year reviews, the Commission found that, based on the high degree of substitutability between SWG hangers from different sources and the importance of price to purchasing decisions, the likely significant volume of cumulated subject imports would likely undersell the domestic like product to a significant degree, as in the original investigations. It found that the significant volume of low-priced cumulated subject imports would likely force the domestic industry to either lower its prices or cede market share. The Commission concluded that, absent the disciplining effect of the orders, subject imports from Taiwan and Vietnam would likely have significant depressing or suppressing effects on prices for the domestic like product and/or capture market share from the domestic industry.¹⁴⁸

2. The Current Reviews

The record in these expedited reviews does not contain new product-specific pricing information. Based on the available information, including the high degree of substitutability between the domestic like product and subject imports, the importance of price in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the orders were revoked, the likely significant volumes of cumulated subject imports would likely undersell the domestic like product to a significant degree, as they did in the original investigations. Absent the discipline of the orders, the significant volumes of low-priced cumulated subject imports would likely take sales and market share from domestic producers and/or force the domestic industry to cut prices or restrain price increases necessary to cover any increasing costs, thereby depressing or suppressing prices for the domestic like product. Consequently, we find that if the orders were revoked, significant volumes of cumulated subject imports would likely have significant price effects.

¹⁴⁷ *Original Determinations*, USITC Pub. 4363 at 15.

¹⁴⁸ *First Reviews*, USITC Pub. 4784 at 18-19.

E. Likely Impact

1. Prior Proceedings

In the original investigations, the Commission observed that some of the domestic industry's performance indicators improved during the period of investigation due, in part, to the imposition of antidumping duties on SWG hanger imports from China in October 2008. However, the domestic industry's capacity utilization remained low, its financial performance was poor, and several domestic producers ceased production. The Commission found that the significant and increasing volume of subject imports that significantly undersold and depressed domestic prices led to low levels of capacity utilization, reduced employment, and operating losses for the domestic industry throughout the period of investigation.¹⁴⁹

In the first five-year reviews, the Commission found that the limited information available on the domestic industry's performance was insufficient for it to make a vulnerability finding. However, it found that revocation of the orders would be likely to lead to a significant volume of subject imports that would undersell the domestic like product and have significant adverse effects on the domestic industry's prices. By placing pressure on domestic producers to cut prices or cede market share to subject imports, the Commission concluded, cumulated subject imports would likely have a significant impact on the domestic industry after revocation.¹⁵⁰

2. The Current Reviews

The record in these expedited reviews contains limited information concerning the domestic industry's performance since the previous reviews. The available information indicates that there has been a long-term decline in the domestic industry's capacity, production, U.S. shipments, and net sales value since the original investigations, although the industry was more *** in 2022 than in the final years examined in the prior proceedings.¹⁵¹ In 2022, the domestic industry's capacity was *** hangers, its production was *** hangers, its capacity utilization was *** percent, and its U.S. commercial shipments were *** hangers – all

¹⁴⁹ *Original Determinations*, USITC Pub. 4364 at 15-18.

¹⁵⁰ *First Reviews*, USITC Pub. 4784 at 19-20.

¹⁵¹ The domestic industry's performance in 2016 and 2022 may be understated relative to its performance in 2011 because data coverage of the domestic industry was lower in the first and current reviews, at *** percent, than in the original investigations, at *** percent. CR/PR at I-10.

lower than in 2011 and 2016.¹⁵² The industry's share of apparent U.S. consumption in 2022, at *** percent, was higher than in 2016 but lower than in 2011.¹⁵³ The industry's net sales value was lower in 2022, at \$***, than in 2011 and 2016, but its operating income, at \$***, and its ratio of operating income to net sales, at *** percent, were higher.¹⁵⁴ This limited information is insufficient for us to make a finding as to whether the domestic industry is vulnerable to 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 result in a significant increase in subject import volume that would likely undersell the domestic like product to a significant degree. Given the high degree of substitutability between the domestic like product and subject imports and the importance of price to purchasers, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product. The likely significant volume of cumulated subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which in turn would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. The volume of nonsubject imports declined irregularly during the period of review from 1.6 billion hangers in 2017 to 921.2 million hangers in 2022,¹⁵⁵ and accounted for *** percent of apparent U.S. consumption in 2022, down from *** percent in 2016.¹⁵⁶ The record provides no indication that the presence of nonsubject imports would prevent cumulated subject imports from entering the U.S. market in significant quantities or adversely affecting domestic prices after revocation of the orders. Given the substitutability of SWG hangers, regardless of source, and the importance of price to purchasing decisions, the

¹⁵² CR/PR at I-12, Table I-5. In 2016, the domestic industry's capacity was *** hangers, its production was *** hangers, its capacity utilization was *** percent, and its U.S. commercial shipments were *** hangers. In 2011, the domestic industry's capacity was *** hangers, its production was *** hangers, its capacity utilization was *** percent, and its U.S. commercial shipments were *** hangers. *Id.*

¹⁵³ CR/PR at Table I-7.

¹⁵⁴ CR/PR at I-12, Table I-5. In 2016, the industry's net sales were \$***, it operated at a *** of \$***, and its ratio of operating income to net sales was *** percent. In 2011, the industry's net sales were \$***, it operated at a *** of \$***, and its ratio of operating income to net sales was *** percent. *Id.*

¹⁵⁵ CR/PR at I-14, Table I-6.

¹⁵⁶ CR/PR at I-17, Table I-7.

presence of nonsubject imports in the U.S. market would likely not prevent the significant increase in low-priced subject imports that is likely after revocation from taking market share from the domestic industry, as well as from nonsubject imports, or from forcing domestic producers to lower their prices or forgo price increases in order to retain market share. For these reasons, we find that any effects of nonsubject imports would be distinct from the likely effects attributable to the cumulated subject imports.

We recognize that apparent U.S. consumption was *** percent lower in 2022 than in 2016.¹⁵⁷ M&B attributed the decline to the COVID-19 pandemic, which increased telework and further reduced the dry cleaning of business apparel that had already been in long-term decline.¹⁵⁸ To the extent that demand remains weak or declines, the significant volume of low-priced cumulated subject imports that is likely after revocation would exacerbate the effects of weak or declining demand on the domestic industry.

In sum, we conclude that if the antidumping and countervailing duty orders on SWG hangers from Taiwan and Vietnam were revoked, cumulated subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

V. Conclusion

For the foregoing reasons, we determine that revocation of the countervailing duty order on SWG hangers from Vietnam and the antidumping duty orders on SWG hangers from Taiwan and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

¹⁵⁷ See CR/PR at Table I-7.

¹⁵⁸ M&B Response at 16.

Information obtained in these reviews

Background

On April 3, 2023, 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 steel wire garment hangers (“SWG hangers”) from Taiwan and Vietnam and the countervailing duty order on SWG hangers from Vietnam would likely lead to the continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.³ ⁴ Table I-1 presents information relating to the background and schedule of this proceeding:

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

Effective date	Action
April 3, 2023	Notice of initiation by Commerce (88 FR 19616, April 3, 2023)
April 3, 2023	Notice of institution by Commission (88 FR 19669, April 3, 2023)
July 7, 2023	Commission’s vote on adequacy
July 10, 2023	Commerce’s results of its expedited review of the CVD order
August 7, 2023	Commerce’s results of its expedited reviews of the AD orders
September 29, 2023	Commission’s determinations and views

¹ 19 U.S.C. 1675(c).

² 88 FR 19669, April 3, 2023. 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 and countervailing duty orders. 88 FR 19616, April 3, 2023. 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 are presented in app. C.

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

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of M&B Metal Products Company, Inc., a domestic producer of SWG hangers (referred to herein as “M&B” or “domestic interested party”).

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 or explain deficiencies in their responses and to provide clarifying details where appropriate. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

Table I-2
SWG hangers: Summary of responses to the Commission’s notice of institution

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	1	***%

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of SWG hangers during 2022. Domestic interested party’s response to the notice of institution, May 3, 2023, p. 14.

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 party. The domestic interested party requests that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on SWG hangers.⁵

⁵ Domestic interested party’s comments on adequacy, May 31, 2023, p. 2.

The original investigations

The original investigations resulted from petitions filed on December 29, 2011, with Commerce and the Commission by M&B, Leeds, Alabama; Innovative Fabrication LLC/Indy Hanger, Indianapolis, Indiana; and US Hanger Company LLC, Gardena, California.⁶ On October 15, 2012, Commerce determined that imports of SWG hangers from Taiwan were being sold at less than fair value (“LTFV”).⁷ The Commission determined on November 29, 2012, that the domestic industry was materially injured by reason of LTFV imports of SWG hangers from Taiwan.⁸ ⁹ On December 10, 2012, Commerce issued its antidumping duty order on imports of SWG hangers from Taiwan with the final weighted-average dumping margins ranging from 69.98 to 125.43 percent.¹⁰ On December 24, 2012, Commerce determined that imports of SWG hangers from Vietnam were being sold at LTFV and subsidized by the Government of Vietnam.¹¹ The Commission determined on January 28, 2013, that the domestic industry was materially injured by reason of LTFV and subsidized imports of SWG hangers from Vietnam.¹² On February 5, 2013, Commerce issued its antidumping and countervailing duty orders on imports of SWG hangers from Vietnam with the final weighted-average dumping margins ranging from 157.00 to 220.68 percent and net subsidy rates ranging from 31.58 to 90.42 percent.¹³

⁶ Steel Wire Garment Hangers from Taiwan, Inv. No. 731-TA-1197 (Final), USITC Publication 4363, November 2012 (“Original Taiwan publication”), p. I-1.

⁷ 77 FR 62492, October 15, 2012.

⁸ 77 FR 72884, December 6, 2012.

⁹ The Commission was required to issue this determination prior to its determinations in the investigations of SWG hangers from Vietnam because Commerce issued its final determination with respect to Taiwan earlier than its determinations with respect to Vietnam. Original Taiwan publication, p. 3.

¹⁰ 77 FR 73424, December 10, 2012.

¹¹ 77 FR 75973 and 77 FR 75980, December 26, 2012.

¹² 78 FR 7452, February 1, 2013. The Commission also found that imports subject to Commerce’s affirmative critical circumstances determinations were not likely to undermine seriously the remedial effect of the orders on Vietnam.

¹³ 78 FR 8105 and 78 FR 8107, February 5, 2013.

The first five-year reviews

On February 5, 2018, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders on SWG hangers from Taiwan and Vietnam.¹⁴ On March 9, 2018, Commerce determined that revocation of the antidumping duty orders on SWG hangers from Taiwan and Vietnam would be likely to lead to continuation or recurrence of dumping.¹⁵ On March 12, 2018, Commerce determined that revocation of the countervailing duty order on SWG hangers from Vietnam would be likely to lead to continuation or recurrence of subsidization.¹⁶ On May 16, 2018, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁷ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective May 31, 2018, Commerce issued a continuation of the antidumping duty orders on imports of SWG hangers from Taiwan and Vietnam.¹⁸ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective August 20, 2018, Commerce issued a continuation of the countervailing duty order on imports of SWG hangers from Vietnam.¹⁹

Previous and related investigations

The Commission has conducted previous import injury investigations on SWG hangers or similar merchandise, as presented in table I-3.

¹⁴ 83 FR 11563, March 15, 2018.

¹⁵ 83 FR 10433, March 9, 2018.

¹⁶ 83 FR 10660, March 12, 2018.

¹⁷ 83 FR 23723, May 22, 2018.

¹⁸ 83 FR 24972, May 31, 2018.

¹⁹ 83 FR 42111, August 20, 2018.

Table I-3**SWG hangers: Previous and related Commission proceedings and status of orders**

Date	Number	Country	ITC original determination	Current status of order
2002	TA-421-2	China	Affirmative	The Commission determined that imports from China were causing market disruption and voted to propose a remedy of a duty (in addition to the rate of duty at that time) on imports of SWG hangers from China for two to three years. President opted to grant expedited consideration for trade adjustment assistance claims by U.S. producers and their workers displaced by foreign competition but not to impose the additional duty.
2007	731-TA-1123	China	Affirmative	Order continued after second review, August 28, 2019

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

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 SWG hangers from Taiwan and Vietnam with the intent of issuing the final results of these reviews based on the facts available not later than August 1, 2023.²⁰ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. 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 and countervailing duty orders on imports of SWG hangers from Taiwan and Vietnam are noted in the sections titled “The original investigations” and “U.S. imports,” if applicable.

²⁰ Letter from Jill Pollack, Senior Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, May 26, 2023.

The product

Commerce's scope

Commerce has defined the scope as follows:

The merchandise subject to the order{s} is steel wire garment hangers, fabricated from carbon steel wire, whether or not galvanized or painted, whether or not coated with latex or epoxy or similar gripping materials, and/or whether or not fashioned with paper covers or capes (with or without printing) and/or nonslip features such as saddles or tubes. These products may also be referred to by a commercial designation, such as shirt, suit, strut, caped, or latex (industrial) hangers.

Specifically excluded from the scope of the order{s} are (a) wooden, plastic, and other garment hangers that are not made of steel wire; (b) steel wire garment hangers with swivel hooks; (c) steel wire garment hangers with clips permanently affixed; and (d) chrome-plated steel wire garment hangers with a diameter of 3.4 mm or greater.²¹

U.S. tariff treatment

SWG hangers are currently provided for in HTS subheading 7326.20.00 and imported under Harmonized Tariff Schedule of the United States ("HTS") statistical reporting number 7326.20.0020.²² The merchandise subject to these reviews may also be imported under HTS subheading 7323.99.90 and imported under HTS statistical reporting number 7323.99.9080. The general rate of duty is 3.9 percent ad valorem for HTS subheading 7326.20.00 and 3.4 percent ad valorem for HTS subheading 7323.99.90.²³ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Effective September 24, 2018, SWG hangers originating in China, a nonsubject country, were subject to an additional 10 percent ad valorem duty under Section 301 of the Trade Act of

²¹ 83 FR 42111, August 20, 2018.

²² This statistical reporting number was created specifically for SWG hangers at the request of the U.S. industry and has been in place since January 1, 2002.

²³ USITC, HTS (2023) Basic Revision 8, Publication 5442, June 2023, pp. 73-40, 73-41.

1974. Effective May 10, 2019, the section 301 duty for SWG hangers was increased to 25 percent.^{24 25}

Description and uses²⁶

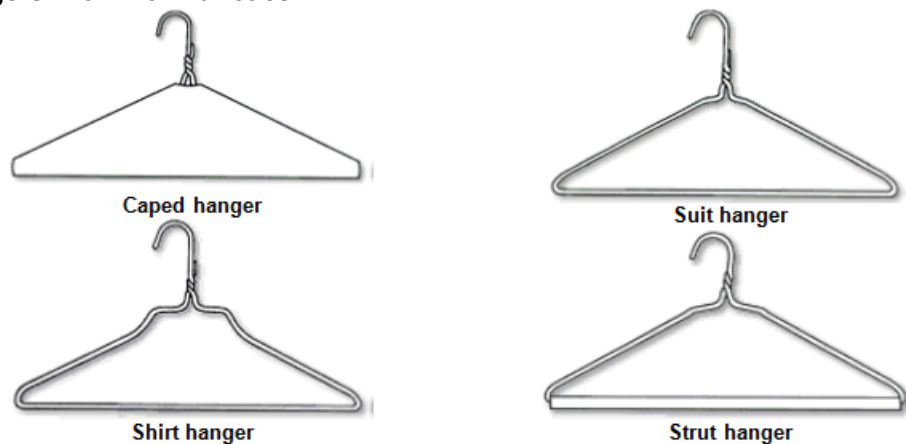
SWG hangers are produced primarily for use by the dry cleaning, industrial laundry, textile, and uniform rental industries. SWG hangers are designed and formed to drape and suspend clothing and other textiles. The four most common types of dry cleaning SWG hangers are caped hangers, shirt hangers, suit hangers, and strut hangers (figure I-1). Each type includes hangers in varying sizes and finishes, but with common distinguishing features. Caped hangers have a paper “cape” or cover, normally white and often with commercial or custom printing. Strut hangers have a paper tube that runs along the length of the bottom of the hanger. Wire in strut hangers does not run through the paper tube, but rather folds in at the edges. This paper tube, or “strut,” may be coated with a nonslip material to prevent the garment from falling off the hanger. Shirt hangers are produced with the thinnest wire for lighter items, while hangers for heavier items use heavier wire. SWG hangers are generally painted (in a variety of colors) or epoxy-coated to prevent rusting. Despite differences in finishes and paper accessories, all SWG hangers share common configurations, characteristics, and end use.

²⁴ 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. USITC, HTS (2022) Revision 8, USITC Publication 5345, July 2022, 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).

²⁵ Articles of iron or steel wire classified under HTS subheading 7326.20.00 are not subject to Section 232 tariffs. However, effective March 23, 2018, imports of carbon and certain alloy steel wire rod (an input for steel wire garment hangers) are subject to additional 25 percent ad valorem Section 232 duties or, in certain cases, quotas. For a detailed description, please see Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, and Trinidad and Tobago, Investigation Nos. 701-TA-417 and 731-TA-953, 957-959, and 961 (Third Review), USITC Publication 5100, August 2020, pp. I-28 and I-29.

²⁶ Unless otherwise noted, this information is based on Steel Wire Garment Hangers from Taiwan and Vietnam, Investigation Nos. 701-TA-487 and 731-TA-1197-1998 (Review), USITC Publication 4784, May 2018 (“First review publication”), pp. I-5-I-6.

Figure I-1
SWG hangers: Common varieties



Source: Original Taiwan publication, p. I-8 (figure I-1).

Steel wire hangers produced for use in industrial laundries or in the uniform rental market are known as textile or uniform rental hangers or as industrial hangers. These hangers are normally produced using a 13-gauge wire to support the weight of newly washed textiles and uniforms.²⁷ Industrial laundries and uniform rental companies typically require a substantial gauge hanger in a consistent shape to fit their high-speed processing equipment. These hangers can be made from galvanized (zinc coated) steel wire. The bottom bar of these hangers may be coated with latex or other coating to prevent pants slippage after laundering.

Manufacturing process²⁸

Manufacturers use huge coils of wire rod, often weighing three to five thousand pounds, to produce industrial and dry cleaning SWG hangers. The steel wire rod, roughly a quarter inch in diameter, is mechanically cleaned and stretched to the appropriate gauge.²⁹ The wire is straightened, cut to length, and shaped into a hanger (figure I-2). The non-galvanized low-carbon steel wire hangers are then painted. The process may be continuous or require separate stages to straighten, cut, and form the hanger. Painting may occur either before or after the hanger is formed. Manufacturing for galvanized wire hangers is similar, but galvanized SWG hangers do not require painting because the zinc coating prevents corrosion. In all cases, the

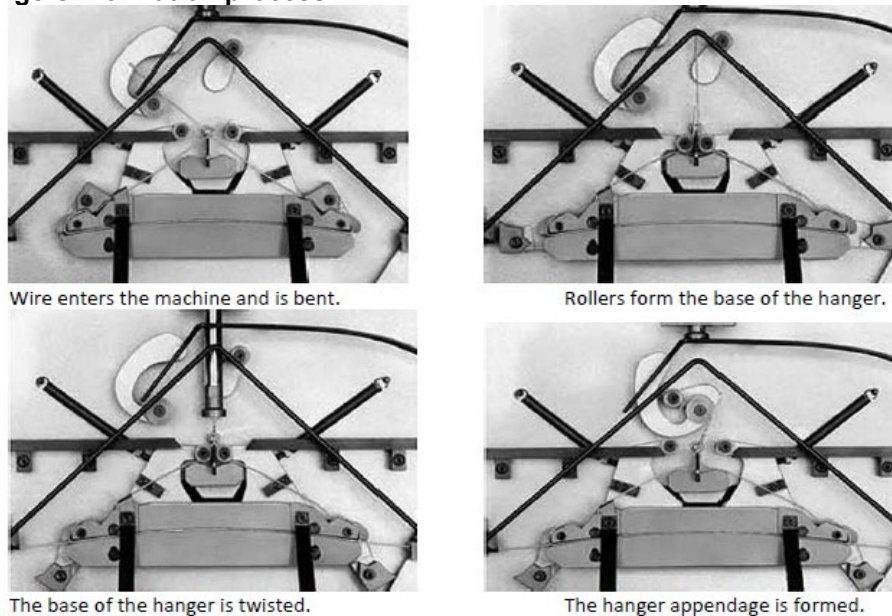
²⁷ The term “gauge” refers to the diameter of the wire. A 13-gauge wire has a diameter of 0.0915 inches.

²⁸ Unless otherwise noted, this information is based on first review publication, pp. I-6-I-8.

²⁹ M&B Hangers, “How M&B’s Hangers are Made”, accessed May 25, 2023.
<https://mbhangers.com/how-hangers-are-made/>

forming machines are dedicated to the production of hangers; they are not used and cannot be used to produce other products. Wire forming machines may be made in-house by SWG hanger manufacturers or purchased from a small number of companies in China, Switzerland, and Taiwan that produce these machines. Some machines produce up to 3,600 hangers per hour.³⁰

Figure I-2
SWG hangers: Formation process



Source: Rudolph Grauer AG, “Coat Hanger Machine SMB 1”, accessed May 30, 2023, <https://www.unanteknik.com/images/urunler/rudolf.grauer/pdf/Ask%C4%B1%20%C3%9Cretim%20Tezgah%C4%B1%20SMB-1.pdf>.

After forming, dry cleaning hangers may require the addition of a paper covering or “cape,” which may be plain or printed with custom or stock messages for drycleaner customers. Strut hangers receive a cardboard tube or “strut” along the bottom bar on which drycleaners hang pants. Hangers intended for the industrial laundry market may be dipped in liquid latex or receive another type of coating on the bottom rung to prevent pants slippage.

Production equipment is similar for all common hanger types and the formation of the hanger itself is reportedly similar globally. The level of manual versus mechanical processing of cape and strut additions and wire painting may vary. Respondents in the original investigations noted that environmental regulations in Vietnam preclude painting of SWG hangers. Instead, SWG hangers are powder coated to provide corrosion resistance, reportedly with

³⁰ Rudolph Grauer AG, “Coat Hanger Machine SMB 1”, accessed May 30, 2023, <https://www.unanteknik.com/images/urunler/rudolf.grauer/pdf/Ask%C4%B1%20%C3%9Cretim%20Tezgah%C4%B1%20SMB-1.pdf>.

thermosetting epoxy powder. Epoxy powder is typically applied by electrically charging and spraying the powder to accumulate evenly on a clean, grounded metal article. The powder coating then fuses in an industrial oven.³¹ Most hangers are packed in boxes containing 500 hangers to be palletized and shipped. Thicker hangers (struts, drapery, and polo knit hangers) may be packed in 250 units per box. According to the previous investigations, producers in Taiwan and Vietnam manufacture all common types of SWG hangers (shirt, suit, strut, and caped).

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 three firms, which accounted for approximately *** percent of production of SWG hangers in the United States during 2011.³²

During the first five-year reviews, the domestic interested party provided a list of four known and operating U.S. producers of SWG hangers at that time.³³ The one responding firm accounted for approximately *** percent of production of SWG hangers in the United States during 2016.³⁴

In response to the Commission's notice of institution in these current five-year reviews, the domestic interested party provided a list of four known and currently operating U.S. producers of SWG hangers. The one firm providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of SWG hangers in the United States during 2022.³⁵

³¹ Madsen Steel, "Powder Coating for Wire Parts", accessed May 26, 2023, <https://www.madsenwire.com/capabilities/powder-coating-for-wire-parts/>.

³² Investigation Nos. 701-TA-487 and 731-TA-1197-1198 (Final): Steel Wire Garment Hangers from Taiwan and Vietnam, Confidential Report, INV-KK-108, November 8, 2012, as revised in INV-KK-010, November 9, 2012 ("Original confidential report"), p. III-2.

³³ First review publication, p. I-9.

³⁴ Investigation Nos. 701-TA-487 and 731-TA-1197-1198 (Review): Steel Wire Garment Hangers from Taiwan and Vietnam, Confidential Report, INV-QQ-010, January 24, 2018, as revised in INV-QQ-040, April 9, 2018, p. I-2.

³⁵ Domestic interested party's response to the notice of institution, May 3, 2023, pp. 12-14.

Recent developments

Casual workplace and work-from-home trends have contributed to a decline in U.S. demand for SWG hangers during the review period.³⁶ The domestic interested party reported that the COVID-19 pandemic and resulting work-from-home shift affected demand for wire hangers owing to a decline in demand for business apparel cleaning from dry cleaners. However, demand from industrial laundries and uniform rental firms held steady as manufacturing and service sector jobs remained onsite.³⁷

Table I-4 presents events in the U.S. industry since the Commission's last five-year reviews.³⁸

Table I-4
SWG hangers: Recent developments in the U.S. industry

Item	Firm	Event
AD/CVD Orders	N/A	Between January and May 2018, carbon and alloy steel wire rod became subject to antidumping and countervailing duty orders in the United States on various countries, including Belarus, Italy, Russia, South Africa, Spain, Turkey, Ukraine, United Arab Emirates, and United Kingdom.
Section 232 Tariffs	N/A	Beginning March 23, 2018, U.S. imports of carbon and certain alloy steel wire rod, an upstream input for SWG hanger production, are subject to additional 25 percent ad valorem Section 232 duties.
Closure	Metro Supply Company	The domestic interested party reported that California-based Metro Supply Company ceased operations in early 2019.
Automation Investment	M&B Metals	In 2022, M&B Metals invested in robotic machinery to improve its operations at its manufacturing plant in Leeds, Alabama.

Source: U.S. Department of Commerce, "ADCVD Proceedings," <https://www.trade.gov/data-visualization/adcvd-proceedings>, accessed June 22, 2023; Federal Register, "83 FR 11625", March 15, 2018, <https://www.federalregister.gov/documents/2018/03/15/2018-05478/adjusting-imports-of-steel-into-the-united-states>, accessed June 23, 2023; Domestic interested party's response to the notice of institution, May 3, 2023, p. 15; Domestic interested party's supplemental response to the notice of institution, May 18, 2023, p. 2; and Mason, Marcy, "Hanging Tough", January 4, 2022, accessed May 24, 2023, <https://www.cbp.gov/frontline/hanging-tough>;

³⁶ Greene, Dan, "History of the wire hanger," February 6, 2020, accessed May 23, 2023. <https://www.vox.com/the-goods/2020/2/6/21113481/wire-hangers-history-use>.

³⁷ Domestic interested party's response to the notice of institution, May 3, 2023, p. 16.

³⁸ For recent developments in tariff treatment, please see "U.S. tariff treatment" section.

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.³⁹ 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.

Table I-5
SWG hangers: Trade and financial data submitted by U.S. producers, by period

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

Item	Measure	2011	2016	2022
Capacity	Quantity	***	***	***
Production	Quantity	***	***	***
Capacity utilization	Ratio	***	***	***
U.S. shipments	Quantity	***	***	***
U.S. shipments	Value	***	***	***
U.S. shipments	Unit value	***	***	***
Net sales	Value	***	***	***
COGS	Value	***	***	***
COGS to net sales	Ratio	***	***	***
Gross profit or (loss)	Value	***	***	***
SG&A expenses	Value	***	***	***
Operating income or (loss)	Value	***	***	***
Operating income or (loss) to net sales	Ratio	***	***	***

Source: For the years 2011 and 2016, data are compiled using data submitted in the Commission's original investigations and first five-year reviews, respectively. For the year 2022, data are compiled using data submitted by domestic interested party. Domestic interested party's response to the notice of institution, May 3, 2023, exh. 4; and domestic interested party's supplemental response to the notice of institution, May 18, 2023, p. 3.

Note: The domestic interested party explained that ***. Domestic interested party's supplemental response to the notice of institution, May 18, 2023, p. 3. For a discussion of data coverage, please see "U.S. producers" section.

³⁹ Individual company trade and financial data are presented in app. B.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.⁴⁰

In its original determinations and its expedited first five-year review determinations, the Commission defined a single domestic like product consisting of SWG hangers, coextensive with Commerce’s scope. In its original determinations and its expedited first five-year review determinations, the Commission defined the domestic industry as all U.S. producers of SWG hangers.⁴¹

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 15 firms, which accounted for approximately *** percent of imports of SWG hangers from Taiwan and approximately *** percent of imports of SWG hangers from Vietnam during 2011.⁴² Import data presented in the original investigations are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested party provided a list of 33 firms that may have imported SWG at that time.⁴³ Import data presented in the first reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission’s notice of institution, the domestic interested party provided a list of 46 potential U.S. importers of SWG hangers.⁴⁴

⁴⁰ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁴¹ 88 FR 19669, April 3, 2023.

⁴² Original confidential report, p. IV-1.

⁴³ First review publication, p. I-11.

⁴⁴ Domestic interested party’s response to the notice of institution, May 3, 2023, exh. 1.

U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports from Taiwan and Vietnam, as well as the other top sources of U.S. imports (shown in descending order of 2022 imports by quantity).

Table I-6
SWG hangers: U.S. imports, by source and period

Quantity in 1,000 hangers; value in 1,000 dollars

U.S. imports from	Measure	2017	2018	2019	2020	2021	2022
Taiwan	Quantity	30	71	0	0	114	2
Vietnam	Quantity	1,128	11,310	43,678	1,341	62	3,181
Subject sources	Quantity	1,158	11,381	43,679	1,341	176	3,183
Mexico	Quantity	411,703	413,311	392,935	251,629	367,415	373,199
Cambodia	Quantity	222,243	395,827	316,841	111,367	165,332	280,979
South Korea	Quantity	152,657	193,706	205,758	131,878	73,533	91,357
All other sources	Quantity	817,518	435,638	313,624	132,612	138,376	175,697
Nonsubject sources	Quantity	1,604,120	1,438,482	1,229,158	627,485	744,657	921,232
All import sources	Quantity	1,605,278	1,449,864	1,272,837	628,826	744,833	924,415
Taiwan	Value	22	22	4	3	78	38
Vietnam	Value	52	769	1,982	59	12	253
Subject sources	Value	75	792	1,986	62	90	291
Mexico	Value	15,121	16,402	16,225	10,326	19,034	23,313
Cambodia	Value	9,933	18,473	15,120	5,491	11,031	19,789
South Korea	Value	5,881	9,003	9,589	5,617	4,456	8,111
All other sources	Value	34,699	25,507	22,438	13,573	13,333	18,558
Nonsubject sources	Value	65,634	69,385	63,372	35,007	47,854	69,771
All import sources	Value	65,709	70,177	65,358	35,068	47,944	70,062

Table continued.

Table I-6 Continued
SWG hangers: U.S. imports, by source and period

Unit value in dollars per 1,000 hangers

U.S. imports from	Measure	2017	2018	2019	2020	2021	2022
Taiwan	Unit value	747.87	312.85	19,661.11	13,274.04	682.72	18,995.49
Vietnam	Unit value	46.44	68.03	45.39	44.06	202.51	79.56
Subject sources	Unit value	64.61	69.56	45.47	46.11	514.24	91.43
Mexico	Unit value	36.73	39.68	41.29	41.04	51.81	62.47
Cambodia	Unit value	44.69	46.67	47.72	49.31	66.72	70.43
South Korea	Unit value	38.53	46.48	46.60	42.59	60.60	88.79
All other sources	Unit value	42.44	58.55	71.54	102.35	96.35	105.63
Nonsubject sources	Unit value	40.92	48.23	51.56	55.79	64.26	75.74
All import sources	Unit value	40.93	48.40	51.35	55.77	64.37	75.79

Source: Compiled from official Commerce statistics for HTS statistical reporting number 7326.20.0020, accessed May 23, 2023.

Note: Imports of SWG hangers from Vietnam may be understated in the years 2017-2020 based on a determination made by U.S. Customs and Border Protection in 2020 that imports of Vietnamese-origin SWG hangers had been transshipped through Laos. Domestic interested party's response to the notice of institution, May 3, 2023, exh. 5. Import quantities from Laos entered under HTS statistical reporting number 7326.20.0020 equaled 162.8 million hangers in 2017, 265.7 million hangers in 2018, 118.3 million hangers in 2019, and 719,000 hangers in 2020. No imports from Laos were entered under HTS statistical reporting number 7326.20.0020 in 2021 and 2022.

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

Cumulation considerations⁴⁵

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.⁴⁶

Of the 72 months between 2017 and 2022, imports from Taiwan were reported in 14 months and imports from Vietnam were reported in 27 months. Imports from Taiwan entered through northern and western borders of entry in 2017, eastern and western borders of entry in 2018, eastern borders of entry during 2019-21, and southern and western borders of entry in

⁴⁵ Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting number 7326.20.0020.

⁴⁶ In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

2022. Imports from Vietnam entered through eastern borders of entry in 2017, all borders of entry during 2018-19, eastern and southern borders of entry in 2020 and 2022, and northern and western borders of entry in 2021.

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.

Table I-7
SWG hangers: Apparent U.S. consumption and market shares, by source and period

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

Source	Measure	2011	2016	2022
U.S. producers	Quantity	***	***	***
Taiwan	Quantity	54,899	26	2
Vietnam	Quantity	912,346	2,419	3,181
Subject sources	Quantity	967,245	2,445	3,183
Nonsubject sources	Quantity	1,088,132	1,758,343	921,232
All import sources	Quantity	2,055,377	1,760,788	924,415
Apparent U.S. consumption	Quantity	***	***	***
U.S. producers	Value	***	***	***
Taiwan	Value	2,501	39	38
Vietnam	Value	36,243	96	253
Subject sources	Value	38,744	135	291
Nonsubject sources	Value	43,542	65,754	69,771
All import sources	Value	82,287	65,889	70,062
Apparent U.S. consumption	Value	***	***	***

Table continued.

Table I-7 Continued**SWG hangers: Apparent U.S. consumption and market shares, by source and period**

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

Source	Measure	2011	2016	2022
U.S. producers	Share of quantity	***	***	***
Taiwan	Share of quantity	***	***	***
Vietnam	Share of quantity	***	***	***
Subject sources	Share of quantity	***	***	***
Nonsubject sources	Share of quantity	***	***	***
All import sources	Share of quantity	***	***	***
U.S. producers	Share of value	***	***	***
Taiwan	Share of value	***	***	***
Vietnam	Share of value	***	***	***
Subject sources	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***

Source: For the years 2011 and 2016, data are compiled using data submitted in the Commission's original investigations and first five-year reviews, respectively. For the year 2022, U.S. producers' U.S. shipments are compiled from the domestic interested party's response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting number 7326.20.0020, accessed May 23, 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: Shares shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

The industry in Taiwan

Producers in Taiwan

During the final phase of the original investigations, the Commission did not receive any foreign producer/exporter questionnaires from firms in Taiwan.⁴⁷

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested party provided a list of 24 possible producers of SWG hangers in Taiwan in that proceeding.⁴⁸

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 25 possible producers of SWG hangers in Taiwan.⁴⁹

Recent developments

Interested parties in the proceeding identified no major developments in Taiwan's industry since the continuation of the orders, and no relevant information from outside sources was found.

Exports

Table I-8 presents export data for articles of iron and steel wire, a category that includes SWG hangers and out-of-scope products, from Taiwan (by export destination in descending order of quantity for 2022). The 2021-22 decrease in export value of articles of iron and steel wire to all markets accompanies an economy-wide decline in total export value for Taiwan in 2022.⁵⁰

⁴⁷ Original Taiwan publication, p. VII-1.

⁴⁸ First review publication, p. I-15.

⁴⁹ Domestic interested party's response to the notice of institution, May 3, 2023, exh. 2.

⁵⁰ Tung, Roger, "Global warning signs: Taiwan's exports slump more than expected", December 7, 2022, accessed May 30, 2023. <https://www.reuters.com/markets/asia/taiwan-november-exports-plunge-outlook-poor-2022-12-07/>.

Table I-8**Articles of iron and steel wire (including SWG hangers): Value of exports from Taiwan, by destination and period**

Value in 1,000 dollars

Destination market	2017	2018	2019	2020	2021	2022
United States	12,373	14,359	14,331	15,555	22,803	8,840
Japan	3,069	5,106	2,958	1,570	2,199	4,305
Australia	2,628	4,641	2,745	4,244	1,978	3,133
Italy	386	1,054	907	1,040	1,429	1,941
China	3,715	2,996	2,210	1,969	1,470	1,357
Canada	1,309	1,291	1,575	780	745	905
Philippines	804	857	860	1,249	405	561
Malaysia	487	534	499	579	996	545
Vietnam	700	448	575	602	464	442
Indonesia	1,127	1,053	398	247	509	439
All other markets	7,666	8,337	6,712	7,226	7,243	3,831
All markets	34,265	40,676	33,770	35,061	40,241	26,298

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7326.20, accessed May 16, 2023. These data may be overstated as HS subheading 7326.20 may contain products outside the scope of these reviews.

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

The industry in Vietnam

Producers in Vietnam

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms, which accounted for approximately *** percent of SWG hangers exports from Vietnam to the United States during 2011.⁵¹

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested party provided a list of 42 possible producers of SWG hangers in Vietnam in that proceeding.⁵²

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 45 possible producers of SWG hangers in Vietnam.⁵³

Recent developments

Interested parties in the proceeding identified no major developments in Vietnam's industry since the continuation of orders and no relevant information from outside sources was found.

Exports

Table I-9 presents export data for articles of iron and steel wire, a category that includes SWG hangers and out-of-scope products, from Vietnam (by export destination in descending order of quantity for 2022). Export value growth in articles of iron and steel wire from Vietnam to Australia, Netherlands, Sweden, and Canada may be attributed in part to two trade agreements that came into force during the review period, the Trans-Pacific Partnership Agreement and the EU-Vietnam Free Trade Agreement.⁵⁴

⁵¹ Original confidential report, p. VII-5.

⁵² First review publication, p. I-16.

⁵³ Domestic interested party's response to the notice of institution, May 3, 2023, exh. 2.

⁵⁴ Vietnam Investment Review, "Vietnam's iron and steel exports go through the roof", April 5, 2021, accessed May 30, 2023. <https://vir.com.vn/vietnams-iron-and-steel-exports-go-through-the-roof-83498.html>.

Table I-9

Articles of iron and steel wire (including SWG hangers): Value of exports from Vietnam, by destination and period

Value in 1,000 dollars

Destination market	2017	2018	2019	2020	2021	2022
United States	3,741	7,126	7,100	4,257	7,871	11,798
Japan	7,694	7,001	6,038	6,729	8,463	7,501
Australia	105	553	696	1,258	1,347	1,410
Netherlands	60	175	848	428	779	824
Sweden	572	763	920	850	535	723
Canada	95	331	339	297	566	596
United Kingdom	93	219	625	336	852	490
Taiwan	508	939	287	294	472	475
Thailand	277	535	350	235	172	438
South Korea	87	36	27	15	90	381
All others	1,874	2,404	2,989	2,713	3,208	2,487
All markets	15,106	20,082	20,219	17,412	24,355	27,123

Source: Official imports statistics of imports from Vietnam (constructed export statistics for Vietnam) under HS subheading 7326.20 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed May 16, 2023. These data may be overstated as HS subheading 7326.20 may contain products outside the scope of these reviews.

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

Third-country trade actions

Based on available information, SWG hangers from Taiwan and Vietnam have not been subject to other antidumping or countervailing duty investigations outside the United States.

The global market

In the broader garment hanger market, retail and hospitality sector growth, including expansion in the global hotel industry, is driving demand growth.⁵⁵ The type of materials used to make hangers is expanding, with a growing market for eco-friendly and recycled hangers.⁵⁶ Table I-10 presents global export data for articles of iron and steel wire, a category that includes SWG hangers and out-of-scope products (by source in descending order of value for 2022).

Table I-10
Articles of iron and steel wire (including SWG hangers): Value of global exports by country and period

Value in 1,000 dollars

Exporting country	2017	2018	2019	2020	2021	2022
China	1,000,089	1,183,144	1,382,851	1,452,525	1,939,920	2,295,427
Czech Republic	138,502	149,191	161,603	159,568	225,877	294,128
Germany	220,976	255,300	241,473	242,392	288,928	291,372
Netherlands	204,562	235,777	220,351	245,887	257,507	280,346
Poland	145,149	170,154	157,801	137,043	189,283	222,550
Belgium	133,575	169,253	150,535	141,212	154,828	170,786
United States	138,838	129,149	134,592	106,684	141,847	158,042
Canada	48,956	65,194	65,828	61,004	84,649	112,565
Italy	110,245	117,175	104,921	111,797	134,948	105,921
France	81,016	87,571	84,734	73,631	95,408	98,473
All other exporters	807,888	890,307	890,123	873,955	1,213,004	1,116,366
All exporters	3,029,796	3,452,215	3,594,813	3,605,698	4,726,199	5,145,975

Source: Official exports statistics under HS subheading 7326.20 reported by various national statistical authorities in the Global Trade Atlas database, accessed May 16, 2023, and official global imports statistics from Vietnam under HS subheading 7326.20 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed May 16, 2023. These data may be overstated as HS subheading 7326.20 may contain products outside the scope of these reviews.

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

⁵⁵ CDN Newswire, "Asia Pacific Hangers Market," April 28, 2023, accessed May 23, 2023. <https://www.digitaljournal.com/pr/news/cdn-newswire/asia-pacific-hangers-market-to-reach-usd-903-417-11-thousand-by-2030-mainetti-eisho-co-ltd-and-concept-mannequins>.

⁵⁶ Ibid.

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
88 FR 19616, April 3, 2023	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2023-04-03/pdf/2023-06902.pdf
88 FR 19669, April 3, 2023	<i>Steel Wire Garment Hangers from Taiwan and Vietnam; Institution of Five-Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2023-04-03/pdf/2023-06848.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

* * * * *

APPENDIX C
SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-1
SWG hangers: Summary data concerning the U.S. market, 2009-11, January-June 2011, and January-June 2012

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

Item	Reported data					Period changes			
	2009	2010	2011	January-June 2011	January-June 2012	2009-11	2009-10	2010-11	Jan.-Sept. 2011-12
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
Taiwan	***	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***
China (non-subject)	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Subtotal (non-subject)	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
Taiwan	***	***	***	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***
China (non-subject)	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Subtotal (non-subject)	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. imports from:									
Taiwan:									
Quantity	331,678	334,145	54,899	53,212	901	-83.4	0.7	-83.6	-98.3
Value	12,102	13,052	2,501	2,195	153	-79.3	7.9	-80.8	-93.0
Unit value	\$36.49	\$39.06	\$45.56	\$41.25	\$169.63	24.9	7.1	16.6	311.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Vietnam:									
Quantity	426,551	823,897	912,346	504,697	424,392	113.9	93.2	10.7	-15.9
Value	18,316	30,194	36,243	19,973	17,164	97.9	64.9	20.0	-14.1
Unit value	\$42.94	\$36.65	\$39.73	\$39.57	\$40.44	-7.5	-14.7	8.4	2.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal:									
Quantity	758,229	1,158,042	967,245	557,909	425,293	27.6	52.7	-16.5	-23.8
Value	30,417	43,246	38,744	22,168	17,317	27.4	42.2	-10.4	-21.9
Unit value	\$40.12	\$37.34	\$40.06	\$39.73	\$40.72	-0.1	-6.9	7.3	2.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
China (non-subject):									
Quantity	733,871	220,001	588,917	132,004	408,835	-19.8	-70.0	167.7	209.7
Value	25,878	9,763	23,804	5,924	17,541	-8.0	-62.3	143.8	196.1
Unit value	\$35.26	\$44.38	\$40.42	\$44.88	\$42.90	14.6	25.8	-8.9	-4.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	566,335	528,400	499,215	261,823	246,240	-11.9	-6.7	-5.5	-6.0
Value	20,438	19,725	19,739	10,080	9,978	-3.4	-3.5	0.1	-1.0
Unit value	\$36.09	\$37.33	\$39.54	\$38.50	\$40.52	9.6	3.4	5.9	5.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal (non-subject):									
Quantity	1,300,206	748,400	1,088,132	393,827	655,075	-16.3	-42.4	45.4	66.3
Value	46,316	29,488	43,542	16,004	27,519	-6.0	-36.3	47.7	71.9
Unit value	\$35.62	\$39.40	\$40.02	\$40.64	\$42.01	12.3	10.6	1.6	3.4
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All sources:									
Quantity	2,058,434	1,906,443	2,055,377	951,737	1,080,369	-0.1	-7.4	7.8	13.5
Value	76,733	72,734	82,287	38,172	44,835	7.2	-5.2	13.1	17.5
Unit value	\$37.28	\$38.15	\$40.03	\$40.11	\$41.50	7.4	2.3	4.9	3.5
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid (\$1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (hangers/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (1)	***	***	***	***	***	***	***	***	***

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

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

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

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

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

1. Have there been any significant changes in the supply and demand conditions for SWG hangers that have occurred in the United States or in the market for SWG hangers in Taiwan and/or Vietnam since January 1, 2018?

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

2. Do you anticipate any significant changes in the supply and demand conditions for SWG hangers in the United States or in the market for SWG hangers in Taiwan and/or Vietnam within a reasonably foreseeable time?

Purchaser	Yes / No	Anticipated changes
***	***	***
***	***	***

