

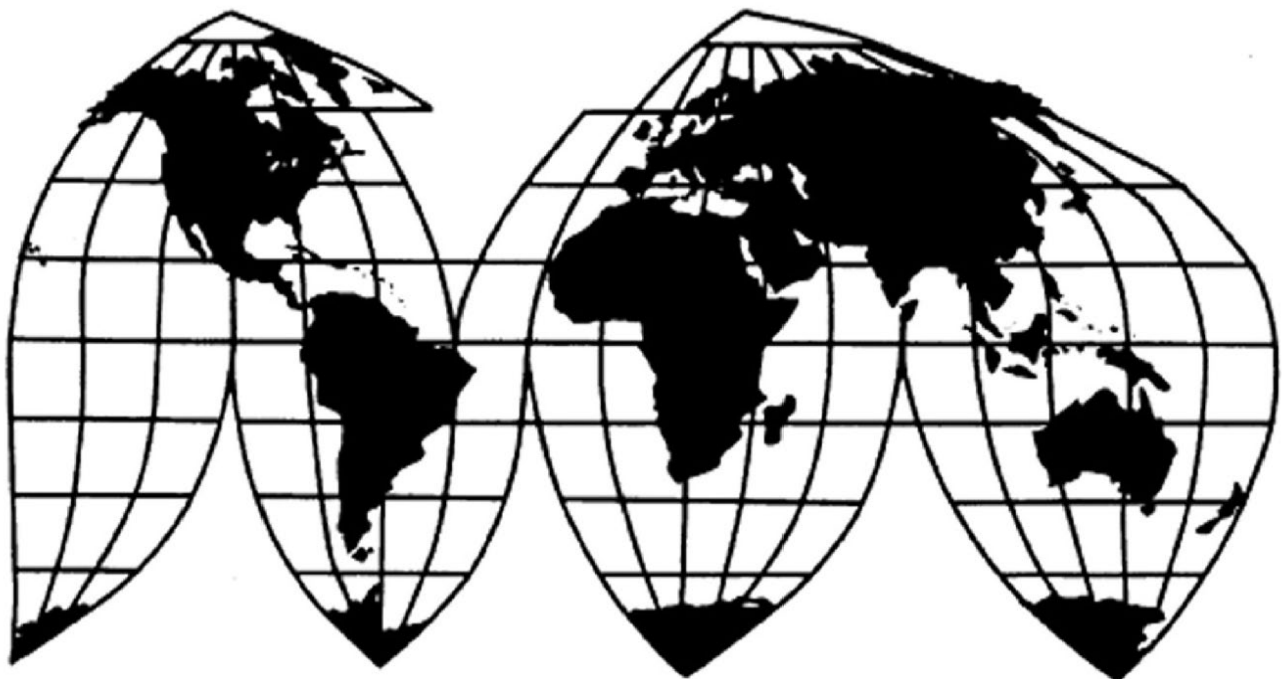
Vertical Metal File Cabinets from China

Investigation Nos. 701-TA-623 and 731-TA-1449 (Review)

Publication 5629

May 2025

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual firms may not be published. Such information is identified by brackets (***) in confidential reports and is deleted and replaced with asterisks (***) in public reports. Zeroes, null values, and undefined calculations are suppressed and shown as em dashes (—) in tables. If using a screen reader, we recommend increasing the verbosity setting.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-623 and 731-TA-1449 (Review)

Vertical Metal File Cabinets from China

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 and countervailing duty orders on vertical metal file cabinets from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on November 1, 2025 (89 FR 87407) and determined on February 4, 2025 that it would conduct expedited reviews (90 FR 10942, February 28, 2025).

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (the “Tariff Act”), that revocation of the antidumping and countervailing duty orders on vertical metal file cabinets (“VMFCs”) from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations. On April 30, 2019, the Commission received a petition alleging that an industry in the United States was materially injured and threatened with material injury by reasons of imports of VMFCs from China that were being subsidized and sold in the United States at less than fair value (“LTFV”).¹ On December 2, 2019, the Commission determined that a domestic industry was materially injured by reason of imports of VMFCs from China that the U.S. Department of Commerce (“Commerce”) had determined were being subsidized and sold at LTFV.² Commerce issued antidumping and countervailing duty orders on VMFCs from China on December 13, 2019.³

Current Reviews. On November 1, 2024, the Commission instituted these first five-year reviews.⁴ The Commission received one response to the notice of institution, filed on behalf of Hirsh Industries, LLC (“Hirsh”), a domestic producer of VMFCs.⁵ The Commission did not receive a response from any respondent interested party. On February 4, 2025, the Commission determined that the domestic industry group response was adequate and that the respondent interested party group response was inadequate.⁶ Finding no other circumstances that would warrant conducting full reviews, the Commission determined that it would conduct expedited reviews of the orders.⁷ The domestic interested party submitted final comments

¹ *Vertical Metal File Cabinets from China*, Inv. Nos. 701-TA-623 and 731-TA-1449 (Final), USITC Pub. 4995 (December 2019) at 3 (“*Original Determinations*”).

² *Vertical Metal File Cabinets from China; Determinations*, 84 Fed. Reg. 66933 (Dec. 6, 2019).

³ *Vertical Metal File Cabinets from the People’s Republic of China: Antidumping and Countervailing Duty Orders*, 84 Fed. Reg. 68121 (Dec. 13, 2019).

⁴ *Vertical Metal File Cabinets from China; Institution of Five-Year Reviews*, 89 Fed. Reg. 87407 (Nov. 1, 2024).

⁵ Confidential Report (“CR”), INV-XX-008 at B.3; Public Report (“PR”), *Vertical Metal File Cabinets from China*, Inv. Nos. 701-TA-623 and 731-TA-1449 (Review), USITC Pub. 5629 (May 2025) at B.3 (together, “CR/PR”); Domestic Interested Party’s Response to the Notice of Institution, EDIS Doc. Nos. 838333 (Confidential Version) & 838337 (Public Version) (Dec. 2, 2024) (“Domestic Interested Party’s NOI Response”).

⁶ Explanation of Commission Determination on Adequacy, EDIS Doc. 843951 (Feb. 20, 2025).

⁷ Explanation of Commission Determination on Adequacy, EDIS Doc. 843951 (Feb. 20, 2025); *Vertical Metal File Cabinets from China; Scheduling of Expedited Five-Year Reviews*, 90 Fed. Reg. 10942 (Feb. 28, 2025).

pursuant to 19 C.F.R. § 207.62(d) arguing that the Commission should reach affirmative determinations.⁸

U.S. industry data in these reviews are based on information in the response to the notice of institution and publicly available information compiled by the Commission.⁹ The domestic interested party accounted for approximately *** percent of U.S. production of VMFCs in 2023.¹⁰ U.S. import data are based on official Commerce import statistics and information from the original investigations.¹¹ Foreign industry data and related information are based on information from the original investigations, information submitted by the domestic interested party in its response to the notice of institution, and publicly available information compiled by the Commission.¹²

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.”¹³ 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.”¹⁴ The Commission’s

⁸ Domestic Interested Party’s Final Comments, EDIS Doc. 850171 (Confidential Version) & 850172 (Public Version) (May 1, 2025).

⁹ CR/PR at 1.14 to 1.15.

¹⁰ CR/PR at B.3; Domestic Interested Party’s Cure Response, EDIS Doc. 838735 at Attachment 1. The domestic industry data in these reviews is based on the response of one domestic producer, while the domestic industry data in the original investigations was based on the responses of six domestic producers that accounted for the vast majority of domestic production of VMFCs in 2018. CR/PR at 1.14. Accordingly, the domestic industry data in these reviews may be understated compared to the original investigations.

¹¹ CR/PR at 1.16 to 1.17, Table 1.4. Official import statistics are for HTS statistical reporting number 9403.10.0020. The volume of subject and nonsubject imports in these reviews may be overstated since the import data are based on official import statistics with an HTS statistical reporting number that includes out-of-scope lateral, undermounted, pedestal, and fire-proof or fire-resistant file cabinets. *Id.* at 1.6 fn. 11. In contrast, import data in the original investigations were based on questionnaire responses. *See Original Determinations*, USITC Pub. 4995 at 3; CR/PR at 1.15 to 1.16, Table 1.3 Source.

¹² CR/PR at 1.19 to 1.21. Although the Commission sent purchaser questionnaires to three firms identified by the domestic interested party as top U.S. purchasers of VMFCs, none of them responded to the questionnaire. CR/PR at D.3.

¹³ 19 U.S.C. § 1677(4)(A).

¹⁴ 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).

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.¹⁵

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

The merchandise covered by the Order is freestanding vertical metal file cabinets containing two or more extendable file storage elements and having an actual width of 25 inches or less.

The subject vertical metal file cabinets have bodies made of carbon and/or alloy steel and or other metals, regardless of whether painted, powder coated, or galvanized or otherwise coated for corrosion protection or aesthetic appearance. The subject vertical metal file cabinets must have two or more extendable elements for file storage (*e.g.*, file drawers) of a height that permits hanging files of either letter (8.5" x 11") or legal (8.5" x 14") sized documents.

An "extendable element" is defined as a movable load-bearing storage component including, but not limited to, drawers and filing frames. Extendable elements typically have suspension systems, consisting of glide blocks or ball bearing glides, to facilitate opening and closing.

The subject vertical metal file cabinets typically come in models with two, three, four, or five file drawers. The inclusion of one or more additional non-file-sized extendable storage elements, not sized for storage files (*e.g.*, box or pencil drawers), does not remove an otherwise in-scope product from the scope as long as the combined height of the non-file-sized extendable storage elements does not exceed six inches. The inclusion of an integrated storage area that is not extendable (*e.g.*, a cubby) and has an actual height of six inches or less, also does not remove a subject vertical metal file cabinet from the scope. Accessories packaged with a subject vertical file cabinet, such as separate printer stands or shelf kits that sit on top of the in-scope vertical file cabinet are not considered integrated storage.

¹⁵ 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).

“Freestanding” means the unit has a solid top and does not have an open top or a top with holes punched in it that would permit the unit to be attached to, hung from, or otherwise used to support a desktop or other work surface. The ability to anchor a vertical file cabinet to a wall for stability or to prevent it from tipping over does not exclude the unit from the scope.

The addition of mobility elements such as casters, wheels, or a dolly does not remove the product from the scope. Packaging a subject vertical metal file cabinet with other accessories, including, but not limited to, locks, leveling glides, caster kits, drawer accessories (*e.g.*, including but not limited to follower wires, follower blocks, file compressors, hanger rails, pencil trays, and hanging file folders), printer stand, shelf kit and magnetic hooks, also does not remove the product from the scope. Vertical metal file cabinets are also in scope whether they are imported assembled or unassembled with all essential parts and components included.

Excluded from the scope are lateral metal file cabinets. Lateral metal file cabinets have a width that is greater than the body depth, and have a body with an actual width that is more than 25 inches wide.

Also excluded from the scope are pedestal file cabinets. Pedestal file cabinets are metal file cabinets with body depths that are greater than or equal to their width, are under 31 inches in actual height, and have the following characteristics: (1) An open top or other means for the cabinet to be attached to or hung from a desktop or other work surface such as holes punched in the top (*i.e.*, not freestanding); or (2) freestanding file cabinets that have all of the following: (a) At least a 90 percent drawer extension for all extendable file storage elements; (b) a central locking system; (c) a minimum weight density of 9.5 lbs./cubic foot; and (d) casters or leveling glides.

“Percentage drawer extension” is defined as the drawer travel distance divided by the inside depth dimension of the drawer. Inside depth of drawer is measured from the inside of the drawer face to the inside face of the drawer back. Drawer extension is the distance the drawer travels from the closed position to the maximum travel position which is limited by the out stops. In situations where drawers do not include an out stop, the drawer

is extended until the drawer back is 31/2 inches from the closed position of inside face of the drawer front. The “weight density” is calculated by dividing the cabinet’s actual weight by its volume in cubic feet (the multiple of the product’s actual width, depth, and height). A “central locking system” locks all drawers in a unit.

Also excluded from the scope are fire proof or fire-resistant file cabinets that meet Underwriters Laboratories (UL) fire protection standard 72, class 350, which covers the test procedures applicable to fire-resistant equipment intended to protect paper records.

The merchandise subject to the *Order* is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.10.0020. The subject merchandise may also enter under HTSUS subheadings 9403.10.0040, 9403.20.0080, and 9403.20.0090. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.¹⁶

In the original investigations, the Commission defined a single domestic like product consisting of all VMFCs, coextensive with the scope of the investigations.¹⁷

In the current reviews, the record does not suggest that the pertinent characteristics and uses of VMFCs have changed since the original investigations so as to warrant revisiting the Commission’s domestic like product definition.¹⁸ The domestic interested party agrees with the Commission’s definition of the domestic like product from the prior proceedings.¹⁹ Consequently, we again define a single domestic like product as consisting of all VMFCs, coextensive with the scope of the reviews.

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

¹⁶ The scope has not changed since the original investigation. *Vertical Metal File Cabinets from the People’s Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 90 Fed. Reg. 10474 (Feb. 24, 2025) and accompanying Issues and Decisions Memorandum, EDIS Doc. No. 846084, at 2-3; *Vertical Metal File Cabinets from the People’s Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 90 Fed. Reg. 11258 (Mar. 5, 2025) and accompanying Issues and Decisions Memorandum, EDIS Doc. No. 846084, at 2-3.

¹⁷ *Original Determinations*, USITC Pub. 4995 at 9.

¹⁸ CR/PR at 1.16.

¹⁹ Domestic Interested Party’s NOI Response at 15.

the product.”²⁰ 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, the Commission defined the domestic industry to include all domestic producers of VMFCs.²¹

In the current reviews, the domestic interested party agrees with the Commission’s definition of the domestic industry from the prior proceedings.²² There are no known related parties or other domestic industry issues in these reviews.²³ Consequently, consistent with our definition of the domestic like product, we again define the domestic industry to include all domestic producers of VMFCs.

III. 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.”²⁴ 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.”²⁵ Thus, the likelihood standard is prospective in nature.²⁶ The U.S. Court of International Trade has found that

²⁰ 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.

²¹ *Original Determinations*, USITC Pub. 4995 at 10.

²² Domestic Interested Party’s NOI Response at 15.

²³ Domestic Interested Party’s NOI Response at 12, Exhibit 1 additional information page 45.

²⁴ 19 U.S.C. § 1675a(a).

²⁵ 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.

²⁶ 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.

“likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.²⁷

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.”²⁸ 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.”²⁹

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.”³⁰ 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).³¹ 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.³²

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

²⁷ 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’”).

²⁸ 19 U.S.C. § 1675a(a)(5).

²⁹ 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.*

³⁰ 19 U.S.C. § 1675a(a)(1).

³¹ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the orders under review. See, generally, *Vertical Metal File Cabinets from the People’s Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 90 Fed. Reg. 10474 (Feb. 24, 2025) and accompanying Issues and Decisions Memorandum, EDIS Doc. No. 846084.

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

or relative to production or consumption in the United States.³³ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.³⁴

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.³⁵

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.³⁶ 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.³⁷

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the VMFCs in China. There also is limited information on the VMFCs market in the United States during the period of review (“POR”). Accordingly, for our determination, we rely as appropriate on the facts available from

³³ 19 U.S.C. § 1675a(a)(2).

³⁴ 19 U.S.C. § 1675a(a)(2)(A-D).

³⁵ 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.

³⁶ 19 U.S.C. § 1675a(a)(4).

³⁷ 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.

the original investigations, and the limited new information on the record in these first 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.”³⁸ The following conditions of competition inform our determinations.

1. Demand Conditions

Original Investigations. The Commission found that U.S. demand is driven by office vacancies and tracks general economic factors, such as unemployment.³⁹ Specifically, it found that demand for VMFCs increases when businesses expanded and office vacancies declined.⁴⁰ It also found that there were no substitutes for VMFCs.⁴¹ Apparent U.S. consumption for VMFCs increased irregularly over the period of investigation (“POI”); however, the record suggested that U.S. demand for VMFCs decreased over the POI, with several market participants noting the shift towards digital file storage.⁴²

Current Reviews. There is no new information indicating that the factors influencing demand have changed since the original investigations. The record indicates that U.S. demand for VMFCs continues to be driven by office vacancies and tracks general economic factors, such as unemployment.⁴³

In 2023, apparent US consumption of VMFCs was *** units, which was *** percent higher than the *** units in 2018.⁴⁴

2. Supply Conditions

Original Investigations. The Commission observed that the domestic industry held the largest share of the U.S. market over the POI, but its share of the market declined from 2016 to 2019.⁴⁵ Hirsh was the *** U.S. producer, followed by HON Company LLC.⁴⁶ Subject imports held a smaller share of the market than nonsubject imports until 2018, when subject imports began to gain market share.⁴⁷ Most nonsubject imports were from Mexico, and all of the

³⁸ 19 U.S.C. § 1675a(a)(4).

³⁹ *Original Determinations*, USITC Pub. 4995 at 13.

⁴⁰ *Original Determinations*, USITC Pub. 4995 at 13.

⁴¹ *Original Determinations*, USITC Pub. 4995 at 14.

⁴² *Original Determinations*, USITC Pub. 4995 at 14.

⁴³ CR/PR at 1.7 to 1.10.

⁴⁴ CR/PR at Table 1.5.

⁴⁵ *Original Determinations*, USITC Pub. 4995 at 14.

⁴⁶ Confidential Original Determinations, EDIS Doc. 839713 at 18.

⁴⁷ *Original Determinations*, USITC Pub. 4995 at 14.

reported imports from Mexico were imported by Hirsh from its corporate parent's Mexican subsidiary, EDN Mexico.⁴⁸

Current Reviews. The domestic industry's share of apparent U.S. consumption by quantity was *** percent in 2023.⁴⁹ There were ten known U.S. producers during the POR: ***.⁵⁰ As noted above, the domestic interested party accounted for an estimated *** percent of total U.S. production of VMFCs in 2023.⁵¹ Since the original investigations, one domestic manufacturer—Metal Box International—appears to have ceased domestic production of VMFCs.⁵²

Subject imports accounted for *** percent of apparent U.S. consumption by quantity in 2023.⁵³ Nonsubject imports accounted for *** percent of apparent U.S. consumption by quantity in 2023.⁵⁴ The leading sources of nonsubject imports were ***.⁵⁵

3. Substitutability

Original Investigations. The Commission found that there was a high degree of substitutability between domestically produced VMFCs and subject imports.⁵⁶ The Commission also observed that price was an important factor, along with quality, in purchasing decisions.⁵⁷ Further, the Commission observed that the U.S. market for VMFCs was characterized by a limited number of large purchasers with market power, substantial direct imports by large retailers, and annual supply contracts that often had escalator clauses tied to raw material costs but do not have volume commitments.⁵⁸

The Commission noted that VMFCs were primarily made of cold-rolled steel coils, the cost of which increased from January 2016 to March 2017, and then decreased through June 2019.⁵⁹ It also observed that unit steel costs for VMFCs increased over the POI and accounted for a substantial share of the cost of goods sold ("COGS"); and U.S. producers' raw material costs, as a share of COGS, increased irregularly.⁶⁰

Beginning in March 2018, tariffs were imposed on certain steel imports, including cold-rolled steel coils, pursuant to section 232 of the Trade Expansion Act of 1962.⁶¹ Five out of six U.S. producers and two out of three U.S. importers stated that the section 232 tariffs had an

⁴⁸ *Original Determinations*, USITC Pub. 4995 at 14-15.

⁴⁹ CR/PR at Table 1.5.

⁵⁰ Domestic Interest Party's NOI Response at Exhibit 1 page 23.

⁵¹ CR/PR at B.3; Domestic Interested Party's Cure Response, EDIS Doc. 838735 at Attachment 1.

⁵² Domestic Interest Party's NOI Response at 14.

⁵³ CR/PR at Table 1.5.

⁵⁴ CR/PR at Table 1.5.

⁵⁵ CR/PR at Table 1.4.

⁵⁶ *Original Determinations*, USITC Pub. 4995 at 15.

⁵⁷ *Original Determinations*, USITC Pub. 4995 at 15.

⁵⁸ *Original Determinations*, USITC Pub. 4995 at 15.

⁵⁹ *Original Determinations*, USITC Pub. 4995 at 15.

⁶⁰ *Original Determinations*, USITC Pub. 4995 at 16.

⁶¹ *Original Determinations*, USITC Pub. 4995 at 16.

impact on raw material costs for VMFCs in the U.S. market.⁶² Beginning in September 2018, an additional tariff of 10 percent *ad valorem* was imposed on certain imports from China, including VMFCs, pursuant to section 301 of the Trade Act of 1974.⁶³

Current Reviews. The record in these reviews does not indicate that the degree of substitutability between the domestic like product and subject imports, or the importance of price in purchasing decisions, have changed since the original investigations.⁶⁴ Accordingly, we again find a high degree of substitutability between subject imports and the domestic like product, and that price is important in purchasing decisions.

Imports of VMFCs from China remained subject to the section 232 and 301 duties throughout the POR.⁶⁵ Effective May 10, 2019, the section 301 duty was increased to 25 percent *ad valorem*.⁶⁶

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigations, the Commission observed that subject import volume increased over the POI, as did subject import market share.⁶⁷ The Commission also observed that, while apparent U.S. consumption increased, subject imports gained market share from both the domestic industry and nonsubject imports.⁶⁸ Accordingly, the Commission found that subject import volume and the increase in subject import volume were significant in absolute terms and relative to consumption in the United States.⁶⁹

2. The Current Reviews

The record in these reviews indicates that subject imports maintained a presence in the U.S. market during the POR, despite the discipline of the orders. The volume of subject imports decreased from 616,321 units in 2020 to 408,932 units in 2021 before increasing to 486,475 units in 2022 and 716,822 units in 2023.⁷⁰ Subject imports accounted for *** percent of apparent U.S. consumption by quantity in 2023.⁷¹

⁶² *Original Determinations*, USITC Pub. 4995 at 16.

⁶³ *Original Determinations*, USITC Pub. 4995 at 16.

⁶⁴ The domestic interested party asserts that the degree of substitutability has not changed from the original investigations. Domestic Interested Party's NOI Response at 9-10.

⁶⁵ CR/PR at 1.7.

⁶⁶ CR/PR at 1.7.

⁶⁷ *Original Determinations*, USITC Pub. 4995 at 16.

⁶⁸ *Original Determinations*, USITC Pub. 4995 at 16-17.

⁶⁹ *Original Determinations*, USITC Pub. 4995 at 17.

⁷⁰ CR/PR at Table 1.4. Further, official Commerce statistics for the applicable HTS statistical reporting number does not have import quantity data for 2019, meaning that such information was not available to the Commission. *Id.* In terms of value, subject imports decreased from \$*** in 2019 to \$*** in 2020 and \$*** in 2021, then increased to \$*** in 2022, and decreased to \$*** in 2023. *Id.*

⁷¹ CR/PR at Table 1.5.

The record in these five-year reviews contains limited information on the subject industries in China. The domestic interested party provided a list of 81 possible producers and exporters of VMFCs in China; however, none participated in these five-year reviews.⁷²

The information available indicates that the subject foreign industry possessed substantial capacity during the POR. The record indicates that Chinese producers maintain a sizeable and expanding capacity to produce VMFCs.⁷³ For example, at least three Chinese subject producers – Luoyang Shidiu (in December 2020), Chengdu Zhenhai (in June 2022), and Guangdong Zhenhai (in 2023) – announced production capacity expansions through the construction of new plants.⁷⁴

The information available also indicates that the subject industry remains a large exporter. In 2023, Global Trade Atlas (“GTA”) data covering metal office furniture (except seats) under Harmonized Schedule (“HS”) subheading 9403.10, which includes both VMFCs and out-of-scope merchandise, shows that the United States was the top destination market for such products from China, accounting for almost one third (30.6 percent) of China’s worldwide export value.⁷⁵ Further, the record indicates that the number of exporters of VMFCs from China to the United States has increased since the time of the original investigation, and that Chinese exports of the broader category of metal office furniture into the United States have increased.⁷⁶

The information available also indicates that the U.S. market remains attractive to subject producers, as subject imports maintained a continued presence in the United States during the POR despite the discipline of the orders.⁷⁷ Additionally, as discussed above, the record indicates that subject producers are significant exporters, and have remained focused on the U.S. market since the time of the original investigations.⁷⁸

Given the foregoing, including the significant volume and market share of subject imports during the original investigations, the continued presence of subject imports in the U.S. market during the POR, the large capacity and exports of the subject industry in China, and the attractiveness of the U.S. market to the subject industry, we find that the volume of subject imports from China would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.⁷⁹

⁷² Domestic Interested Party’s NOI Response at Exhibit 3; CR/PR at 1.19.

⁷³ Domestic Interested Party’s NOI Response at 4-6, Exhibit 3.

⁷⁴ CR/PR at Table 1.6; *see also* Domestic Interested Party’s NOI Response at 6-8.

⁷⁵ CR/PR at 1.20, Table 1.7; Domestic Interested Party’s NOI Response at 5, Exhibit 4.

⁷⁶ Domestic Interested Party’s NOI Response at 5-6, 11-12, Exhibit 3, Exhibit 4.

⁷⁷ CR/PR at Table 1.5.

⁷⁸ CR/PR at 1.20, Table 1.7; Domestic Interested Party’s NOI Response at 5-6.

⁷⁹ The record in these five-year reviews does not contain information concerning product shifting or inventories of subject merchandise. VMFCs from China are not subject to any known antidumping and countervailing duty measures in third country markets. CR/PR at 1.20.

D. Likely Price Effects

1. The Prior Proceedings

There were no usable pricing data for subject imports, but there were data indicating that purchase costs of directly imported subject merchandise were lower than the prices for the domestic like product. The data further showed a large differential between the reported import purchase costs and the prices for the domestic like product, which the Commission found indicated that the subject imports were often priced lower than the domestic like product. The Commission further found that the record, including lost sales information from the purchasers questionnaires, showed that price competition by the subject imports led to the domestic industry losing sales and substantial market share to subject imports.⁸⁰ In light of the high degree of substitutability between the domestic like product and the subject imports, the importance of price in purchasing decisions, the purchase cost data showing that subject imports were lower priced than the domestic like product, and the domestic industry's confirmed lost sales to lower priced subject imports, the Commission found that there had been significant underselling by the subject imports.⁸¹

The Commission also found that subject imports prevented price increases which otherwise would have occurred to a significant degree, and affected the prices domestic producers could charge other customers.⁸² Accordingly, in light of the significant underselling that led to the domestic industry losing substantial sales to the subject imports, and the fact that subject imports prevented price increases which otherwise would have occurred to a significant degree, the Commission found that the subject imports had significant adverse effects on prices for the domestic like product.⁸³

2. The Current Reviews

As discussed in Section III.B.3 above, we continue to find that there is a high degree of substitutability between domestically produced VMFCs and subject imports, and that price is an import factor in purchasing decisions for VMFCs, among other important factors.

The record in these five-year 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 and the continuing importance of price in purchasing decisions, we find that if the orders were revoked, significant volumes of subject imports would likely undersell the domestic like product to a significant degree, as during the original investigations. Absent the discipline of the orders, the likely significant volume of low-priced subject imports would force the domestic industry to lower prices or forgo any needed price increases, or else lose sales and market share to subject imports. Consequently, we find

⁸⁰ *Original Determinations*, USITC Pub. 4995 at 18-20.

⁸¹ *Original Determinations*, USITC Pub. 4995 at 20.

⁸² *Original Determinations*, USITC Pub. 4995 at 21-22.

⁸³ *Original Determinations*, USITC Pub. 4995 at 22.

that subject imports would likely have significant price effects on the domestic like product if the orders were revoked.

E. Likely Impact

1. The Prior Proceedings

In the original investigations, the Commission observed that, although apparent U.S. consumption increased, the domestic industry's output indicators, including its production and capacity utilization rate, declined overall during the POI as the industry steadily lost market share to subject imports.⁸⁴ Most of the industry's employment-related indicators also declined over the POI, as did its financial performance.⁸⁵ The Commission found that, as a result of the significant underselling, lost sales, lost market share, and price depression, the domestic industry's production, U.S. shipments, sales, revenue, and profits were lower than they otherwise would have been during the POI. The Commission accordingly found that subject imports had a significant adverse impact on the domestic industry.⁸⁶

Because apparent U.S. consumption increased over the POI, the Commission found that the injury experienced by the domestic industry could not be attributed to changes in demand.⁸⁷ The Commission also found that nonsubject imports could not explain the declines in the domestic industry's market share or output indicators because nonsubject imports lost market share to subject imports from 2016 to 2018, and the record reflected limited overlap between domestically produced VMFCs and those imported from Mexico, the largest source of nonsubject imports.⁸⁸ The Commission noted that the section 232 tariffs contributed to steel costs increases from 2017 to 2018,⁸⁹ but observed that the price effects of subject imports made it difficult for domestic producers to increase prices to cover costs. The Commission further found that the section 232 tariffs would not explain the domestic industry's loss of market share to subject imports.⁹⁰ In light of these considerations, the Commission concluded that the domestic industry was materially injured by reason of subject imports from China.⁹¹

2. The Current Reviews⁹²

The record in these five-year reviews contains limited information concerning the domestic industry's performance since the original investigations.

⁸⁴ *Original Determinations*, USITC Pub. 4995 at 23.

⁸⁵ *Original Determinations*, USITC Pub. 4995 at 24.

⁸⁶ *Original Determinations*, USITC Pub. 4995 at 25-26.

⁸⁷ *Original Determinations*, USITC Pub. 4995 at 26.

⁸⁸ *Original Determinations*, USITC Pub. 4995 at 26.

⁸⁹ *Original Determinations*, USITC Pub. 4995 at 26.

⁹⁰ *Original Determinations*, USITC Pub. 4995 at 26.

⁹¹ *Original Determinations*, USITC Pub. 4995 at 26.

⁹² In its expedited first reviews of the antidumping duty orders on China, Commerce determined that revocation of the antidumping duty orders would likely result in the continuation or recurrence of (Continued...)

In 2023, the domestic industry's capacity was *** units, its production was *** units, its capacity utilization ratio was *** percent, and its U.S. shipments were *** units – all lower than in each year of the POI.⁹³ Along with low output indicators, the domestic industry had a poor financial performance in 2023. The industry's net sales value was \$***, its gross profits was \$***), its operating income was \$***,⁹⁴ and its COGS to net sales ratio was *** percent– all worse than in each year of the POI.⁹⁵ Further, its operating income to net sales ratio was *** percent in 2023.⁹⁶ However, given the difference in the data for the domestic industry in these reviews compared to the original investigations, we find the information insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available on the record, we find that revocation of the orders would likely result in a significant volume of subject imports that likely would 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 in purchasing decisions, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or depress or suppress prices to a significant degree for the domestic like product. The likely significant volume of low-priced subject imports and their significant price effects would likely have an adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We thus conclude that, if the orders were revoked, subject imports from China would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time.

dumping with margins of up to 198.50 percent. *Vertical Metal File Cabinets from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Antidumping Duty Order*, 90 Fed. Reg. 10474 (Feb. 24, 2025). In its expedited first reviews of the countervailing duty orders on China, Commerce determined that revocation of the orders would result in the continuation or recurrence of countervailable subsidies at rates of up to 271.79 percent. *Vertical Metal File Cabinets from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 90 Fed. Reg. 11258 (Mar. 5, 2025).

⁹³ CR/PR at Table 1.3. The domestic industry's capacity was *** units in 2016, 2017, and 2018. *Id.* U.S. production was *** units in 2016 and 2017, and *** units in 2018. *Id.* Capacity utilization was *** percent in 2016, *** percent in 2017, and *** percent in 2018. *Id.* The domestic industry's shipments were *** units in 2016, *** units in 2017, and *** units in 2018. *Id.*

⁹⁴ CR/PR at Table 1.3. The operating income was \$*** in 2016, \$*** in 2017, and \$*** in 2018. *Id.*

⁹⁵ CR/PR at Table 1.3. The domestic industry's net sales value was \$*** in 2016, \$*** in 2017, and \$*** in 2018. *Id.* Gross profits were \$*** in 2016, \$*** in 2017, and \$*** in 2018. *Id.* Operating income was \$*** in 2016, \$*** in 2017, and \$*** in 2018. *Id.* The industry's COGS to net sales ratio was *** percent in 2016, *** percent in 2017, and *** percent in 2018. *Id.*

⁹⁶ CR/PR at Table 1.3. The industry's operating income to net sales ratio was *** percent in 2016, *** percent in 2017, and *** percent in 2018. *Id.*

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. Nonsubject imports had a larger presence in the U.S. market during the POR than in the original investigations, accounting for *** percent of apparent U.S. consumption in 2023 as compared to *** percent in 2018.⁹⁷ The record does not indicate, however, that the presence of nonsubject imports would prevent subject imports from China from significantly increasing their presence in the U.S. market after revocation. In light of the high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, and the significant underselling by subject imports during the original investigations, it is likely that the increase in low-priced subject imports would come at least in part at the expense of the domestic industry and/or depress or suppress prices for the domestic like product. Consequently, we find that any future effects of nonsubject imports would be distinct from the likely effects attributable to subject imports and that nonsubject imports would not prevent subject imports from having a significant impact on the domestic industry.

In summary, we conclude that if the orders were revoked, subject imports of VMFCs from China would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

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

⁹⁷ CR/PR at Table 1.5.

Information obtained in these reviews

Background

On November 1, 2024, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on vertical metal file cabinets (“VMFCs”) from China 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 1.1 presents information relating to the background and schedule of this proceeding:

Table 1.1 VMFCs: Information relating to the background and schedule of this proceeding

Effective date	Action
November 1, 2024	Notice of institution by Commission (89 FR 87407, November 1, 2024)
November 4, 2024	Notice of initiation by Commerce (89 FR 87543 November 4, 2024)
February 4, 2025	Commission’s vote on adequacy
March 4, 2026	Commerce’s results of its expedited reviews
May 23, 2025	Commission’s determinations and views

¹ 19 U.S.C. 1675(c).

² 89 FR 87407, November 1, 2024. 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. 89 FR 87543, November 4, 2024. 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. Information regarding responses to the notice of institution 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.

The original investigations

The original investigations resulted from petitions filed on April 30, 2019, with Commerce and the Commission by Hirsh Industries LLC (“Hirsh”), Des Moines, Iowa.⁵ On October 25, 2019, Commerce determined that imports of VMFCs from China were being sold at less than fair value (“LTFV”) and subsidized by the Government of China.⁶ The Commission determined on December 2, 2019, that the domestic industry was materially injured by reason of LTFV and subsidized imports of VMFCs from China.⁷ On December 13, 2019, Commerce issued its antidumping and countervailing duty orders with a final weighted-average dumping margin of 198.50 percent and a net subsidy rate of 271.79 percent.⁸

Previous and related investigations

VMFCs have not been the subject of any prior related antidumping or countervailing duty investigations in the United States.

⁵ Vertical Metal File Cabinets from China, Inv. Nos. 701-TA-623 and 731-TA-1449 (Final), USITC Publication 4995, December 2019 (“Original publication”), p. 1.1.

⁶ 84 FR 57398 and 84 FR 57394, October 25, 2019.

⁷ 84 FR 66933, December 6, 2019.

⁸ 84 FR 68121, December 13, 2019.

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of VMFCs from China with the intent of issuing the final results of these reviews based on the facts available not later than March 4, 2025.⁹ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <https://access.trade.gov/public/FRNoticesListLayout.aspx> and subsequently on the Commission's Electronic Document Information System ("EDIS"). 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 VMFCs from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

⁹ Letter from Howard Smith, Acting Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, December 26, 2024.

The product

Commerce's scope

Commerce has defined the scope as follows:

The scope of these orders covers freestanding vertical metal file cabinets containing two or more extendable file storage elements and having an actual width of 25 inches or less.

The subject vertical metal file cabinets have bodies made of carbon and/or alloy steel and or other metals, regardless of whether painted, powder coated, or galvanized or otherwise coated for corrosion protection or aesthetic appearance. The subject vertical metal file cabinets must have two or more extendable elements for file storage (e.g., file drawers) of a height that permits hanging files of either letter (8.5" x 11") or legal (8.5" x 14") sized documents.

An "extendable element" is defined as a movable load-bearing storage component including, but not limited to, drawers and filing frames. Extendable elements typically have suspension systems, consisting of glide blocks or ball bearing glides, to facilitate opening and closing.

The subject vertical metal file cabinets typically come in models with two, three, four, or five-file drawers. The inclusion of one or more additional non-file-sized extendable storage elements, not sized for storage files (e.g., box or pencil drawers), does not remove an otherwise in-scope product from the scope as long as the combined height of the non-file-sized extendable storage elements does not exceed six inches. The inclusion of an integrated storage area that is not extendable (e.g., a cubby) and has an actual height of six inches or less, also does not remove a subject vertical metal file cabinet from the scope. Accessories packaged with a subject vertical file cabinet, such as separate printer stands or shelf kits that sit on top of the in-scope vertical file cabinet are not considered integrated storage.

“Freestanding” means the unit has a solid top and does not have an open top or a top with holes punched in it that would permit the unit to be attached to, hung from, or otherwise used to support a desktop or other work surface. The ability to anchor a vertical file cabinet to a wall for stability or to prevent it from tipping over does not exclude the unit from the scope.

The addition of mobility elements such as casters, wheels, or a dolly does not remove the product from the scope. Packaging a subject vertical metal file cabinet with other accessories, including, but not limited to, locks, leveling glides, caster kits, drawer accessories (e.g., including but not limited to follower wires, follower blocks, file compressors, hanger rails, pencil trays, and hanging file folders), printer stand, shelf kit and magnetic hooks, also does not remove the product from the scope. Vertical metal file cabinets are also in scope whether they are imported assembled or unassembled with all essential parts and components included.

Excluded from the scope are lateral metal file cabinets. Lateral metal file cabinets have a width that is greater than the body depth, and have a body with an actual width that is more than 25 inches wide.

Also excluded from the scope are pedestal file cabinets. Pedestal file cabinets are metal file cabinets with body depths that are greater than or equal to their width, are under 31 inches in actual height, and have the following characteristics: (1) An open top or other the means for the cabinet to be attached to or hung from a desktop or other work surface such as holes punched in the top (i.e., not freestanding); or (2) freestanding file cabinets that have all of the following: (a) At least a 90 percent drawer extension for all extendable file storage elements; (b) a central locking system; (c) a minimum weight density of 9.5 lbs./cubic foot; and (d) casters or leveling glides.

“Percentage drawer extension” is defined as the drawer travel distance divided by the inside depth dimension of the drawer. Inside depth of

drawer is measured from the inside of the drawer face to the inside face of the drawer back. Drawer extension is the distance the drawer travels from the closed position to the maximum travel position which is limited by the out stops. In situations where drawers do not include an out stop, the drawer is extended until the drawer back is 3 1/2 inches from the closed position of inside face of the drawer front.

The “weight density” is calculated by dividing the cabinet’s actual weight by its volume in cubic feet (the multiple of the product’s actual width, depth, and height). A “central locking system” locks all drawers in a unit.

Also excluded from the scope are fire proof or fire-resistant file cabinets that meet Underwriters Laboratories (UL) fire protection standard 72, class 350, which covers the test procedures applicable to fire-resistant equipment intended to protect paper records.¹⁰

U.S. tariff treatment

VMFCs are currently imported under Harmonized Tariff Schedule of the United States (“HTSUS” or “HTS”) statistical reporting number 9403.10.0020.¹¹ The general rate of duty is “Free” for HTS subheading 9403.10.00.¹² Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

¹⁰ 84 FR 68121, December 13, 2019.

¹¹ This HTS statistical reporting number covers all filing cabinets, including out-of-scope lateral, undermounted, pedestal, and fire-proof or fire-resistant file cabinets.

¹² The merchandise subject to these reviews may also be imported under the following HTS statistical reporting numbers: 9403.10.0040, 9403.20.0086, and 9403.20.0090. USITC, HTSUS (2024) Revision 10, USITC Publication 5569, November 2024, p. 94.8.

On July 1, 2019, HTS statistical reporting number 9403.20.0080 (other counters, lockers, racks, display cases, shelves, partitions, and similar fixtures) was discontinued, as two new HTS statistical reporting numbers were established: HTS 9403.20.0078 for storage lockers, other than exchange lockers described in statistical note 3 to HTS chapter 94, and HTS 9403.20.0081 for the remaining other counters, lockers, racks, display cases, shelves, partitions, and similar fixtures. HTSUS (2019) Revision 8, USITC Publication No. 4918, July 2019, Change Record (Rev. 8), p. 3.

On July 1, 2021, HTS statistical reporting number 9403.20.0081 was discontinued, for classifying other counters, lockers, racks, display cases, shelves, partitions, and similar fixtures, as two new HTS statistical reporting numbers were established: HTS 9403.20.0082 for steel racks, other than those describe in statistical reporting number 9403.20.0075, and HTS 9403.20.0086 for the remaining other counters, lockers, racks, display cases, shelves, partitions, and similar fixtures. HTSUS (2022) Revision 6, USITC Publication No. 5333, July 2022, Change Record (Rev. 6), p. 5.

Effective September 24, 2018, VMFCs originating in China were subject to an additional 10 percent ad valorem duty under section 301 of the Trade Act of 1974. Effective May 10, 2019, the section 301 duty for imports under this subheading was increased to 25 percent ad valorem.¹³

Description and uses¹⁴

VMFCs are freestanding¹⁵ furniture units that generally are of a height and depth greater than their width, which is less than 25 inches wide. Most VMFCs are produced from cold-rolled, flat non-alloy (carbon) steel, which may sometimes also be galvanized.¹⁶ The tall but narrow profile of VMFCs provides for efficient storage, organizing, and retrieval of hanging folders containing either U.S. letter-size (8.5 inches by 11 inches) or U.S. legal-size (8.5 inches by 14 inches) paper documents, while occupying only a small floor area, in commercial, institutional, and home offices.

The subject VMFCs are available with two, three, four, or five extendable file storage drawers (figure 1.1), but can also include smaller, extendable storage drawers not designed for file, e.g., a box drawer or pencil drawer.¹⁷ The individually extendable storage drawers of VMFCs typically have suspension systems consisting of glide blocks or ball bearings that facilitate opening and closing (figure 1.2). Ball bearings and other parts of the sliding mechanism are generally made of steel, while the rollers on which the ball bearings slide can be made from steel, high-density nylon (i.e., high-density polyethylene), or other materials.¹⁸ Other features of VMFCs include various accessories, such as drawer handles and card-label holders, which can be manufactured from a variety of materials, including anodized

¹³ 83 FR 47974, September 21, 2018; 84 FR 20459, May 9, 2019. See also HTS heading 9903.88.03 and U.S. notes 20(e) and 20(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTSUS (2024) Revision 10, USITC Publication 5569, November 2024, pp. 94.22, 99.III.28 to 99.III.29, 99.III.52, 99.III.251 to 99.III.255, 99.III.318 to 99.III.326. 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).

¹⁴ Unless otherwise noted, this information is based on the Original publication, pp. 1.11 to 1.16.

¹⁵ The term “freestanding” indicates that the VMFC has a closed top and is not produced to support, hang from, or be attached to desktops or other furniture. See Commerce’s scope.

¹⁶ Although VMFCs also could be constructed from other metallic materials, Petitioner’s witnesses testified at the staff conference that they were not aware of VMFCs being readily available of stainless steel, other alloy steels, or aluminum.

¹⁷ VMFCs containing a top drawer with a non-file-sized extendable storage unit are included within the scope of this proceeding.

¹⁸ How Products Are Made, “File Cabinet,” no date, <http://www.madehow.com/Volume-1/FileCabinet.html>, retrieved May 15, 2019.

aluminum.¹⁹ Surfaces of VMFCs can also be painted, powder-coated, galvanized, or otherwise coated for corrosion protection or to enhance their aesthetic appearance.

Figure 1.1 VMFCs: In-scope metal storage cabinets with varying numbers of extendable storage drawers (not to scale)



Five-drawer VMFC

Three drawer VMFC

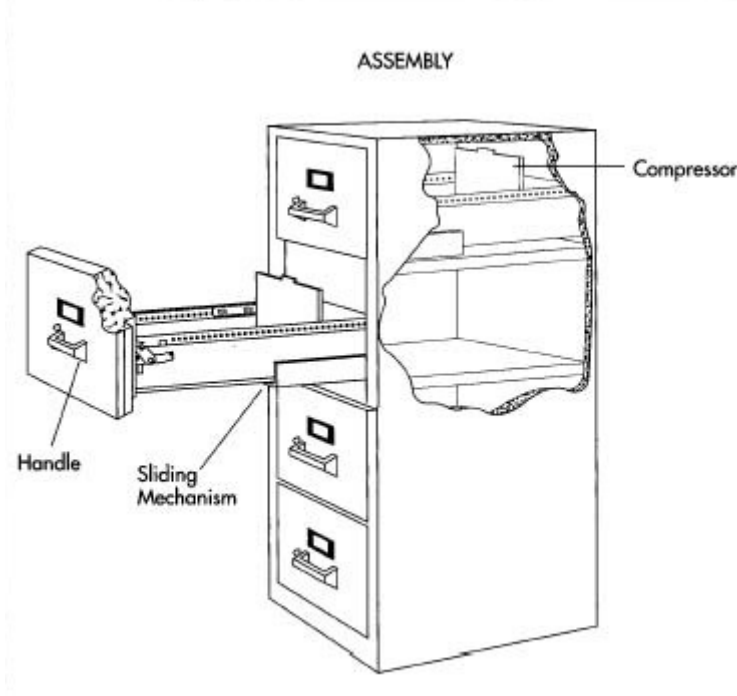
Two-drawer VMFC

Source (from left to right): The HON Co., “510 Series Vertical Files,” ©2024, <https://www.hon.com/file-cabinets-storage/vertical-files>, retrieved December 16, 2024; Hirsh Industries LLC, “22-in Deep 3 Drawer, Letter Width,” ©2024, <https://www.hirshoffice.com/products/filing-pedestals/vertical-files/22-deep-vertical/22-in-deep-3-drawer-letter-width>, retrieved December 16, 2024; Invincible Office Furniture Solutions, “ES Series Vertical Files,” ©2024, https://invinciblefurniture.com/products_filingstorage_verticalfiles_es_series.php, retrieved December 16, 2024.

Note.-- Each VMFC has a width of 25 inches or less and a height and depth that are greater than its width.

¹⁹ How Products Are Made, “File Cabinet,” no date, <http://www.madehow.com/Volume-1/FileCabinet.html>, retrieved May 15, 2019.

Figure 1.2 VMFCs: An assembled VMFC, cut-away view showing components



Source: Advameg Inc., “How Products are Made, File Cabinet,” ©2024, <http://www.madehow.com/Volume-1/File-Cabinet.html>, retrieved December 16, 2024.

VMFCs are produced to meet the Business and Institutional Furniture Manufacturers Association (“BIFMA”) Standard X5.9-2019 for storage units. This new standard was approved by the American National Standards Institute (“ANSI”) on February 1, 2019,²⁰ and supersedes the previous July 16, 2012, version.²¹ Standard X5.9-2019 defines the specific tests, laboratory equipment, and conditions for testing and evaluating a storage units’ performance, durability, and structural adequacy. BIFMA previously had a separate Standard X5.3 for VMFCs that was withdrawn, as the tests in X5.9-2019 also now apply to these products.²² Rather than specifying service lifespan requirements for VMFCs, the ANSI/BIFMA standard does specify the number of drawer openings and closure cycles that the VMFC must endure. One Petitioner’s witness noted that VMFCs are such high quality-to-price products that they could last for 15 or 20 years, to

²⁰ Manufacturing Solutions Center, “BIFMA X5.9-2019 Storage Units Tests Available,” Catawba Community College, ©2024, <https://www.manufacturingsolutionscenter.org/bifma-storage-units-test.html>, retrieved December 16, 2024.

²¹ Micom Laboratories Inc., “BIFMA X5.9 Storage Units,” © 2024, <https://www.micomlab.com/micom-testing/bifma-x5-9>; petition, exh. Gen-5 “BIFMA definitions.”

²² Bradley Miller, “BIFMA Revises Storage Units Standard,” BIFMA, February 7, 2019, <https://www.bifma.org/news/437345/BIFMA-Revises-Storage-Units-Standard.htm>, retrieved December 16, 2024.

the extent that they are cost depreciated to the point of being considered disposable. However, VMFCs need not last that long as consumers also have a tendency to replace them with new and different ones. Moreover, given that VMFCs tend not to be easily or efficiently transferrable to a new business, one driver of consumer demand for VMFCs is new business creation.²³

Physical proportions, among other features, distinguish the subject VMFCs from nonsubject metal storage cabinets (figure 1.3). For example, lateral metal file cabinets (“lateral files”) are much wider than they are deep. Lateral files currently available in the U.S. market are typically 30–42 inches wide. They also tend to be of heavier-duty construction, being designed to hold more weight than VMFCs. Pedestal cabinets or storage units (“pedestals”) were described by a witness at the hearing as “multi-purpose office furniture for storage of personal belongings and other office supplies at the desk side.” Pedestals are designed either to fit beneath, hang down from, or support a desk or other work surface. Likewise, pedestals may have only one or even no file-size drawers but rather several smaller “box drawers” or “pencil drawers” (figure 1.3). According to BIFMA Standard X5.9-2019, pedestal cabinets are less than or equal to 31 inches in height with a depth equal to or greater than their width, being designed to fit under or hang from beneath a desktop or other work surface. Pedestal cabinets that are not free-standing are open topped for under mounting. By contrast, freestanding pedestal cabinets often include padded seat tops and casters for mobility (figure 1.3).²⁴

²³ Original publication, p. 1.15.

²⁴ Original publication, p. 1.15.

Figure 1.3 Metal storage cabinets: Out-of-scope lateral and pedestal cabinets (not to scale)



Three-drawer lateral file cabinet



Three-drawer pedestal cabinet with the pencil drawer open above the two file drawers



Rolling two-drawer pedestal cabinet with a seat top and casters

Source (from left to right): National Business Furniture, “Spectrum Three Drawer Lateral File - 36”W,” ©1999–2024, <https://www.nationalbusinessfurniture.com/files/lateral-files/spectrum-three-drawer-lateral-file-36w-30761>, retrieved December 16, 2024; Office Depot, “Realspace 18”D SOHO 3-Drawer Organizer Vertical Letter-Size File Cabinet, Black,” ©2024, <https://www.officedepot.com/a/products/229860/Realspace-18D-Vertical-3-Drawer-File>, retrieved , December 16, 2024; Staples, “Poppin Black Mini Stow 2-Drawer Vertical File Cabinet, Rolling, Black (104730),” ©1998–2024, https://www.staples.com/poppin-black-mini-stow-2-drawer-vertical-file-cabinet-rolling-black-104730/product_24288924, retrieved, December 16, 2024.

Manufacturing process²⁵

The VMFCs production process begins with slitting of cold-rolled, flat-rolled carbon steel in coils into different widths for forming the various components of the body panels and drawers.²⁶ The thickness (gauge) of the steel coil used depends on the desired design and level of durability of the final product.²⁷ The slit widths are then fed into a series of pressing and punching machines that cut them into blanks of suitable shapes for the various pieces of VMFCs.

²⁵ Unless otherwise noted, this information is based on Investigation Nos. 701-TA-623 and 731-TA-1449 (Final): Vertical Metal File Cabinets from China, Confidential Report, INV-RR-109, October 28, 2019 (“Original confidential report”), pp. 1.16–1.19 and Original publication, pp. 1.16 through 1.19.

²⁶ The process can also begin with flat sheets already cut from coils, but most modern production facilities cut their own sheet from coils.

²⁷ Steel gauge is one of the engineering factors considered by the Petitioner when redesigning its products for enhanced strength and durability. Although steel thickness was noted to have declined overall for VMFCs since the 1950s, there were instances when thicker-gauge steel was required to meet new product performance demands, e.g., for shipping via FedEx. Original publication, p.1.16.

To produce the cabinet shell, blanks are loaded onto a cabinet assembly line where they are notched, punched, and folded into the body panel.²⁹ Drawer supports (both vertical and horizontal rails) are automatically joined together to complete the drawer support assembly.

The draw support assembly is then welded onto the cabinet sides. These sides are bent into a U-shape and then the top panels and kick plates, fabricated from flat-rolled steel, are welded onto the cabinet assembly. The cabinet shell is then hung on a paint conveyor and paint is applied in a fully automated spraying process.³⁰

Likewise, to produce the drawers, blanks are fed directly from the coil-feed lines into drawer assembly machines where they undergo similar cutting, flanging, and bending processes on automated lines to form the drawers. Drawer bottoms and sides are stamped from galvanized, cold-rolled steel while the drawer fronts are fabricated from pre-painted coiled steel by successive punching and folding operations. The drawer parts are delivered to an automated drawer assembly machine, and the drawers are automatically assembled. After the paint is applied, the cabinet shells are loaded onto packing line conveyors and drawer glide blocks or ball-bearing glides are installed, depending on the model of the final product. Handles are attached to the front of the drawers, and the drawers are then installed into the cabinets. Accessories such as locks, leveling glides, caster kits, drawer accessories (e.g., including follower wires, follower blocks, file compressors, hanger rails, pencil trays, and hanging file folders), printer stands, shelf kits, and magnetic hooks are incorporated into the product at the assembly stage or are packaged together with the cabinets. Following completion of the assembly process, the finished product is then placed into cartons with foam packaging material, and the cartons are then labeled and sealed before being shipped to customers.

Petitioner's witness at the hearing during the final phase of these investigations testified that Hirsch's highly automated Dover, Delaware facility is believed to be the most efficient in

²⁸ Original confidential report, pp. 1.16 to 1.17.

²⁹ According to one source, steel coils with a width of 11.8 to 15.7 inches are typically used in larger components such as the wall of the file cabinet. To produce smaller components, such as compressors, a smaller ribbon of steel from the coil is rolled onto a machine that cuts it to size with a die, while the shelves and dividers of the VMFCs are produced by unrolling coils and stamping pieces out on a press. Advameg Inc., "How Products Are Made, File Cabinet," ©2024, <http://www.madehow.com/Volume-1/FileCabinet.html>, retrieved December 16, 2024.

³⁰ This same source notes that the paint is dispersed in a powder form, and once painted, the various parts of the VMFCs cabinet are heated in an oven to cure (secure) the paint, which ensures a durable finish. Advameg Inc., "How Products Are Made, File Cabinet," ©2024, <http://www.madehow.com/Volume-1/FileCabinet.html>, retrieved December 16, 2024.

the world for producing VMFCs. Although Petitioner's witnesses at the staff conference did not note any different manufacturing processes used by producers of VMFCs in China, they did note (1) the less efficient and more labor-intensive production, (2) the thicker-gauge steel, and (3) that more packaging material was used in China.³¹

The Petitioner and ***, reported producing VMFCs using dedicated manufacturing process, equipment, and employees, which do not overlap with production of the nonsubject metal storage cabinets. The highly standardized dimensions of VMFCs, being available in two different widths (for holding either letter- or legal-size folders), allows for a high degree of automation of lines and large-volume production to drive-down production costs.³²

***. At the Petitioner's production facility in Dover, Delaware, only the painting line is common for production of both VMFCs and nonsubject metal storage cabinets, given the expense of paint systems.³³

³¹ Original publication, p. 1.18.

³² Original confidential report, p. 1.18.

³³ Original confidential report, p. 1.18.

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 six firms, which accounted for the vast majority of production of VMFCs in the United States during 2018.³⁴

In response to the Commission's notice of institution in these current reviews, the domestic interested party provided a list of ten known and currently operating U.S. producers of VMFCs. One firm, Hirsh, provided U.S. industry data in response to the Commission's notice of institution and accounted for approximately *** percent of production of VMFCs in the United States during 2023.³⁵

Recent developments

Table 1.2 presents events in the U.S. industry since the Commission's original investigations.³⁶

Table 1.2 VMFCs: Developments in the U.S. industry

Item	Firm	Event
New equipment	Tennsco	August 2019— Tennsco received the 2019 Governor's Environmental Stewardship Award for its energy savings from installing variable-frequency drives ("VFDs") on two washer systems and on both paint lines in Plant 5 after previously installing a VFD line at Plant 2 at its facility located in Dickson, Tennessee. The VFDs allowed motors to be run "considerably slower" to reduce energy usage by 40–50 percent.
Property acquisition	Tennsco	October 2022— The Dickson City Council authorized the sale of the land and buildings to Tennsco that it had been leasing for 60 years. According to the 1962 lease agreement, Tennsco could purchase the property in the first 10 years for the amount remaining on the lease or for \$3,000 after January 1, 1972. Tennsco notified the city that it will exercise the option to purchase the land and buildings in August 2022.

Source: Christopher Gadd, "Dickson's Largest Biz, Tennsco, Invests in Solar Energy, Green Tech, and 'Power to Peddle,'" Nashville Tennessean, August 7, 2019, <https://www.tennessean.com/story/news/local/dickson/2019/08/07/dicksons-tennsco-invests-greenenergy-power-peddle/1947573001>; Dickson Post, "Dickson Council Takes Steps to Sell Property to Tennsco," Staff Release, October 5, 2022, <https://mainstreetmediatn.com/articles/dicksonpost/dickson-council-takes-steps-to-sell-property-to-tennsco>.

³⁴ Original publication, p. 3.1.

³⁵ Domestic interested party's supplemental response to the notice of institution, December 11, 2024, exh. 1.

³⁶ For recent developments, if any, 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. Table 1.3 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 1.3 VMFCs: Trade and financial data submitted by U.S. producers, by period

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

Item	Measure	2016	2017	2018	2023
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 2016 to 2018, data are compiled using data submitted in the Commission's original investigations. For the year 2023, data are compiled using data submitted by the domestic interested party. Domestic interested party's supplemental response, December 11, 2024, exh. 1.

Note: For a discussion of data coverage, please see "U.S. producers" section. For the years 2016 to 2018, figures represent data submitted by six U.S. producers while for the year 2023, figures represent data submitted by one U.S. producer, the domestic interested party.

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.³⁷

In its original determinations, the Commission defined a single domestic like product consisting of all vertical metal file cabinets coextensive with Commerce’s scope. In its original determinations, the Commission defined the domestic industry to include all domestic producers of vertical metal file cabinets.³⁸

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from five firms, which accounted for *** of total U.S. imports of VMFCs from China during 2018.³⁹ Import data presented in the original investigations are based on questionnaire responses.

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 95 potential U.S. importers of VMFCs.⁴⁰

U.S. imports

Table 1.4 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2023 imports by quantity).

³⁷ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

³⁸ 89 FR 87407, November 1, 2024.

³⁹ Original publication, p. 4.1.

⁴⁰ Domestic interested party’s response to the notice of institution, December 2, 2024, exh. 6.

Table 1.4 VMFCs U.S. imports, by source and period

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

U.S. imports from	Measure	2019	2020	2021	2022	2023
China	Quantity	NA	616,321	408,932	486,475	716,822
Canada	Quantity	NA	1,647,589	3,431,488	5,692,756	3,142,287
Taiwan	Quantity	NA	306,084	550,131	576,714	532,234
Mexico	Quantity	NA	660,818	666,434	466,578	422,190
All other sources	Quantity	NA	137,029	80,129	397,566	171,001
Nonsubject sources	Quantity	NA	2,751,520	4,728,182	7,133,614	4,267,712
All import sources	Quantity	NA	3,367,841	5,137,114	7,620,089	4,984,534
China	Value	50,742	23,772	21,811	31,233	23,719
Canada	Value	64,602	53,262	69,129	96,267	64,265
Taiwan	Value	15,205	16,330	24,320	35,659	23,885
Mexico	Value	33,602	31,384	30,742	33,645	30,020
All other sources	Value	4,095	3,642	3,325	7,252	3,695
Nonsubject sources	Value	117,504	104,619	127,516	172,823	121,865
All import sources	Value	168,246	128,390	149,327	204,056	145,583
China	Unit value	NA	38.57	53.34	64.20	33.09
Canada	Unit value	NA	32.33	20.15	16.91	20.45
Taiwan	Unit value	NA	53.35	44.21	61.83	44.88
Mexico	Unit value	NA	47.49	46.13	72.11	71.10
All other sources	Unit value	NA	26.58	41.50	18.24	21.61
Nonsubject sources	Unit value	NA	38.02	26.97	24.23	28.56
All import sources	Unit value	NA	38.12	29.07	26.78	29.21

Source: Compiled from official Commerce statistics for HTS statistical reporting number 9403.10.0020, accessed December 12, 2024. These data may be overstated as HTS statistical reporting number 9403.10.0020 may contain products outside the scope of these reviews.

Note: Because of rounding, figure may not add to total shown. NA = not available. Official Commerce statistics for HTS statistical reporting number 9403.10.0020 did not include quantity data for 2019.

Apparent U.S. consumption and market shares

Table 1.5 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table 1.5 VMFCs: Apparent U.S. consumption and market shares, by source and period

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

Source	Measure	2016	2017	2018	2023
U.S. producers	Quantity	***	***	***	***
China	Quantity	***	***	***	716,822
Nonsubject sources	Quantity	***	***	***	4,267,712
All import sources	Quantity	***	***	***	4,984,534
Apparent U.S. consumption	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
China	Value	***	***	***	23,719
Nonsubject sources	Value	***	***	***	121,865
All import sources	Value	***	***	***	145,583
Apparent U.S. consumption	Value	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***
China	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
China	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***

Source: For the years 2016 to 2018, data are compiled using data submitted in the Commission's original investigations. For the year 2023, U.S. producers' U.S. shipments are compiled using data submitted by the domestic interested party. Domestic interested party's supplemental response to the notice of institution, December 11, 2024, exh. 1. For the year 2023, U.S. imports are compiled using official Commerce statistics under HTS statistical reporting number 9403.10.0020, accessed December 12, 2024, and may be overstated as HTS statistical reporting number 9403.10.0020 may contain products outside the scope of these reviews.

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

Note: For 2016 to 2018, apparent U.S. consumption is derived from U.S. shipments of imports, rather than U.S. imports.

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

The industry in China

Producers in China

During the final phase of the original investigations, the Commission did not receive any responses to its foreign producer/exporter questionnaires from firms that produced or exported VMFCs from China.⁴¹ In the original publication, four possible producers of VMFCs in China were identified.⁴²

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 81 possible producers of VMFCs in China.⁴³

Recent developments

Table 1.6 presents events in the Chinese industry since the Commission's original investigations.

Table 1.6 VMFCs: Developments in the Chinese industry

Item	Firm	Event
New plant	Luoyang Shidiu	December 2020— Luoyang Shidiu Import & Export Co. Ltd. ("Luoyang Shidiu") announced commencement of the third phase of construction for its second production facility located in Luoyang City, Henan Province. Construction is anticipated to be completed by March 2021.
New plant	Chengdu Zhenhai	June 2022— Chengdu Zhenhai Intelligent Furniture Co. Ltd., ("Chengdu Zhenhai") a subsidiary of the Zhenhai Group, anticipates completing its steel-furniture production facility located in Pujiang New City, near Chengdu, Sichuan Province.
New plant	Guangdong Zhenhai	2023— Zhenhai Intelligent Manufacturing (Guangdong) Co. Ltd. ("Guangdong Zhenhai"), a subsidiary of the Zhenhai Group, anticipates completing its steel-furniture production facility located in the Guzhu Shenhe Economic Cooperation Zone, Jiangdong New District, Heyuan City, near Shenzhen and Guangzhou, Guangdong Province.

Source: Luoyang Shidiu, "About Us," ©2024, <https://www.shidiucabinet.com/luoyang-shidiu-import-and-export-co-ltd.html>, retrieved December 14, 2024; Luoyang Shidiu, "The Construction of New Plant Start!," December 7, 2020, <http://www.steelfurniture.com.cn/news/the-construction-of-new-plant-start!.html>; Luoyang Zhenhai, "Affiliated Companies, Chengdu Production Base," no date, <https://www.cnjoyh.com/intro/7.html>, retrieved December 14, 2024; Luoyang Zhenhai, "Affiliated Companies, Guangdong Production Base," no date, <https://www.cnjoyh.com/intro/11.html>, retrieved December 14, 2024; Luoyang Zhenhai, Home webpage, no date, <https://www.cnjoyh.com>, retrieved December 14, 2024.

⁴¹ Original publication, p. 7.3.

⁴² Original publication, pp. 7.4 to 7.5.

⁴³ Domestic interested party's response to the notice of institution, December 2, 2024, exh. 3.

Exports

Table 1.7 presents export data for metal office furniture (except seats), a category that includes VMFCs and out-of-scope products, from China (by export destination in descending order of value for 2023). During 2023, the United States was the top destination market, accounting for almost one-third (30.6 percent) of China's worldwide export value, followed by Indonesia (6.5 percent), Malaysia (5.3 percent), Japan (5.0 percent), Australia (4.8 percent), and Singapore (4.8 percent), which together accounted for almost three-fifths (57.0 percent) of total global export value in that year.

Table 1.7 Metal office furniture (except seats): Value of exports from China, by destination and period

Value in 1,000 dollars

Destination market	2019	2020	2021	2022	2023
United States	146,027	171,158	172,039	205,714	293,911
Indonesia	28,846	29,857	41,406	48,654	62,102
Malaysia	15,174	15,369	24,962	27,321	51,158
Japan	38,843	43,192	55,549	50,142	47,751
Australia	37,881	40,151	43,716	46,501	46,616
Singapore	17,719	28,011	15,035	33,317	46,309
Germany	15,362	19,884	27,706	20,849	26,811
Philippines	25,234	17,877	31,570	23,563	24,442
United Kingdom	18,769	17,726	19,457	15,828	21,631
Netherlands	15,658	15,489	20,784	16,031	20,091
All other markets	301,841	269,074	282,313	290,882	320,387
All markets	661,355	667,789	734,536	778,803	961,210

Source: Official export statistics under HS subheading 9403.10 as reported by China Customs in the Global Trade Atlas Suite database, accessed November 12, 2024. These data may be overstated as HS subheading 9403.10 may contain products outside the scope of these reviews.

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

Third-country trade actions

Based on available information, VMFCs from China has not been subject to other antidumping or countervailing duty investigations outside the United States.

The global market

Table 1.8 presents global export data for metal office furniture (except seats), a category that includes VMFCs and out-of-scope products (by source in descending order of value for 2023). During 2023, China was the top exporter, accounting for one-quarter (25.8 percent) of the total global export value, followed by Canada (12.1 percent), Germany (7.5 percent), Italy (6.5 percent), and the United Kingdom (5.4 percent). The United States was the seventh largest exporter, accounting for 4.2 percent of total global export value in that year.

Table 1.8 Metal office furniture (except seats): Value of global exports by exporting country and period

Value in 1,000 dollars

Exporting country	2019	2020	2021	2022	2023
China	661,355	667,789	734,536	778,803	961,210
Canada	495,410	388,015	372,390	489,231	452,238
Germany	210,851	207,248	215,567	226,065	279,594
Italy	190,255	162,298	198,855	231,375	241,891
United Kingdom	129,034	106,306	158,363	174,937	201,506
Netherlands	100,964	105,643	121,067	145,486	167,138
United States	214,066	150,395	161,932	165,753	156,296
Spain	130,399	118,708	130,585	139,488	143,123
Türkiye/Turkey	93,636	85,750	108,168	118,434	118,437
Poland	78,515	81,027	90,425	107,232	116,141
All other exporters	743,781	733,041	940,519	981,926	893,109
All exporters	3,048,266	2,806,220	3,232,406	3,558,730	3,730,683

Source: Official export statistics under HS subheading 9403.10 as reported by China Customs in the Global Trade Atlas Suite database, accessed November 12, 2024. These data may be overstated as HS subheading 9403.10 may contain products outside the scope of these reviews.

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

APPENDIX A

FEDERAL REGISTER NOTICES

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, Federal Register notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
89 FR 87407 November 1, 2024	Vertical Metal File Cabinets From China; Institution of Five-Year Reviews	https://www.govinfo.gov/content/pkg/FR-2024-11-01/pdf/2024-25109.pdf
89 FR 87543 November 4, 2024	Initiation of Five-Year (Sunset) Reviews	https://www.govinfo.gov/content/pkg/FR-2024-11-04/pdf/2024-25610.pdf

APPENDIX B

RESPONSES TO THE NOTICE OF INSTITUTION

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, filed on behalf of Hirsh Industries, LLC (“Hirsh”), a domestic producer of VFMCs (referred to herein as “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 B.1.

Table B.1 VFMCs: Summary of responses to the Commission’s notice of institution

Interested party type	Number	Coverage
U.S. producer	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 VFMCs during 2023. Domestic interested party’s supplemental response to the notice of institution, December 11, 2024, exh. 1.

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 Hirsh. Hirsh requests that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on VFMCs.¹

¹ Domestic interested party’s comments on adequacy, January 2, 2025, pp. 2 to 4.

Company-specific information

Table B.2 VFMCs: Response checklist for U.S. producers

Yes = provided response; no = did not provide a response; NA = not available; not known = information was not known

Item	Hirsh
Nature of operation	Yes
Statement of intent to participate	Yes
Statement of likely effects of revoking the order	Yes
U.S. producer list	Yes
U.S. importer/foreign producer list	Yes
List of 3-5 leading purchasers	Yes
List of sources for national/regional prices	Not known
Trade/financial data	Yes
Changes in supply/demand	Yes
Complete response	Yes

APPENDIX C

SUMMARY DATA COMPILED IN PREVIOUS PROCEEDINGS

Table C-1

VMFCs: Summary data concerning the U.S. market, 2016-18, January to June 2018, and January to June 2019

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

	Reported data					Period changes			
	Calendar year		2018	January to June		Calendar year		2017-18	Jan-Jun 2018-19
	2016	2017		2018	2019	2016-18	2016-17		
U.S. consumption quantity:									
Amount.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Mexico.....	***	***	***	***	***	▼***	▼***	▼***	▲***
All other sources.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Nonsubject sources.....	***	***	***	***	***	▼***	▼***	▼***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▲***
U.S. consumption value:									
Amount.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Mexico.....	***	***	***	***	***	▼***	▼***	▼***	▲***
All other sources.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Nonsubject sources.....	***	***	***	***	***	▼***	▼***	▼***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▲***
U.S. importers' U.S. shipments of imports from--									
China:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Mexico									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▲***
All import sources:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***

Table continued on next page.

Table C-1--Continued

VMFCs: Summary data concerning the U.S. market, 2016-18, January to June 2018, and January to June 2019

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

	Reported data					Period changes			
	Calendar year		January to June			Calendar year			Jan-Jun
	2016	2017	2018	2018	2019	2016-18	2016-17	2017-18	2018-19
U.S. producers ¹ :									
Average capacity quantity.....	***	***	***	***	***	***	***	***	***
Production quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Capacity utilization (fn1).....	***	***	***	***	***	▼***	▲***	▼***	▼***
U.S. shipments:									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▼***
Export shipments:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Ending inventory quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Inventories/total shipments (fn1).....	***	***	***	***	***	▼***	▲***	▼***	▼***
Production workers.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Hours worked (1,000s).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Wages paid (\$1,000).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Hourly wages (dollars per hour).....	***	***	***	***	***	▲***	▲***	▲***	▲***
Productivity (unit per hour).....	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit labor costs.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Net sales:									
Quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▼***
Cost of goods sold (COGS).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
SG&A expenses.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Capital expenditures.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit COGS.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Unit SG&A expenses.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Unit operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▼***
COGS/sales (fn1).....	***	***	***	***	***	▲***	▲***	▲***	▲***
Operating income or (loss)/sales (fn1)....	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***

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

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

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

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties, and it provided contact information for the following three firms as top purchasers of vertical metal file cabinets: ***. Purchaser questionnaires were sent to these three firms and no firms submitted a response to the Commission's request for information.

