

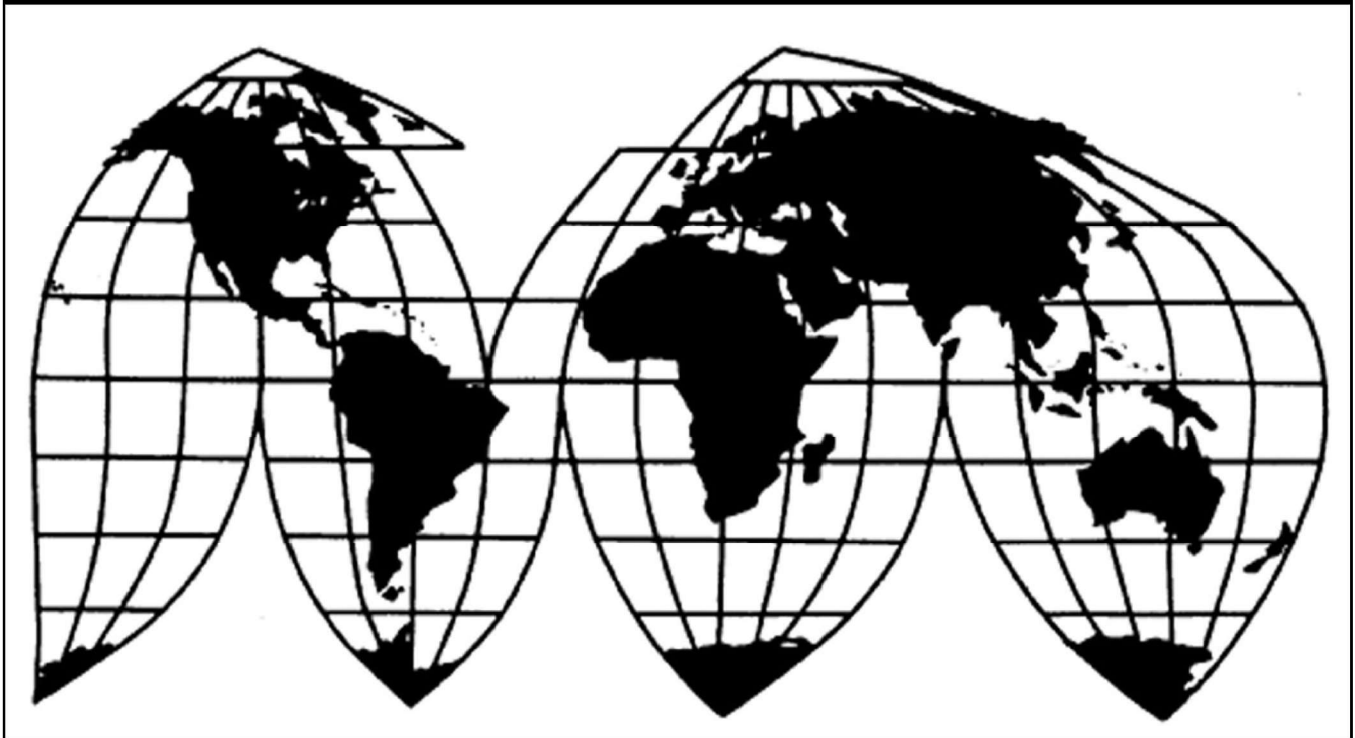
Multilayered Wood Flooring from China

Investigation Nos. 701-TA-476 and 731-TA-1179 (Second Review)

Publication 5435

June 2023

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-476 and 731-TA-1179 (Second Review)

Multilayered Wood Flooring from China

DETERMINATION

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 countervailing and antidumping duty orders on multilayered wood flooring 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 December 1, 2022 (87 FR 73784) and determined on March 6, 2023 that it would conduct expedited reviews (88 FR 23097, April 14, 2023).

The Commission made these determinations pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)).

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 multilayered wood flooring (“MLWF”) 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

Prior Proceedings. In response to the antidumping and countervailing duty petitions filed by the Coalition for American Hardwood Parity (“CAHP”) and its members on October 21, 2010,¹ the Commission determined on November 9, 2011, that an industry in the United States was materially injured by reason of imports of MLWF from China that the U.S. Department of Commerce (“Commerce”) had determined were sold in the United States at less than fair value and subsidized by the government of China.² Commerce issued antidumping and countervailing duty orders on December 8, 2011.³

Six U.S. importers subsequently challenged the Commission’s affirmative determinations before the U.S. Court of International Trade (“CIT”); Commerce determinations were separately litigated.⁴ The CIT remanded four issues and affirmed the Commission’s

¹ In the original investigations, CAHP’s members included Anderson Hardwood Floors, LLC, Award Hardwood Floors, From the Forest, Howell Hardwood Flooring, Mannington Mills, Inc., Nydree Flooring, and Shaw Industries Group, Inc. See *Multilayered Wood Flooring from China*, Inv. Nos. 701-TA-476 and 731-TA-1179 (Final), USITC Pub. 4278 at 1 (“*Original Determinations*”).

² *Original Determinations*, USITC Pub. 4278 at 1.

³ *Multilayered Wood Flooring from the People’s Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order*, 76 Fed. Reg. 76690 (Dec. 8, 2011); *Multilayered Wood Flooring from the People’s Republic of China: Countervailing Duty Order*, 76 Fed. Reg. 76693 (Dec. 8, 2011).

⁴ Following a remand from the CIT, Commerce subsequently published an amended countervailing duty order, which removed two firms from the non-cooperating companies list. *Multilayered Wood Flooring from the People’s Republic of China: Notice of Court Decision Not in Harmony with Final Determination of Countervailing Duty Investigation and Notice of Amended Countervailing Duty Order*, 77 Fed. Reg. 71167 (Nov. 29, 2012). In addition, following litigation, Commerce amended the final determinations and antidumping duty order and revised the mandatory respondents’ dumping margins, finding all three to be zero or *de minimis*, and revised the China-wide dumping margin. The two mandatory respondents that received *de minimis* margins were Zhejiang Layo Wood Industry Co., Ltd. (“Layo”) and the Samling Group. *Multilayered Wood Flooring from the People’s Republic of China: Notice of Court Decision Not in Harmony with Final Determination and Amended Final Determination of the Antidumping Duty Investigation*, 79 Fed. Reg. 21509 (May 2, 2014); *Multilayered* (Continued...)

determinations in all other respects.⁵ On remand, the Commission again determined that an industry in the United States was materially injured by reason of subject imports of MLWF from China.⁶ The Commission's remand determinations were subsequently affirmed by the CIT and the U.S. Court of Appeals for the Federal Circuit.⁷

In December 2017, the Commission completed its first five-year reviews and, following full reviews, determined that revocation of the antidumping and countervailing duty orders on MLWF from China would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.⁸ On January 3, 2018, Commerce published its notice of continuation of the antidumping and countervailing duty orders covering MLWF from China.⁹

Current Reviews. On December 1, 2022, the Commission instituted these second five-year reviews of the antidumping and countervailing duty orders on MLWF from China.¹⁰ The Commission received one response to the notice of institution, filed by American Manufacturers of Multilayered Wood Flooring ("AMMWF"), an ad-hoc association comprised of three domestic producers of MLWF (collectively, "Domestic Producers").¹¹ No respondent interested party responded to the notice of institution or participated in these reviews. On March 6, 2023, the Commission determined that the domestic interested party group response

(...Continued)

Wood Flooring from the People's Republic of China: Notice of Court Decision Not in Harmony with Final Determination and Amended Final Determination of the Antidumping Duty Investigation, 80 Fed. Reg. 44029 (July 24, 2015). Two firms, Layo and Yuhua Timber Co., Ltd. ("Yuhua"), received *de minimis* final antidumping and countervailing duty margins, thereby excluding their imports of MLWF from both the antidumping and countervailing duty orders. Yuhua received *de minimis* final margins in the original orders, while Layo received a *de minimis* final countervailing duty margin in the original countervailing duty order, but received a *de minimis* final antidumping duty margin in the amended antidumping duty order.

⁵ *Swiff-Train Co. v. United States*, 904 F. Supp. 2d 1336 (Ct. Int'l Trade 2013).

⁶ *Multilayered Wood Flooring from China*, Inv. Nos. 701-TA-476 and 731-TA-1179 (Remand), USITC Pub. 4430 (Oct. 2013) ("*Remand Determinations*").

⁷ *Swiff-Train Co. v. United States*, 999 F. Supp. 2d 1334 (Ct. Int'l Trade 2014), *aff'd*, 793 F.3d 1355 (Fed. Cir. 2015).

⁸ *Multilayered Wood Flooring from China*, Inv. Nos. 701-TA-476 and 731-TA-1179 (Review), USITC Pub. 4746 (Dec. 2017) at 1 ("*First Reviews*").

⁹ *Multilayered Wood Flooring from the People's Republic of China: Continuation of Antidumping Duty Orders*, 83 Fed. Reg. 344 (Jan. 3, 2018).

¹⁰ *Multilayered Wood Flooring from China; Institution of Five-Year Reviews*, 87 Fed. Reg. 73784 (Dec. 1, 2022).

¹¹ See *Domestic Producers' Response to Notice of Institution*, EDIS Doc. 787236 (Jan. 3, 2023) ("*Domestic Response*"); Confidential Report, INV-VV-012 (Feb. 22, 2023) ("CR") at I-2; *Multilayered Wood Flooring from China*, Inv. Nos. 701-TA-476 and 731-TA-1179 (Second Review), USITC Pub. 5435 (June 2023) ("PR") at I-2. The three domestic producers that comprise AMMWF are AHF Products, LLC ("AHF Products"), Mohawk Industries, Inc. ("Mohawk Industries"), and Mullican Flooring, LP ("Mullican Flooring"). *Id.* at I-2.

was adequate and that the respondent interested party group response was inadequate.¹² Finding no other circumstances that would warrant conducting full reviews, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders.¹³ Domestic Producers submitted final comments pursuant to Commission Rule 19 C.F.R. § 207.62(d)(1) regarding the determination that the Commission should reach.¹⁴

U.S. industry data in these reviews are based on information provided by Domestic Producers in their response to the notice of institution, which are estimated to have accounted for *** percent of U.S. production of MLWF in 2021.¹⁵ U.S. import data and related data are based on Commerce's official import statistics and data gathered during the original investigations and first five-year reviews.¹⁶ Foreign industry data and related information are based on information from the original investigations and first five-year reviews, information submitted by Domestic Producers in their response to the notice of institution, and publicly available information compiled by the Commission.¹⁷ Additionally, three purchasers, ***, responded to the Commission's adequacy phase questionnaire.¹⁸

In the original investigations and first five-year reviews, the Commission received questionnaire responses from U.S. producers accounting for nearly all U.S. production and the vast majority of U.S. production, respectively, whereas in the current expedited reviews, as noted, U.S. industry data reviews are based on data provided by Domestic Producers, which are estimated to have accounted for only *** percent of U.S. production.¹⁹ As a result, the industry's data in these reviews are understated, particularly when compared to the data from the original investigations and first reviews. In addition, in the original investigations and first five-year reviews, U.S. import data were based on questionnaire responses rather than, as done in these reviews, Commerce's official import statistics. Because the official import statistics likely include some out-of-scope products, the volume of subject and nonsubject imports in these reviews are likely overstated, particularly when compared to the data from the original investigations and first reviews. Market share data in these reviews is consequently impacted, leading to market shares that are likely overstated for subject and nonsubject imports and

¹² *Explanation of Commission Determinations on Adequacy in Multilayered Wood Flooring from China*, EDIS Doc. 792650 (Mar. 17, 2023).

¹³ *Multilayered Wood Flooring from China; Scheduling of Expedited Five-Year Reviews*, 88 Fed. Reg. 23097 (Apr. 14, 2023).

¹⁴ *Domestic Producers' Final Comments*, EDIS Doc. 797264 (May 25, 2023) ("*Domestic Final Comments*").

¹⁵ CR/PR at Tables I-2, I-4-5, I-7; *Domestic Response* at 22.

¹⁶ CR/PR at Tables I-6, I-7.

¹⁷ CR/PR at Tables I-9-11.

¹⁸ CR/PR at D-3.

¹⁹ See CR/PR at I-15-16.

understated for the domestic industry. Finally, the available U.S. industry data and import data in these reviews are used to determine apparent U.S. consumption, which therefore is affected by any distortions in these data.

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.”²⁰ 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.”²¹ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.²²

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

Multilayered wood flooring is composed of an assembly of two or more layer or plies of wood veneer(s) in combination with a core. The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is often referred to by other terms, *e.g.*, “engineered wood flooring” or “plywood flooring.” Regardless of the particular terminology, all products that meet the description set forth herein are intended for inclusion within the definition of subject merchandise.

All multilayered wood flooring is included within the definition of subject merchandise, without regard to: dimension (overall thickness, thickness of face ply, thickness of back ply, thickness of core, and thickness of inner plies; width; and length); wood species used for the face, back and inner veneers; core composition; and face grade. Multilayered wood flooring

²⁰ 19 U.S.C. § 1677(4)(A).

²¹ 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).

²² *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).

included within the definition of subject merchandise may be unfinished (*i.e.*, without a finally finished surface to protect the face veneer from wear and tear) or “prefinished” (*i.e.*, a coating applied to the face veneer, including, but not exclusively, oil or oil-modified or water-based polyurethanes, ultraviolet light cured polyurethanes, wax, epoxy-ester finishes, moisture-cured urethanes and acid-curing formaldehyde finishes). The veneers may be also soaked in acrylic-impregnated finish. All multilayered wood flooring is included within the definition of subject merchandise regardless of whether the face (or back) of the product is smooth, wire brushed, distressed by any method or multiple methods, or hand-scraped. In addition, all multilayered wood flooring is included within the definition of subject merchandise regardless of whether or not it is manufactured with any interlocking or connecting mechanism (for example, tongue-and-groove construction or locking joints). All multilayered wood flooring is included within the definition of the subject merchandise regardless of whether the product meets a particular industry or similar standard.

The core of multilayered wood flooring may be composed of a range of materials, including but not limited to hardwood or softwood veneer, particleboard, medium-density fiberboard, high-density fiberboard (HDF), stone and/or plastic composite, or strips of lumber placed edge-to-edge.

Multilayered wood flooring products generally, but not exclusively, may be in the form of a strip, plank, or other geometrical patterns (*e.g.*, circular, hexagonal). All multilayered wood flooring products are included within this definition regardless of the actual or nominal dimensions or form of the product. Specifically excluded from the scope are cork flooring and bamboo flooring, regardless of whether any of the sub-surface layers of either flooring are made from wood. Also excluded is laminate flooring. Laminate flooring consists of a top wear layer sheet not made of wood, a decorative paper layer, a core-layer of HDF, and a stabilizing bottom layer.

Imports of the subject merchandise are provided for under the following subheadings of the Harmonized Tariff Schedule of the United States (HTSUS): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.0620; 4412.31.0640; 4412.31.0660; 4412.31.2510; 4412.31.2520; 4412.31.2610; 4412.31.2620; 4412.31.3175; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.4075; 4412.31.4080; 4412.31.4140; 4412.31.4160; 4412.31.4175; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.5175; 4412.31.5225; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.0565; 4412.32.0570; 4412.32.0640; 4412.32.0665; 4412.32.2510; 4412.32.2520; 4412.32.2525; 4412.32.2530; 4412.32.2610; 4412.32.2625; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.3225; 4412.32.5600; 4412.32.5700;

4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5105; 4412.99.5115; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; 4418.74.2000; 4418.74.9000; 4418.75.4000; 4418.75.7000; 4418.79.0100; and 9801.00.2500.

While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.²³

MLWF is a type of wood flooring product fabricated by using multiple layers of wood veneer and other kinds of wood materials. It can be composed of three to ten laminated wood layers or plies that include a core sandwiched between a back or bottom veneer layer and a face veneer surface of a desired wood species and finish. While the core is typically composed of wood veneers, it may also be made of solid wood pieces or a composite wood such as medium- or high-density fiberboard (“MDF” or “HDF”). Thicknesses of MLWF typically range from ¼ inch to ¾ inch, with the most common thicknesses being ⅜ inch and ½ inch.²⁴

In the original investigations and first five-year reviews, the Commission defined a single domestic like product as MLWF, coextensive with Commerce’s scope.²⁵

²³ Commerce Memorandum from James Maeder to Abdelali Elouaradia, *Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order on Multilayered Wood Flooring from the People’s Republic of China*, EDIS Doc. 797440, at 2-4 (Mar. 29, 2023) (“Commerce AD I&D Memorandum”); Commerce Memorandum from James Maeder to Lisa W. Wang, *Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order on Multilayered Wood Flooring from the People’s Republic of China*, EDIS Doc. 797441, at 2-4 (Mar. 27, 2023) (“Commerce CVD I&D Memorandum”).

²⁴ See generally CR/PR I-9-15.

²⁵ *Original Determinations*, USITC Pub. 4278 at 6-7; *First Reviews*, USITC Pub. 4746 at 8. In the original investigations, the Commission considered whether to include solid-wood flooring, vinyl, and laminate wood-look flooring products, with MLWF, in its domestic like product definition, but determined that there were clear dividing lines separating MLWF from out-of-scope solid-wood flooring and from vinyl and laminate wood-look flooring products. *Original Determinations*, USITC Pub. 4278 at 6-7.

In the current five-year reviews, the record does not contain any new information suggesting that the pertinent product characteristics and uses of MLWF have changed since the prior proceedings so as to warrant revisiting the Commission's domestic like product definition.²⁶ Domestic Producers argue that the Commission should continue to define the domestic like product as it did in the prior proceedings.²⁷ Therefore, we continue to define a single domestic like product consisting of MLWF, coextensive with Commerce's scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."²⁸ 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 considered two domestic industry issues: (1) whether firms that conduct finishing operations on MLWF engage in sufficient production-related activities to be considered domestic producers; and (2) whether it was appropriate to exclude any producer from the domestic industry pursuant to 19 U.S.C. § 1677(4)(B). For the one finisher in question, the Commission found that it did not engage in sufficient production-related activities to be a domestic producer. For the eight domestic producers subject to possible exclusion under the related parties provision due to importing subject merchandise during the period of investigation, the Commission concluded that appropriate circumstances did not exist to exclude any U.S. producer from the domestic industry. Specifically, the Commission observed that all firms reported importing declining absolute quantities of subject imports and falling ratios of subject imports to production over the full years of the period of investigation. The Commission concluded that the producers' interests appeared to be in domestic production rather than importation. Accordingly, the Commission defined the domestic industry as all U.S. producers of MLWF, which did not include the one finisher that it found did not engage in sufficient production-related activities to be a domestic producer.²⁹

²⁶ See generally CR/PR at I-9-15.

²⁷ *Domestic Response* at 23.

²⁸ 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.

²⁹ *Original Determinations*, USITC Pub. 4278 at 11-12. As noted above, the Commission determined in the original investigations that one firm, U.S. Floors, conducted only finishing operations and those operations did not rise to the level of sufficient production-related activity to be included as a (Continued...)

In the first reviews, the Commission again did not exclude any related parties, although five domestic producers were subject to possible exclusion under the related parties provision because each imported subject merchandise during the period of review. The Commission concluded that appropriate circumstances did not exist to exclude any U.S. producer from the domestic industry because each of the producers at issue had ratios of subject imports to domestic production that were either low throughout the period of review or declining during the period. Accordingly, the Commission defined the domestic industry as all domestic producers of MLWF.³⁰

In the current five-year reviews, Domestic Producers argue that the Commission should define the domestic industry as consisting of all domestic producers of MLWF.³¹ There are no related parties issues or other domestic industry issues in these five-year reviews.³² Consequently, consistent with our definition of the domestic like product, we define the domestic industry as all domestic producers of MLWF.

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.”³³ 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

(...Continued)

domestic producer. *Id.* at 8-10. Because no other U.S. producer has been identified as engaging in finishing only operations in these reviews, there is no need to revisit this issue in the reviews.

Pursuant to the CIT’s order on remand, the Commission reopened the record to consider whether domestic hardwood plywood manufacturers made product that was used for flooring, and it found that the record did not show that any U.S. hardwood plywood producer manufactured MLWF. Accordingly, the Commission again defined the domestic industry to be all U.S. producers of MLWF. *Remand Determinations*, USITC Pub. 4430 at 5-13.

³⁰ *First Reviews*, USITC Pub. 4746 at 5-11.

³¹ *Domestic Response* at 23.

³² Domestic Producers reported no known related parties as defined under the statute and ***. *Domestic Response* at Exhibit NFI-1.

³³ 19 U.S.C. § 1675a(a).

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.”³⁴ Thus, the likelihood standard is prospective in nature.³⁵ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.³⁶

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.”³⁷ 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.”³⁸

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.”³⁹ It directs the Commission to take into account its prior injury

³⁴ 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.

³⁵ 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.

³⁶ 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’”).

³⁷ 19 U.S.C. § 1675a(a)(5).

³⁸ 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.*

³⁹ 19 U.S.C. § 1675a(a)(1).

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).⁴⁰ 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.⁴¹

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁴² 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.⁴³

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.⁴⁴

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

⁴⁰ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the antidumping duty order under review. *Commerce AD I&D Memorandum* at 5.

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

⁴² 19 U.S.C. § 1675a(a)(2).

⁴³ 19 U.S.C. § 1675a(a)(2)(A-D).

⁴⁴ 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.

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.⁴⁵ 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.⁴⁶

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the MLWF industry in China. There also is limited information on the MLWF market in the United States during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and prior reviews and the limited new information on the record in these second five-year reviews.

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁴⁷ The following conditions of competition inform our determinations.

1. Demand Conditions

Prior Proceedings. In the original investigations, the Commission found that demand for MLWF encompassed demand by builders for new home construction and residential remodeling and replacement projects, which accounted for the vast majority of sales, as well as a modest amount of demand for non-residential construction. It observed that the record reflected a severe downturn in macroeconomic conditions in the U.S. residential housing market. Consistent with these trends, apparent U.S. consumption of MLWF declined overall during the January 2008 to June 2011 period of investigation, although it increased somewhat toward the end of the period. The Commission further observed that the parties disagreed

⁴⁵ 19 U.S.C. § 1675a(a)(4).

⁴⁶ 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.

⁴⁷ 19 U.S.C. § 1675a(a)(4).

about the extent to which demand for substitute products such as laminate vinyl tile, bamboo or cork flooring, carpet, and other flooring products affected demand for MLWF in the U.S. market. The Commission, however, found no evidence that substitute flooring products took sales away from MLWF during the period of investigation; rather, MLWF accounted for a steady share of sales of all flooring products during the period.⁴⁸

In the first five-year reviews, the Commission found that demand for MLWF remained dependent on the demand for U.S.-produced downstream products, primarily for use in new construction and remodeling. The Commission noted that most U.S. producers, importers, and purchasers reported that U.S. demand for MLWF had increased over the period of review and was expected to increase over the following two years. Additionally, the Commission noted that apparent U.S. consumption increased over the period of review, from 296.1 million square feet in 2011 to 467.5 million square feet in 2016.⁴⁹

Current Reviews. There is no new information indicating that the factors influencing demand have changed since the prior proceedings. The record indicates that demand for MLWF remains tied to demand for downstream uses in industries such as construction, wood furniture manufacturing, and ship building.⁵⁰

Domestic Producers reported that demand for MLWF declined in early 2020 due to the COVID-19 pandemic, before increasing in 2021 to levels equaling or exceeding those during the 2016-2018 period, as lockdown and pandemic mitigation measures were lifted and downstream industries like construction rebounded.⁵¹ Domestic Producers also contend that demand has declined in recent months due to changes in the housing market and overall U.S. economic activity.⁵² Responding purchaser *** reported that ***.⁵³

Apparent U.S. consumption of MLWF was *** units in 2021, as compared to 467.5 million units in 2016 and 307.2 million units in 2010.⁵⁴

2. Supply Conditions

Prior Proceedings. During the period of investigation, the domestic industry accounted for the largest share of the U.S. market, followed by subject imports of MLWF and imports of MLWF from nonsubject sources.⁵⁵

⁴⁸ *Original Determinations*, USITC Pub. 4278 at 17-19.

⁴⁹ *First Reviews*, USITC Pub. 4746 at 14-15.

⁵⁰ CR/PR at I-28; *Domestic Response* at 23.

⁵¹ *Domestic Response* at 23.

⁵² *Domestic Response* at 23.

⁵³ CR/PR at D-4.

⁵⁴ CR/PR at Table I-7.

⁵⁵ *Original Determinations*, USITC Pub. 4278 at 19.

In the first five-year reviews, the domestic industry again accounted for the largest share of the U.S. MLWF market, followed by subject imports and imports from nonsubject sources, which included those Chinese producers for which Commerce had revoked the orders. The Commission noted that the domestic industry's market share fluctuated but fell overall during the period of review from 47.8 percent in 2011 to 44.8 percent in 2016. Additionally, the domestic industry had several new entrants, and several U.S. producers expanded their domestic production. The Commission also noted that subject imports' market share irregularly decreased from 32.8 percent in 2011 to 31.9 percent in 2016, while nonsubject imports' market share irregularly increased from 19.4 percent in 2011 to 23.3 percent in 2016.⁵⁶

Current Reviews. Based on the data available, nonsubject imports were the largest source of supply during the period of review, accounting for *** percent of apparent U.S. consumption in 2021.⁵⁷ Canada was the leading source of nonsubject imports.⁵⁸ Subject imports were the second largest source of supply in the U.S. market in 2021, accounting for *** percent of apparent U.S. consumption that year.⁵⁹ The domestic industry was the smallest source of supply in the U.S. market in 2021, accounting for *** percent of apparent U.S. consumption that year.⁶⁰ As noted above in Section I, market shares in these reviews are impacted by the likely overstatement of subject and nonsubject import volumes and the understatement of domestic producer shipments.

There have been several changes to the domestic industry during the period of review, including three acquisitions, a partnership, three expansions, a bankruptcy, and a plant closure.⁶¹ Notably, in June 2020, Creative Flooring Solutions announced a \$70 million

⁵⁶ *First Reviews*, USITC Pub. 4746 at 15-16.

⁵⁷ CR/PR at Table I-7.

⁵⁸ CR/PR at Table I-6.

⁵⁹ CR/PR at Table I-7.

⁶⁰ CR/PR at Table I-7. By comparison, domestic producers' market share was 44.8 percent in 2016 and 43.6 percent in 2010. *Id.* Domestic industry market share in 2021 is understated relative to that in 2016 and 2010 because questionnaire data for the domestic industry comprise only *** percent of domestic production in these reviews, whereas data for the prior proceedings accounted for nearly all of domestic production. Additionally, apparent U.S. consumption in 2021 is based upon these domestic industry data and official import statistics that likely include out-of-scope products, whereas apparent U.S. consumption in 2016 and 2010 was based upon more robust domestic industry coverage and importer questionnaire responses, as explained above. *See id.* at Table I-6, Note & Table I-7, Note.

⁶¹ CR/PR at Table I-4. In fall 2018, American OEM announced a partnership with Seoul-based NOX Vinyl to develop new flooring products. *Id.* In November 2018, Mullican Flooring introduced a new carbonized collection within its engineered wood flooring line. *Id.* In January 2022, Boise Cascade announced an expansion of distribution operations in Minnesota and northern Kentucky, following their announcement of a new distribution center in Marion, Ohio, in November 2021. *Id.* AHF Products acquired American OEM in August 2021 and acquired the North American assets of Armstrong Flooring (Continued...)

investment in a new manufacturing plant in Calhoun, Georgia, which is expected to create 300 jobs.⁶² On September 1, 2022, AHF Products announced that it would cease production at its Titusville, Pennsylvania, plant and move its manufacturing operations to its West Virginia, Kentucky, and Tennessee facilities. Production at its Titusville plant ceased on October 30, 2022.⁶³

Responding purchasers *** reported that ***.⁶⁴

3. Substitutability and Other Conditions

Prior Proceedings. In the original determinations, the Commission observed that even though entities such as flooring distributors, builders, and retailers purchased MLWF from manufacturers, the parties agreed that substitutability among different MLWF products was largely determined by the tastes and preferences of retail customers who purchased the flooring for their homes. The Commission rejected respondents' arguments that competition between the domestic like product and subject imports was attenuated because subject imports differed from domestically produced MLWF in terms of certain features and that MLWF from China competed in different channels of distribution than MLWF produced in the United States. Instead, the Commission found that there was a moderate-to-high degree of substitutability between subject imports and the domestic like product and that because domestic producers and subject producers offered a full range of products in the United States, competition in the U.S. market depended primarily on price.⁶⁵

In the first five-year reviews, the Commission again found that there was at least a moderate degree of substitutability between domestically produced MLWF and subject

(...Continued)

with Gordon Brothers in July 2022 after Armstrong Flooring announced bankruptcy in May 2022 due to supply chain and pandemic-related challenges. *Id.* Additionally, Switzerland-based Bauwek Group AG acquired domestic producer Somerset Hardwood Flooring in May 2022. *Id.*

⁶² CR/PR at Table I-4.

⁶³ CR/PR at Table I-4.

⁶⁴ CR/PR at D-4.

⁶⁵ *Original Determinations*, USITC Pub. 4278 at 20-24. The Commission observed that most responding U.S. producers, 30 percent of responding importers, and 37 percent of responding purchasers reported that the domestic product and subject imports are "always" used interchangeably, and over 80 percent of U.S. producers, almost one-half of responding importers, and over two-thirds of responding purchasers reported that they are at least "frequently" used interchangeably. Further, the Commission observed, when asked how comparable MLWF imported from China is with MLWF produced domestically on a range of factors, questionnaire respondents overwhelmingly reported them to be comparable with respect to the majority of those factors. *Id.* at 23.

merchandise and that price continued to play an important role in purchasing decisions.⁶⁶ The Commission recognized that there were some differences in the composition of the products supplied by the domestic industry and subject producers in China, but found such differences were outweighed by the substantial overlap between such products in terms of product types, end uses, and customers.⁶⁷ The Commission also found that domestically produced MLWF supplied the same customers and end uses as subject imports and that certain domestic producers were likely to expand their range of domestically produced MLWF and reduce their imports of subject merchandise.⁶⁸ Accordingly, the Commission found that domestically produced MLWF and subject imports competed meaningfully against each other during the period of review and that such competition was likely to increase further in the imminent future.⁶⁹

Current Reviews. The record in these reviews contains no new information to indicate that the degree of substitutability between the domestic like product and subject imports or the importance of price in purchasing decisions has changed since the last reviews. Domestic Producers assert that these factors have not changed.⁷⁰ Accordingly, we again find that there is at least a moderate degree of substitutability between the domestic like product and subject imports and that price remains an important factor in purchasing decisions.

Effective September 24, 2018, MLWF originating in China became subject to an additional 10 percent *ad valorem* duty under Section 301 of the Trade Act of 1974, which increased to 25 percent *ad valorem* on May 10, 2019.⁷¹

C. Likely Volume of Subject Imports

1. Prior Proceedings

In the original investigations, the Commission found that the volume of subject imports was significant both in absolute terms and relative to consumption and production in the

⁶⁶ *First Reviews*, USITC Pub. 4746 at 17-21. The Commission observed that all responding U.S. producers and a large majority of both U.S. importers and purchasers reported that MLWF produced in the United States and MLWF from subject suppliers were always, frequently, or sometimes interchangeable and that a majority of purchasers reported that domestically produced MLWF and MLWF from subject suppliers were comparable in 18 out of 24 factors. In addition, the Commission noted that 23 purchasers listed price as an important factor in purchasing decisions, with 20 of those listing it as one of their top three factors. *Id.* at 17.

⁶⁷ *First Reviews*, USITC Pub. 4746 at 17-21.

⁶⁸ *First Reviews*, USITC Pub. 4746 at 17-21.

⁶⁹ *First Reviews*, USITC Pub. 4746 at 17-21.

⁷⁰ *Domestic Response* at 14.

⁷¹ CR/PR at I-9.

United States and that the increase in subject import volume relative to domestic production and apparent consumption was also significant. In particular, the Commission observed that in 2010, when the volume of domestically produced MLWF and imports from nonsubject sources remained substantially below their respective 2008 levels, the volume of subject imports had almost completely recovered to its 2008 level. It further observed that, even as demand declined overall during the period of investigation, subject imports from China increased their market share, mostly at the expense of the domestic industry.⁷²

In the first five-year reviews, the Commission found that the volume of subject imports would likely be significant in the event of revocation. Subject imports had maintained a presence in the U.S. market, increasing irregularly from 97.2 million square feet in 2011 to 149.1 million square feet in 2016, though were lower in interim 2017, at 67.3 million square feet, than in interim 2016, at 75.5 million square feet.⁷³

The Commission also found that the Chinese industry possessed significant excess capacity. Specifically, although the subject industry's capacity, production, and capacity utilization had increased irregularly from 2011 to 2016, the industry's capacity utilization rate remained only *** percent in 2016.⁷⁴ The Commission also found that several firms reported the ability to product shift and that the capacity utilization of the subject industry's equipment used to produce MLWF and out-of-scope products had declined from *** percent in 2011 to *** percent in 2016.⁷⁵ The Commission further observed that the responding foreign producers and the wood flooring industry in China were highly export oriented, with China ranking as the world's largest exporter of such products, and the United States was China's leading export market during the period of review.⁷⁶ While recognizing that subject imports were lower in interim 2017 than in interim 2016, under the discipline of the order, the Commission did not

⁷² *Original Determinations*, USITC Pub. 4278 at 24-25. The Commission explained that U.S. shipments of subject imports decreased from *** square feet in 2008 to *** square feet in 2009 before increasing to *** square feet in 2010 and were *** square feet in interim 2010 and *** square feet in interim 2011. *Confidential Original Determinations*, EDIS Doc. 789419, at 34 (Feb. 3, 2023). Subject imports' market share over this time increased from *** percent in 2008 to *** percent in 2009 and to *** percent in 2010 and was *** percent in interim 2010 and *** percent in interim 2011. *Id.* at 35. In the first reviews, the Commission found that although the data in the original investigations included data from a company, Layo, no longer covered by the antidumping or countervailing duty orders, the original determinations still had significant probative value. *First Reviews*, USITC Pub. 4746 at 21 n.116.

⁷³ *First Reviews*, USITC Pub. 4746 at 21-22. Subject imports' market share during the review period decreased irregularly from 32.8 percent in 2011 to 31.9 percent in 2016 and was lower across interim periods at 33.9 percent in interim 2016 and 29.9 percent in interim 2017. *Id.* at 15-16.

⁷⁴ *First Reviews*, USITC Pub. 4746 at 22-23.

⁷⁵ *First Reviews*, USITC Pub. 4746 at 22-23.

⁷⁶ *First Reviews*, USITC Pub. 4746 at 23.

expect this trend to continue in light of the subject producers' excess capacity, export orientation, and interest in the U.S. market.⁷⁷

The Commission rejected respondents' arguments that subject imports were unlikely to increase after revocation due to regulatory barriers in the United States, the relocation of production by some producers from China to nonsubject countries, and the availability of lower-priced nonsubject imports in the U.S. market.⁷⁸ In rejecting these arguments, the Commission explained that regulatory barriers had not prevented subject imports from increasing during the period of review, that the subject producers remaining in China had significant excess capacity, and that subject imports were likely to lower their prices and undersell after revocation to gain market share.⁷⁹

2. The Current Reviews

The record in these reviews indicates that subject imports maintained a significant presence in the U.S. market during the period of review under the disciplining effect of the order. Subject import volume fluctuated but increased overall during the period of review, increasing from 316.0 million units in 2017 to 757.8 million units in 2018, declining to 227.1 million units in 2019 and 213.6 million units in 2020, and then increasing to 321.4 million units in 2021, equivalent to *** percent of apparent U.S. consumption that year.⁸⁰

The record in these expedited reviews contains limited information on the MLWF industry in China. Nonetheless, the available information indicates that subject producers have the means and incentive to export a significant volume of subject merchandise to the U.S. market if the orders were revoked. Domestic Producers provided a list of 226 possible producers of MLWF in China,⁸¹ and argue that subject producers maintain the ability and incentive to significantly increase their shipments to the United States in the event of revocation, noting that subject import volumes are at significant levels despite the existence of antidumping and countervailing duties.⁸² Domestic Producers also claim that current trends in the broader Chinese wood flooring and plywood industries suggest that production capacity for MLWF in China has increased, citing a trade press article stating that 2,050 plywood enterprises were under construction in China as of early 2021.⁸³

⁷⁷ *First Reviews*, USITC Pub. 4746 at 23.

⁷⁸ *First Reviews*, USITC Pub. 4746 at 24-25.

⁷⁹ *First Reviews*, USITC Pub. 4746 at 24-25.

⁸⁰ CR/PR at Tables I-6, I-7. Subject imports' market share was 40.8 percent in 2010 and 31.9 percent in 2016. *Id.*

⁸¹ CR/PR at I-24; *Domestic Response* at Exhibit NFI-1.

⁸² *Domestic Response* at 15-17.

⁸³ *Domestic Response* at 16, Exhibit NFI-2.

The record also indicates that subject producers remain export oriented. According to data from the Global Trade Atlas (“GTA”), in every year of the period of review, China was the world’s leading exporter of plywood and wood flooring products, a category that includes MLWF and out-of-scope products, accounting for approximately one-third of global exports of such products, by value, in 2021.⁸⁴ Exports of such products from China increased irregularly from \$5.2 billion in 2016 to \$5.8 billion in 2021, including a 38.1 percent increase between 2020 and 2021.⁸⁵

The information available also indicates that the U.S. market remains attractive to subject producers. Subject imports maintained a significant presence in the U.S. market throughout the period of review, despite the restraining effect of the orders, thereby retaining customers and ready distribution networks.⁸⁶ Indeed, GTA data indicate that the United States was the top destination market for exports of plywood, veneered panels, and similar laminated wood, a category that includes MLWF and out-of-scope products, from China in every year during the period of review except 2020, when the United States was China’s second leading export market for such products.⁸⁷ Additionally, MLWF from China is currently subject to antidumping duty orders in India, South Korea, Morocco, Turkey, and the European Union, which would make the U.S. market relatively more attractive to subject producers if the U.S. orders were revoked.⁸⁸

Given the foregoing, including the significant volume of subject imports during the original investigations, the continued significant presence of subject imports in the U.S. market during the period of review, the record information indicating that the Chinese industry has substantial capacity and remains export oriented, and the attractiveness of the U.S. market to

⁸⁴ CR/PR at Table I-11.

⁸⁵ CR/PR at Table I-11.

⁸⁶ CR/PR at Table I-6.

⁸⁷ CR/PR at Table I-9.

⁸⁸ CR/PR at Table I-10. The Indian order on veneered engineered wooden flooring was imposed on March 3, 2018 and includes a duty rate of \$0.56/square meter; the South Korean order on coniferous wood plywood was extended on November 6, 2020, and includes a duty margin rate of 5.33 to 7.15 percent; the South Korean order on plywood was extended on November 6, 2020, and includes a duty margin rate of 3.98 to 27.21 percent; the Moroccan order on plywood was extended on July 27, 2018, and includes a duty margin rate of 25 percent; the Turkish order on plywood consisting solely of sheets of wood, each ply not exceeding 6 mm thickness, was extended on May 22, 2018, and includes a duty rate of \$140/cubic meter; and the EU order on okoumé plywood was imposed on November 12, 2004, and includes a duty margin rate of 6.5 to 23.5 percent. *Id.*

subject producers, we find that the volume of subject imports would likely be significant if the orders were revoked.⁸⁹

D. Likely Price Effects of Subject Imports

1. Prior Proceedings

In the original investigations, the Commission found that given the moderate-to-high degree of substitutability between the subject imports from China and the domestic like product, competition in the U.S. market was based primarily on price. It further found that subject imports undersold the domestic like product in 60 out of 110 quarterly comparisons, or 54 percent of the time, at margins ranging from 1.5 to 36.4 percent.⁹⁰ The Commission rejected petitioners' argument that it should discard import prices where importers reported prices for products that were a different species than that identified in the pricing product, as the questionnaires indicated that firms could report data that were not identical to the pricing product but believed to compete with those products. The Commission also rejected respondents' argument that the pricing comparisons did not show significant underselling because subject imports oversold the domestic like product in red oak pricing products that involved the majority of the domestic industry's shipments. The Commission observed that the pricing data showed that the volume of subject imports for these products as a whole accounted for a relatively insignificant share of total imports of subject merchandise. It further observed that there was widespread underselling in non-red oak products, where there were higher volumes of subject imports and lower volumes of domestic shipments, emphasizing that underselling was particularly widespread for the high-value hand-scraped MLWF products for which demand was increasing.⁹¹

⁸⁹ The record of these expedited reviews does not contain information about inventories of the subject merchandise or the potential for product shifting. We recognize that responding purchasers *** reported that *** and that ***. CR/PR at D-3-4. We find that Section 301 duties would not prevent subject imports from being imported into the U.S. market in significant volumes if the orders were revoked. Although subject imports declined 70.0 percent from 2018 to 2019 after the imposition of Section 301 duties, such duties did not prevent subject imports from increasing irregularly by 41.5 percent from 2019 to 2021. *Id.* at Table I-6. Furthermore, Section 301 duties are unlikely to deter subject producers from maintaining or increasing their exports to the U.S. market after revocation in light of the large size and export volume of the Chinese industry and the attractiveness of the U.S. market.

⁹⁰ *Original Determinations*, USITC Pub. 4278 at 26-28. Pricing data reported by these firms accounted for approximately 40 percent of the domestic industry's U.S. shipments of MLWF and 14 percent of U.S. shipments of imports from subject producers in China in 2010. *Id.* at 27.

⁹¹ *Original Determinations*, USITC Pub. 4278 at 26-28.

The Commission recognized that the traditional quarterly pricing data were limited because they corresponded to very detailed product specifications, including species of the product's face. Given the record evidence of cross-species competition, the Commission concluded that the pricing product data did not present a full picture of competition, underselling, or other price effects in the U.S. market. Accordingly, the Commission considered other data in its underselling analysis. It declined to rely on aggregate average unit value ("AUV") data due to product mix concerns, but found other, more narrowly defined AUV data to be more probative. These supplemental data showed nearly universal underselling. Other record data also indicated that subject imports gained sales due to lower prices. Based on all this evidence, the Commission concluded that the underselling had been significant.⁹²

The Commission also found evidence that low-priced subject imports depressed prices of the domestic like product in the U.S. market. In particular, it found that domestic producers lowered their prices for hand-scraped MLWF products and that because demand was growing for those products, price declines were not related to lower demand or the economic downturn. The Commission also observed that confirmed lost revenue allegations further indicated that domestic producers had to lower their prices to compete with subject imports. In sum, the Commission found that the significant and growing volume of low-priced subject imports competed directly with the domestic like product and undersold the domestic like product at significant margins, causing the domestic industry to lose revenue and market share.⁹³

In the first five-year reviews, the Commission found that subject imports had undersold the domestic like product even under the discipline of the orders, with prices of subject imports from China below those of the domestic like product in 107 of 191 quarterly comparisons (involving 69.4 million square feet of MLWF imported from China). However, the Commission

⁹² *Original Determinations*, USITC Pub. 4278 at 28-30.

⁹³ *Original Determinations*, USITC Pub. 4278 at 30-31. On remand, after the CIT instructed the Commission to further explain its price effects finding, the Commission explained that it did not include in its original determinations a finding of significant price depression or a finding of significant price suppression because it found neither in reaching its affirmative determinations. It observed that under the statutory language, a lack of price suppression or price depression does not preclude a finding of adverse price effects based on underselling, nor does it preclude the Commission from making an affirmative determination where the significant underselling enabled subject imports to maintain a significant volume in the U.S. market or to increase significantly. The Commission further explained its price depression findings, clarifying that although it found evidence of price depression, it did not find "significant" price depression. It also addressed the dissenting Commissioners' finding that there was not significant price depression, observing that the dissenting Commissioners based their analysis solely on quarterly pricing data, while the Commission based its analysis on the quarterly pricing data as well as supplemental pricing data, purchaser questionnaire responses, and confirmed lost sales and revenue allegations. *Remand Determinations*, USITC Pub. 4430 at 14-23.

observed that the orders had some discipline on the pricing of subject imports, with purchasers reportedly decreasing their purchases from subject producers due to uncompetitive pricing and the AUVs of subject imports being higher than those of nonsubject imports from all sources.⁹⁴ Based on the likely significant volume of subject imports after revocation, the degree of substitutability between subject imports and the domestic like product, and the importance of price in purchasing decisions, the Commission found that subject producers would likely undersell the domestic like product to gain market share after revocation, as they did during the original investigations. The Commission found that the resulting pricing pressure from subject imports would cause the domestic industry to lose market share and/or depress or suppress prices for the domestic like product, thereby having adverse price effects.⁹⁵

2. The Current Reviews

As discussed in section III.B.3 above, we continue to find at least a moderate degree of substitutability between the domestic like product and subject imports and that price remains an important factor in purchasing decisions.

The record in these expedited reviews does not contain new product-specific pricing information. Based on the available information, including the significant underselling observed in the original investigations and prior reviews, the likely significant volume of subject imports, the degree of substitutability between the domestic like product and subject imports, the importance of price in purchasing decisions, and the attractiveness of the U.S. market to subject producers, we find that if the orders were revoked, significant volumes of subject imports would likely undersell the domestic like product, as during the original investigations. Absent the discipline of the orders, the significant volume of low-priced subject imports would likely force domestic producers to reduce their prices, forego needed price increases, or risk losing sales and market share to subject imports. Accordingly, we conclude that if the orders were revoked, subject imports would likely have significant price effects.

⁹⁴ *First Reviews*, USITC Pub. 4746 at 26-28.

⁹⁵ *First Reviews*, USITC Pub. 4746 at 26-28.

E. Likely Impact of Subject Imports⁹⁶

1. Prior Proceedings

In the original investigations, the Commission found that subject imports had a significant impact on the domestic industry during the period of investigation. It observed that almost all of the domestic industry's performance indicators declined significantly from 2008 to 2009 and that, although some performance factors improved from 2009 to 2010, they remained at lower levels than in 2008. In particular, the Commission found that market share, U.S. shipments, and net sales declined and that the domestic industry reduced capacity, produced less, and operated at relatively low capacity utilization rates. It further found that the domestic industry's financial condition was poor over the period of investigation and that any modest improvement in financial performance in interim 2011 was not mirrored in employment levels, which dropped consistently during the period of investigation.⁹⁷

The Commission also considered whether other factors may have had an impact on the domestic industry. In particular, the Commission found that MLWF maintained its share of the overall flooring market relative to other substitute products during the period of investigation. The Commission also considered the economic downturn and declining demand, but found that the domestic industry's poor performance preceded the decline in demand and that the domestic industry's loss in market share was not a function of declining demand. The Commission also found that improvements in the industry's indicators from 2009 to 2010 generally lagged behind the U.S. market's general recovery. It further observed that the improvement in the domestic industry's financial performance was due more to severe measures the domestic industry took to cut costs and reorganize rather than enhanced sales related to general economic recovery. Finally, the Commission observed that nonsubject imports declined overall during the investigation period, both in absolute and relative terms.⁹⁸

⁹⁶ In its expedited review of the countervailing duty order, Commerce determined that revocation of the order would result in the continuation or recurrence of countervailable subsidies, with estimated margins ranging from 1.90 to 43.96 percent. *Commerce CVD I&D Memorandum* at 16.

In its expedited review of the antidumping duty order, Commerce determined that revocation of the order would result in the continuation or recurrence of dumping, with margins ranging up to 25.62 percent. *Commerce AD I&D Memorandum* at 11.

⁹⁷ *Original Determinations*, USITC Pub. 4278 at 32-33.

⁹⁸ *Original Determinations*, USITC Pub. 4278 at 33-36. On remand, the CIT ordered the Commission to ensure that subject imports were the "but-for" cause of the injury. In its remand determinations, the Commission expanded its explanation of the causal nexus that it found in the original determinations and, in particular, addressed demand trends during the period of investigation and explained how, but for the unfairly traded subject imports, the domestic industry would have been (Continued...)

In the first five-year reviews, the Commission found that despite the domestic industry's significant growth since January 1, 2011, which resulted in overall increases in capacity, production, U.S. shipments, and end-of-period inventories, sustained financial gains had remained elusive for the industry, with operating and net losses during the latter part of the period of review. Given this, the Commission found that the domestic industry was in a vulnerable condition.⁹⁹

The Commission found that if the orders were revoked, subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time due to the likelihood of the domestic industry losing market share, revenues, or both as a result of increased volumes of low-priced subject imports.¹⁰⁰ Additionally, the Commission found that, notwithstanding the availability of low-priced nonsubject imports in the U.S. market, any gains in the subject imports' market penetration were likely to come at least in part at the expense of the domestic industry, while reduced subject import prices would likely place additional competitive pressure on the industry.¹⁰¹ Considering competition from substitute flooring products, the Commission found that the increased popularity of such products had not prevented demand for MLWF from increasing during the period of review and that the likely impact of subject imports would be distinguishable from that of substitute flooring products.¹⁰² Finally, the Commission found that the domestic industry was unlikely to be harmed by its own actions, such as importing subject merchandise or producing substitute products, because the industry was increasing domestic production of products that had previously been imported, which should reduce the volume of imports, and the market for MLWF was expected to grow, regardless of competition from substitute products.¹⁰³

2. The Current Reviews

The limited information available indicates that the domestic industry's performance was generally weaker in 2021 as compared to its performance in the final years examined in the original investigations and first reviews, although its financial performance improved.¹⁰⁴ We recognize, however, that the domestic industry's performance in these reviews reflects lower data coverage as compared to that in the prior proceedings. Specifically, as discussed above in Section I, responding domestic producers accounted for all domestic production of MLWF in

(...Continued)

better off both during the housing market collapse and the developing recovery that followed. *Remand Determinations*, USITC Pub. 4430 at 23-47.

⁹⁹ *First Reviews*, USITC Pub. 4746 at 30-31.

¹⁰⁰ *First Reviews*, USITC Pub. 4746 at 29-31.

¹⁰¹ *First Reviews*, USITC Pub. 4746 at 31.

¹⁰² *First Reviews*, USITC Pub. 4746 at 31.

¹⁰³ *First Reviews*, USITC Pub. 4746 at 32.

¹⁰⁴ CR/PR at Table I-5.

the original investigations and the vast majority of domestic production of MLWF in the first reviews, whereas responding domestic producers in these reviews accounted for approximately *** percent of domestic production of MLWF in 2021.¹⁰⁵

The domestic industry's capacity was *** units, which was lower than in the prior proceedings.¹⁰⁶ Its production and capacity utilization were also lower than in the prior proceedings, at *** units and *** percent, respectively.¹⁰⁷ The domestic industry's U.S. shipments, *** units were lower in 2021 than in the prior proceedings, even as demand had increased, as was its net sales value, at \$***.¹⁰⁸ On the other hand, the industry's operating income, at \$***, and operating income to net sales ratio, at *** percent, were both higher in 2021 than in the prior proceedings.¹⁰⁹ The limited information on this record, including the lower coverage of data available from the domestic industry as compared to prior proceedings, is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available in these reviews, we find that in the event of revocation of the orders, subject imports would likely undersell the domestic like product to a significant degree. Given the at least moderate degree of substitutability between the domestic like product and subject imports and the importance of price to purchasers, significant volumes of low-priced subject imports would likely capture sales and market share from the domestic industry and/or significantly depress or suppress prices for the domestic like product. The likely significant volume of subject imports and their adverse price effects would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than subject imports, including the presence of nonsubject imports. Nonsubject imports increased their presence in the U.S.

¹⁰⁵ CR/PR at I-15-16.

¹⁰⁶ CR/PR at Table I-5. The domestic industry's capacity was 325.7 million units in 2016 and 230.1 million units in 2010. *Id.*

¹⁰⁷ CR/PR at Table I-5. The domestic industry's production was 219.5 million units in 2016 and 136.6 million units in 2010. *Id.* Its capacity utilization was 67.4 percent in 2016 and 59.4 percent in 2010. *Id.*

¹⁰⁸ CR/PR at Table I-5. The domestic industry's U.S. shipments were 209.6 million units in 2016 and 133.8 million units in 2010. *Id.* Its net sales were \$213.1 million in 2016 and \$126.6 million in 2010. *Id.* The domestic industry's market share was 44.8 percent in 2016 and 43.6 percent in 2010. *Id.*

¹⁰⁹ CR/PR at Table I-5. The domestic industry's experienced operating losses of \$30.4 million in 2016 and \$21.3 million in 2010; its operating income to net sales ratio was negative 6.1 percent in 2016 and negative 6.5 percent in 2010. *Id.*

market since the last reviews, based on the available information, accounting for *** percent of apparent U.S. consumption in 2021.¹¹⁰ Nevertheless, the record provides no indication that the presence of nonsubject imports would prevent subject imports from entering the U.S. market in significant quantities after revocation of the orders, given the indications of substantial capacity and continued export orientation of subject producers and the attractiveness of the U.S. market. Given the at least moderate degree of substitutability between the subject imports and the domestic like product and the importance of price in purchasing decisions, we find it 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. For these reasons, we find that any effects of nonsubject imports would be distinct from the likely effects attributable to the subject imports.

In sum, we conclude that if the antidumping and countervailing duty orders on MLWF from China were revoked, subject imports 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 MLWF 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.

¹¹⁰ CR/PR at Table I-7. Nonsubject imports' market share was 23.3 percent in 2016 and 15.6 percent in 2010. *Id.* As discussed in section III.B.2 above, nonsubject import market share is likely overstated in these reviews relative to that in the prior proceedings because nonsubject import market share in 2021 is based upon official import statistics that likely include out-of-scope products, whereas nonsubject import market shares in 2016 and 2010 were based upon questionnaire responses. *See id.* at Table I-6, Note & Table I-7, Note.

Information obtained in these reviews

Background

On December 1, 2022, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on multilayered wood flooring (“MLWF”) 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 I-1 presents information relating to the background and schedule of this proceeding:

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

Effective date	Action
December 1, 2022	Notice of initiation by Commerce (87 FR 73757, December 1, 2022)
December 1, 2022	Notice of institution by Commission (87 FR 73784, December 1, 2022)
March 6, 2023	Commission’s vote on adequacy
March 31, 2023	Commerce’s results of its expedited reviews
June 16, 2023	Commission’s determinations and views

¹ 19 U.S.C. 1675(c).

² 87 FR 73784, December 1, 2022. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of the five-year reviews of the subject antidumping and countervailing duty orders. 87 FR 73757, December 1, 2022. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

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

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

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the American Manufacturers of Multilayered Wood Flooring (“AMMWF”), an ad-hoc association comprised of three domestic producers⁵ of MLWF (collectively referred to herein as “domestic interested parties”).

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

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

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	3	***%

Note: The U.S. producer coverage figure is the estimated share of total U.S. production of MLWF in 2021 accounted for by responding firms. The estimate was calculated as the quantity of reported production of the three responding firms (** square feet) divided by total U.S. production as reported by the AMMWF by all of its members. Domestic interested parties’ response to the notice of institution, January 3, 2023, pp. 22.

Party comments on adequacy

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

The original investigations

The original investigations resulted from petitions filed by the Coalition for American

⁵ The three domestic producers are AHF Products, LLC, Mohawk Industries, Inc., and Mullican Flooring, L.P. The fourth AMMWF member, Cahaba Veneer, is not a producer of the domestic like product. Ibid, pp. 1-2.

⁶ Domestic interested parties’ comments on adequacy, February 13, 2023, p. 1.

Hardwood Parity and its individual members⁷ on October 21, 2010, alleging that an industry in the United States was materially injured and threatened with material injury by reason of subsidized and less-than-fair-value (“LTFV”) imports of MLWF from China. Following notification of final determinations by Commerce that imports of MLWF from China were being subsidized and/or sold at LTFV, the Commission determined on December 1, 2011, that a domestic industry was materially injured by reason of subsidized and/or LTFV imports of MLWF from China.⁸ Commerce published the antidumping and countervailing duty orders on subject imports of MLWF from China on December 8, 2011.⁹

Subsequent proceedings

As the result of a 2012 appeal of the Commission’s affirmative determinations in the original investigations, the U.S. Court of International Trade (“CIT”) remanded four issues and affirmed all other aspects of the Commission’s determinations.¹⁰ The CIT directed the Commission on remand to (1) analyze and reconsider “its decision not to investigate domestic producers of hardwood plywood used for flooring”; (2) “make findings on the issue of price suppression/depression”; (3) “re-evaluate whether the subject imports were the ‘but-for’ cause of material injury to the domestic industry”; and (4) explain “the impact the subject imports had on the domestic industry in light of {the} collapse of the housing market during the period

⁷ At the time of the original investigations, the CAHP members included the following companies: Anderson Hardwood Floors, LLC, Fountain Inn, South Carolina; Award Hardwood Floors, Wausau, Wisconsin; From the Forest, Weston, Wisconsin; Howell Hardwood Flooring, Dothan, Alabama; Mannington Mills, Inc., Salem, New Jersey; Nydree Flooring, Forest, Virginia; and Shaw Industries Group, Inc., Dalton, Georgia. *Multilayered Wood Flooring from China, Inv. Nos. 701-TA-476 and 731-TA-1179 (Final)*, USITC Publication 4278, November 2011 (“Original publication”), p. I-1.

⁸ Original publication, p. 36. Chairman Deanna Tanner Okun and Commissioner Daniel R. Pearson dissented, determining that the domestic industry producing MLWF was neither materially injured nor threatened with material injury by reason of subject imports from China. *Ibid.*, p. 57.

⁹ *Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order*, 76 FR 76693, December 8, 2011; and *Multilayered Wood Flooring from the People's Republic of China: Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order*, 76 FR 76690, December 8, 2011.

¹⁰ *Swiff-Train Co. v. United States*, 904 F. Supp. 2d 1336 (Ct. Int’l Trade 2013) and *Multilayered Wood Flooring from China (Remand), Inv. Nos. 701-TA-476 and 731-TA-1179 (Remand)*, USITC Publication 4430, October 2013 (“Remand”), p. 3, fn. 3.

of investigation.” On remand, the Commission again determined that the domestic industry producing MLWF was materially injured by reason of subject imports from China.¹¹

The first five-year reviews

On February 6, 2017, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act. On March 6, 2017, Commerce determined that revocation of the countervailing duty order on MLWF from China would be likely to lead to continuation or recurrence of subsidization.¹² On March 9, 2017, Commerce determined that revocation of the antidumping duty order on MLWF from China would be likely to lead to continuation or recurrence of dumping.¹³ On December 13, 2017, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁴ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective January 3, 2018, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of MLWF from China.¹⁵

Previous and related investigations

The Commission has conducted a number of previous import relief investigations on wood-related products, including hardwood plywood or similar merchandise, as presented in table I-3.

¹¹ Remand p. 47. The Commission’s remand determinations were affirmed on judicial review. *Swiff-Train Co. v. United States*, 999 F. Supp. 2d 1334 (Ct. Int’l Trade 2014), *aff’d*, 793 F.3d 1355 (Fed. Cir. 2015).

¹² 82 FR 12555, March 6, 2017.

¹³ 82 FR 13092, March 9, 2017.

¹⁴ 82 FR 60214, December 19, 2017, and *Multilayered Wood Flooring from China*, Inv. No. 701-TA-476 and 731-TA-1179 (Review), USITC Publication 4746, December 2017 (“First Review publication”).

¹⁵ 83 FR 344, January 3, 2018.

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

Date	Number	Product/Country	ITC Original Determination	Current Status of Order
2017	701-TA-565	Hardwood plywood/China	Affirmative	Ongoing first review
2017	731-TA-1341	Hardwood plywood/China	Affirmative	Ongoing first review
2012	701-TA-490	Hardwood plywood/China	Negative	
2012	731-TA-1204	Hardwood plywood/China	Negative	

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

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

Note: Merchandise covered under the scope of the hardwood plywood investigations (Inv. Nos. 701-TA-565 and 731-TA-1341) may enter the United States under HTS statistical reporting numbers included in Commerce’s scope definition for this current MLWF proceeding.

Note: Hardwood plywood was also subject to a General Factfinding Section 332 investigation in 2007-08, Wood Flooring and Hardwood Plywood: Competitive Conditions Affecting the U.S. Industries (Inv. No. 332-487).

Commerce’s five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of MLWF from China with the intent of issuing the final results of these reviews based on the facts available not later than March 31, 2023.¹⁶ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <http://enforcement.trade.gov/frn/>. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping and countervailing duty orders on imports of MLWF from China are noted in the sections titled “The original investigations” and “U.S. imports,” if applicable.

¹⁶ Letter from Alex Villanueva, Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, January 25, 2023.

The product

Commerce's scope

Commerce has defined the scope as follows:

Multilayered wood flooring is composed of an assembly of two or more layers or plies of wood veneer(s)¹⁷ in combination with a core.¹⁸ The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is often referred to by other terms, e.g., “engineered wood flooring” or “plywood flooring.” Regardless of the particular terminology, all products that meet the description set forth herein are intended for inclusion within the definition of subject merchandise. All multilayered wood flooring is included within the definition of subject merchandise, without regard to: Dimension (overall thickness, thickness of face ply, thickness of back ply, thickness of core, and thickness of inner plies; width; and length); wood species used for the face, back, and inner veneers; core composition; and face grade. Multilayered wood flooring included within the definition of subject merchandise may be unfinished (i.e., without a finally finished surface to protect the face veneer from wear and tear) or “prefinished” (i.e., a coating applied to the face veneer, including, but not exclusively, oil or oil-modified or water-based polyurethanes, ultraviolet light cured polyurethanes, wax, epoxy-ester finishes, moisture cured urethanes and acid-curing formaldehyde finishes). The veneers may be also soaked in an acrylic impregnated finish. All multilayered wood flooring is included within the definition of subject merchandise regardless of whether the face (or back) of the product is smooth, wire brushed, distressed by any method or multiple methods, or hand-scraped. In addition, all multilayered wood flooring is included within the definition of subject merchandise regardless of whether or not it is manufactured with any

¹⁷ A “veneer” is a thin slice of wood, rotary cut, sliced or sawed from a log, bolt or flitch. Veneer is referred to as a ply when assembled.

¹⁸ Department of Commerce Interpretive Note: Commerce interprets this language to refer to wood flooring products with a minimum of three layers.

interlocking or connecting mechanism (for example, tongue-and-groove construction or locking joints). All multilayered wood flooring is included within the definition of the subject merchandise regardless of whether the product meets a particular industry or similar standard.

The core of multilayered wood flooring may be composed of a range of materials, including but not limited to hardwood or softwood veneer, particleboard, medium-density fiberboard, high-density fiberboard (HDF), stone and/or plastic composite, or strips of lumber placed edge-to-edge. Multilayered wood flooring products generally, but not exclusively, may be in the form of a strip, plank, or other geometrical patterns (e.g., circular, hexagonal). All multilayered wood flooring products are included within this definition regardless of the actual or nominal dimensions or form of the product. Specifically excluded from the scope are cork flooring and bamboo flooring, regardless of whether any of the sub-surface layers of either flooring are made from wood. Also excluded is laminate flooring. Laminate flooring consists of a top wear layer sheet not made of wood, a decorative paper layer, a core-layer of HDF, and a stabilizing bottom layer. Imports of the subject merchandise are provided for under the following subheadings of the Harmonized Tariff Schedule of the United States (HTSUS): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.4075; 4412.31.4080; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.0565; 4412.32.0570; 4412.32.2510; 4412.32.2520; 4412.32.2525; 4412.32.2530; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000;

4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600;
4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110;
4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150;
4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100;
4412.99.5105; 4412.99.5115; 4412.99.5710; 4412.99.6000;
4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500;
4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; and
9801.00.2500.

*While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.*¹⁹

U.S. tariff treatment²⁰

Multilayer wood flooring is currently provided for under subheadings 4412.31, 4412.32, 4412.33, and 4412.34 of the Harmonized Tariff Schedule of the United States (“HTS”).²¹ The merchandise subject to the review may also be provided for in HTS subheadings 4412.39, 4412.51, 4412.52, 4412.59, 4412.91, 4412.92, 4412.94, and 4412.99, depending on the particular composition and construction of the product (particularly the composition of the face veneer and the core).²² These tariff classifications contain other products outside the scope of the review.

The general rates of duty are “free” or 8 percent ad valorem for HTS subheadings 4412.31, 4412.51, 4412.52, 4412.91, and 4412.92. The general rates of duty are 5.1 percent or 8 percent ad valorem for HTS subheading 4412.34. The general rates of duty are free, 5.1 percent, or 8 percent ad valorem for HTS subheadings 4412.32 and 4412.33. The general rates of duty are free, 3.4 percent, 5.1 percent, or 8 percent ad valorem for HTS subheadings 4412.39, 4412.59, 4412.94, and 4412.99.²³ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

¹⁹ 83 FR 344, January 3, 2018.

²⁰ Unless otherwise noted, this information is based on First review publication, pp. I-17 – I-18.

²¹ HTS subheading 4412.32 was deleted and HTS subheadings 4412.33 and 4412.34 were added on October 1, 2018. HTSUS (2018) Revision 12, Publication 4825, September 2018.

²² HTS subheadings 4412.51, 4412.52, 4412.59, 4412.91, and 4412.92 were added; subheading 4412.94 was deleted; and subheading 4412.99 was modified (article description) on January 1, 2022. Harmonized Tariff Schedule of the United States (2022) Basic Edition, Publication 5277, January 2022.

²³ USITC, HTS (2022) Basic Revision 12, Publication 5394, November 2022, pp. 44-25 – 44-28.

Effective September 24, 2018, MLWF originating in China was subject to an additional 10 percent ad valorem duty that increased on May 10, 2019, to 25 percent ad valorem, under Section 301 of the Trade Act of 1974.²⁴

Description and uses²⁵

MLWF is a type of wood flooring product fabricated by using multiple layers of wood veneer or other kinds of wood materials. It can be composed of three to ten laminated wood layers or plies that include a core sandwiched between a back or bottom veneer layer and a face veneer surface of a desired wood species and finish.²⁶ While the core is typically composed of wood veneers, it may also be made of solid wood pieces or a composite wood such as medium- or high-density fiberboard (MDF or HDF). A wide range of MLWF is produced both domestically and abroad in terms of thicknesses, widths, species, and finishes.

Thicknesses of MLWF typically range from ¼ inch to ¾ inch with the most common thicknesses being ⅝ inch and ½ inch. The number of plies in domestically produced as well as imported MLWF varies. The majority of U.S.-manufactured MLWF is made using five plies because the automated manufacturing processes, the sizes of trees, and species used in the United States allow the use of thicker veneers.²⁷ However, some MLWF is constructed with as many as nine plies of veneers. Irrespective of the number of plies, veneer layers are glued with their grain in alternating directions to provide strength and durability to the product. The surface or face veneer is referred to as the “wear” layer and generally varies from one millimeter (0.04 inches) to 6.35 millimeters (0.25 inches) in thickness.²⁸ The thicker the face

²⁴ 83 FR 47974, September 21, 2018, and 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, HTS (2022) Revision 12, USITC Publication 5394, November 2022, pp. 99-III-26, 99-III-27, and 99-III-39.

²⁵ Unless otherwise noted, this information is based on First review publication, pp. I-18 – I-20.

²⁶ The industry generally uses between two to ten plies to construct MLWF. Commerce has defined the scope to include wood flooring products with a minimum of three layers. *Multilayered Wood Flooring from the People’s Republic of China: Final Clarification of the Scope of the Antidumping and Countervailing Duty Orders*, 82 FR 27799, June 19, 2017.

²⁷ In the original investigations, petitioners argued that Chinese manufacturers use thinner veneers and more plies because they use smaller diameter logs of species that must be pressed at lower temperatures. In contrast, respondents noted that more plies require additional handling and processing. Original publication, p. I-8.

²⁸ Elliot, Lynn, *Old House Online*, “Hardwood vs. Engineered Flooring,” <https://www.oldhouseonline.com/interiors-and-decor/hardwood-vs-engineered-flooring/>, June 17, 2021; Bernstein, Fred A.; *New York Times*, “Engineered Floors Are Getting Serious,”

(continued...)

veneer, the greater the surface durability. However, technology has advanced to enable production of MLWF using a very thin face veneer or wear layer with impregnated resins and finishes to enhance durability.²⁹

MLWF generally can be installed in the same way as the solid product. However, unlike solid wood flooring, which typically can only be installed by nailing over a wood underlayment, certain types of MLWF can be glued directly onto a concrete substrate or installed using a glueless click and lock system. MLWF tends to be more stable than solid wood flooring so it can be installed below grade or in areas with high humidity where solid wood flooring is not typically suitable.³⁰

While standard 19.05 millimeter ($\frac{3}{4}$ inch) thick solid wood flooring with a 7.9 millimeter (5/16 inch) top wear layer can be refinished up to seven times, the thinner wear layers in MLWF reduce or preclude refinishing.³¹ A thinner wood flooring product such as MLWF may be more suitable than using solid wood flooring in a remodel because, for example, doors might otherwise have to be trimmed to fit thicker flooring.³²

MLWF generally is produced and sold in strips, planks, or geometric patterns such as parquet flooring. Typically, MLWF is sold in lengths of 42 to 58 inches with widths ranging from 2¼ to 8 inches, but it is also available in longer lengths and wider dimensions. Recent market trends have been moving toward using ultra-wide and ultra-long planks, matte finishes, and lighter and natural wood colors.³³

MLWF is most often sold as a pre-finished product. This lends itself for use as a design element in remodeling projects where consumers may prefer to avoid dust and finishing odors.

(...continued)

<https://www.nytimes.com/2011/09/29/garden/engineered-floors-are-getting-serious.html>, September 28, 2011.

²⁹ Ryan, Ken, *Floor Covering News*, "Hardwood flooring finishes deliver aesthetics, durability," <https://www.fcnews.net/2015/09/hardwood-flooring-finishes-deliver-aesthetics-durability/>, August 31/September 7, 2015; Volume 30, Issue 6.

³⁰ Elliot, Lynn, *Old House Online*, "Hardwood vs. Engineered Flooring," <https://www.oldhouseonline.com/interiors-and-decor/hardwood-vs-engineered-flooring/>, June 17, 2021.

³¹ MLWF with thicker (three millimeter-plus) wear layers can be sanded two or more times and MLWF with thinner wear layers (less than two millimeters) cannot be refinished.

³² Tucker, Reginald, *Floor Covering News*, "Wood: New Engineered Platforms Provide Momentum," <https://reader.mediawiremobile.com/FloorCoveringNews/issues/201416/viewer?page=27>, June 26, 2017, Volume 32, Issue 1.

³³ *Research and Markets*, "Global Wood Flooring Market Report 2021-2026," <https://www.globenewswire.com/en/news-release/2021/10/08/2311007/28124/en/Global-Wood-Flooring-Market-Report-2021-2026.html>, October 8, 2021.

However, MLWF is also widely used in new construction. The rustic, aged, and weathered textures of hand-scraped and wire-brushed surfaces make scratches and dents part of the appearance. Color is added to these and to smooth finishes using several stain technologies such as water, alcohol, and oil stains, as well as “reactive” products that are designed to react with the wood species’ natural tannins. Cerused—or limed—finishes use a technique that layers multiple colors on top of each other.³⁴

Following a strong downturn reflecting the COVID-19 pandemic, flooring demand picked up significantly in early 2021 as businesses reopened during continued fiscal stimulus and low interest rates. Industry sources credit the pandemic with marked changes in lifestyle—such as home remodeling as Americans spent more time at home—that increased residential demand. Gains in the residential market and depressed non-residential spending caused commercial sales to lose share. Sales slowed late in 2021 as the increased demand competed with the ending of government pandemic stimulus spending, higher interest rates, supply chain issues, and increased prices. However, the slowing was insufficient to wipe out the earlier gains.³⁵

Over the last five years (2017-21), U.S. flooring industry sales have increased 32.5 percent, by value.³⁶ By volume, 2021 U.S. floor coverings sales exceeded the demand levels before the 2008 housing bust.

U.S. hardwood flooring (solid flooring and MLWF) sales increased 24.7 percent in 2021 to \$4.4 billion from \$3.5 billion in 2017.³⁷ Sales relied on the home builder and remodeling markets as manufacturer prices increased significantly, passing through increased (labor,

³⁴ The cerused finish process uses multiple layers of color; the initial color coat is followed by at least one additional coat of a contrasting or complementary color. This process can be costly because more drying time and labor is needed than applying one color.

³⁵ *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, pp. 6 and 8.

³⁶ U.S. sales of flooring in 2020 were at their lowest during this period. *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, Chart 1, page 6; *Floor Covering Weekly*, “Statistical Report 2020,” <https://bt.editionsbyfry.com/publication/?i=716283>, July 26, 2021, Chart 1, page 10; *Floor Covering Weekly*, “Statistical Report 2019,” <https://bt.editionsbyfry.com/publication/?i=667949>, July 27, 2020, Chart 1, page 6; *Floor Covering Weekly*, “Statistical Report 2018,” <https://bt.editionsbyfry.com/publication/?m=&l=1&i=603965&p=0&ver=html5>, July 22, 2019, Chart 1, page 8; *Floor Covering Weekly*, “Statistical Report 2017,” <https://bt.editionsbyfry.com/publication/?m=&l=1&i=513500&p=0&ver=html5>, July 23, 2018, Chart 1, page 8.

³⁷ *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, Chart 1, p. 6 and *Floor Covering Weekly*, “Statistical Report 2017,” <https://bt.editionsbyfry.com/publication/?m=&l=1&i=513500&p=0&ver=html5>, July 23, 2018, Chart 1, page 8.

material, and transportation) costs to consumers.³⁸ In addition to COVID-related impacts, the Russian war in Ukraine is also causing supply-chain disruptions, as Russian wood accounts for about 10-percent of global hardwood plywood.³⁹

The residential market accounts for the vast majority of the total U.S. market, but MLWF is also used in commercial applications. Over the last five years (2017-21), the residential sector accounted for an increasing share of the hardwood market. In 2017, residential sales were 75.9 percent and by 2021, the residential sector had increased to 80.4 percent of hardwood flooring end-use market.⁴⁰

Within the residential market, historically, the product is used in roughly equal volumes in new construction and for remodeling, although the actual market share of each fluctuates with the strength of activity in each market. In 2017, residential replacements accounted for 51.6 percent of total hardwood flooring sales (solid flooring and MLWF). The 2021 industry data indicate that residential replacements accounted for 49.3 percent of total hardwood flooring sales, while new construction accounted for 31.0 percent (up from 27.4 percent in 2017) of the residential market.⁴¹ Industry reports indicate that engineered wood flooring accounts for a greater share of the wood flooring market, as compared to solid hardwood flooring.⁴²

³⁸ *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, p. 6.

³⁹ Helm, Darius. *Floor Daily*, “Hardwood Flooring Reports: Hardwood flooring tackles supply chain issues and labor shortages – April 22,” <https://www.floordaily.net/floorfocus/hardwood-flooring-report-hardwood-flooring-tackles-supply-chain-issues-and-labor-shortages->, accessed December 23, 2022; *Floor Covering News*, “Hardwood: States of the Industry 2022,” <https://www.fcnews.net/2022/04/hardwood-state-of-the-industry-2022/>, April 3, 2022, accessed December 23, 2022.

⁴⁰ *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, Chart 16, p. 22; *Floor Covering Weekly*, “Statistical Report 2017,” <https://bt.editionsbyfry.com/publication/?m=&l=1&i=513500&p=0&ver=html5>, July 23, 2018, Chart 3, page 18.

⁴¹ *Floor Covering Weekly*, “Statistical Report 2021,” <https://bt.editionsbyfry.com/publication/?i=755005>, July 25, 2022, Chart 16, p. 22. *Floor Covering Weekly*, “Statistical Report 2017,” <https://bt.editionsbyfry.com/publication/?m=&l=1&i=513500&p=0&ver=html5>, July 23, 2018, Chart 3, page 18. The calculation is based on proportions of total end uses represented within the residential market only.

⁴² The solid wood segment accounts for 37-percent of the wood floor market. *Research and Markets*, “Global Wood Flooring Market Report 2021-2026,” <https://www.globenewswire.com/en/news-release/2021/10/08/2311007/28124/en/Global-Wood-Flooring-Market-Report-2021-2026.html>, October 8, 2021.

Manufacturing process⁴³

The production of MLWF typically begins with veneers that have been peeled or sliced from debarked logs, flitches, or lumber, sorted and graded for quality, and dried. MLWF is highly resource efficient. On average, peeling a log for MLWF results in an 80 percent yield.⁴⁴ In contrast, solid wood flooring yields only 20 percent from each log.⁴⁵ The balance of the log not used for flooring is used for other products, including wood chips for pulp and energy. Veneer used in the manufacture of MLWF is a thin sheet of wood removed from a log by one of several processes, including rotary cuts and several slicing techniques. Most wood veneer is the result of rotary cuts. Rotary cutting involves a log rotated against a knife in a lathe. The veneer comes off the log similar to removing paper towels from a roll. Rotary cutting produces a variegated grain pattern, yields the most veneer per log, and is generally the least expensive of wood veneers.⁴⁶

Slicing yields less veneer per log, but results in a more distinct repeating pattern—the cathedral and straight grain patterns—and is more desirable. Plain slicing involves a flitch, half or quarter log loaded into a machine with the widest and flattest side pushed against the slicer, cutting along the growth rings. The slicer then raises and lowers the flitch or log on a diagonal angle, cut by a stationary knife. The plain sliced method is the most common, offers the highest yield of the slicing methods and is the least expensive. The quarter sliced method is similar; however, it cuts perpendicular to the growth rings, producing a straight grain appearance. The yield is lower per log than plain slicing and is thus more expensive. Another method, rift cutting, is usually only done on red and white oak to minimize flaking in the appearance of the straight grains. The knife cuts in a 15-degree angle to the radius of the quarter log. It is the most expensive cutting method because it yields the least veneer per log.

Once peeled or sliced, the veneers are stacked with the grain of each layer perpendicular to the next and glued under high pressure.⁴⁷ To ensure stability, core layers must

⁴³ Unless otherwise noted, this information is based on Review publication, pp. I-20 – I-22.

⁴⁴ The top layer of MLWF is thinner; a log that would produce a single solid floorboard can yield multiple engineered boards.

⁴⁵ Original publication, p. I-9.

⁴⁶ HPVA, “Hardwood Plywood Handbook,” <https://www.decorativehardwoods.org/sites/default/files/2022-02/HWPW%20Handbook.pdf>, 2004, pp. 8-11.

⁴⁷ This requires a press used by most MLWF producers in conjunction with additional steps in producing MLWF (called a press line). Most press lines require additional components, such as layup
(continued...)

be uniform in moisture content, and must be of a species and quality that allow for even expansion and contraction. Some MLWF uses a core layer of composite wood material or strips of lumber instead of veneer.⁴⁸ Either U.S. producers purchase raw logs and peel veneer for use in the MLWF core and/or wear layer, or they purchase the core hardwood plywood and/or veneer from other unrelated manufacturers and produce the finished product from those materials. The face veneer for MLWF is selected based upon marketing considerations and consumer preferences. Face veneers are typically of high quality with few or no defects, but grades of flooring can vary depending on the quality of the veneer. During several stages of the manufacturing process, defects in the veneers and/or core plywood are removed or repaired. The glues used to make MLWF have moved to soy-based and other alternatives to those made with urea-formaldehyde.⁴⁹ Once glue is applied, the wood layers are made into a panel using a heated press. The panels are sanded and cut to the desired strip or plank width.

Next, the edges of the planks or strips are shaped with a tongue and groove to facilitate installation. The tongue and groove profile permits expansion and contraction of the wood flooring once installed. Some manufacturers incorporate a click and lock system so that the MLFW can be installed without glue or nails as a “floating” floor. If the MLWF flooring is to be finished prior to installation (as most is), the edges of the surface are slightly beveled to hide any differences in thicknesses between planks where the planks connect to each other. The final stage of the manufacturing process involves finishing. Unless the natural color of the face veneer is preferred, a stain is applied. Flooring with hand-scraped or distressed appearance that emulates the texture of an older, worn hardwood floor has been popular, but is expected to

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stations and glue spreaders. Installation of the press line is an additional expense and can cost more than the press itself.

⁴⁸ For example, hardwood plywood cores offer more resistance to shrinkage and expansion with changes in weather than solid wood products, whereas HDF cores, made from synthetic material, offer greater moisture resistance and guard the product from shrinking and cupping.

⁴⁹ The California Air Resource Board (“CARB”) enacted state rules to regulate formaldehyde emissions on products sold in California. In addition, the U.S. Environmental Protection Agency finalized a rule that is similar to the California “Phase 2” formaldehyde emission standards for certain wood products. The EPA has amended the final rule, effective August 13, 2020, to improve compliance and implementation. *National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products Residual Rise and Technology Review*, 85 FR 40434, <https://www.govinfo.gov/content/pkg/FR-2020-08-13/pdf/2020-12725.pdf>, August 13, 2020 and 85 FR 51668, <https://www.govinfo.gov/content/pkg/FR-2020-08-21/pdf/C1-2020-12725.pdf>, August 21, 2020. For additional information, see U.S. Environmental Protection Agency, “Plywood and Composite Wood Products Manufacture: National Emission Standards for Hazardous Air Pollutants,” <https://www.epa.gov/stationary-sources-air-pollution/plywood-and-composite-wood-products-manufacture-national-emission>, April 7, 2022.

lose popularity in coming years.⁵⁰ To achieve this look, the flooring is textured prior to finishing. Generally, the wear layers on the top of the MLWF are too thin to manually scrape and this look is replicated in the factory.⁵¹ Some manufacturers have machines to apply the hand-scraped or similar texture, which can be randomly placed, to accurately replicate a time worn look. Whether smooth or hand-scraped, a high durability finish is applied to the face veneer of pre-finished flooring.

Most manufacturers add aluminum oxide to water-based urethane finishes that result in a durable, abrasion-resistant surface. Impregnated acrylic resin⁵² or other hard-surface preparations are also used by some manufacturers. In the final step, the product is packaged (boxed) and sold. The basic manufacturing process for MLWF is similar for both imported and domestic MLWF.

The industry in the United States

U.S. producers

During the original investigations, 12 firms supplied the Commission with information on their U.S. operations with respect to MLWF. These firms accounted for nearly all known U.S. production of MLWF in 2010.⁵³

⁵⁰ Trends are expected to change from hand-scraped flooring to smoother and natural wood appearances. Gayton, Shannon and Lauren White, *Hardwood Floors Magazine*, “2022 Industry Outlook – Cautiously Preparing for Growth, Expansion in 2022,” <https://hardwoodfloorsmag.com/2021/11/01/2022-industry-outlook-cautiously-preparing-for-growth-expansion-in-2022/>, November 1, 2021.

⁵¹ Domestic interested parties stated that some domestically produced flooring is scraped by hand and some by machine, hearing transcript, p. 201 (Levin). In contrast, respondent interested parties stated that the distressed finishes of domestic producers are normally produced by machine, while the Chinese distressed finishes are normally done by hand. Alliance posthearing brief, p. 5.

⁵² The wear layer wood is infused with stain and a liquid acrylic replacing moisture through a high-pressure technique. This process allows the color to permeate the top layer and this color is retained through high-traffic wear. This type of flooring is durable and easier to maintain than other surfaces, but since the color is infused, the flooring cannot be refinished.

⁵³ The 12 U.S. producers that supplied the Commission with usable questionnaire information during the original investigations were: Anderson Hardwood Floors, LLC (“Anderson”); Armstrong World Industries, Inc. (“Armstrong”); Award Hardwood Floors (“Award”); Colonial Craft; From the Forest; Home Legend Manufacturing (“Home Legend”); Mannington Mills, Inc. (“Mannington”); Mohawk Industries, Inc. (“Mohawk”); Nydree Flooring (“Nydree”); QEP Comp., Inc. (“QEP”); Shaw Industries Group, Inc. (“Shaw”), and U.S. Floors, Inc. (“U.S. Floors”). Original publication, p. I-13 and table III-1.

During the first five-year reviews, the Commission received 11 U.S. producers' questionnaires. These firms accounted for the vast majority of U.S. production of MLWF in 2016.⁵⁴

In response to the Commission's notice of institution in these current reviews, domestic interested parties provided a list of 11 (additional, for a total of 14) known and currently operating U.S. producers of MLWF. The three firms providing U.S. industry data in response to the Commission's notice of institution accounted for approximately *** percent of production of MLWF in the United States during 2021.⁵⁵

Recent developments

Table I-4 presents developments in the U.S. industry since the Commission's last five-year review.⁵⁶

Table I-4
Multilayered Wood Flooring: Developments in the U.S. industry

Item	Firm	Event
Innovation Partnership	American OEM	In fall 2018, American OEM announced a partnership with Seoul-based NOX Vinyl—a global leader in vinyl flooring—to develop new flooring products.
Product Line Introduction	Mullican Flooring	In November 2018, Mullican Flooring introduced a new carbonized collection within its engineered wood flooring line. Using a heat-treating technique, the firm produces wood with unique color variation.
Plant opening-Expansion	Creative Flooring Solutions (CFL)	In June 2020, CFL announced a \$70 million investment in a new manufacturing plant in Calhoun, Georgia which is set to create 300 jobs.
Acquisition	AHF Products/ American OEM	On August 16, 2021, AHF Products announced its acquisition of the assets of American OEM, a producer of engineered hardwood products with a manufacturing plant in Only, Tennessee. The terms of the acquisition were not disclosed.
Expansion	Boise Cascade	In January 2022, Boise Cascade announced expansion of distribution operations in Minnesota and Northern Kentucky following the November 2021 announcement of construction of a new distribution center in Marion, Ohio

⁵⁴ First review publication, p. I-29.

⁵⁵ Domestic interested parties' response to the notice of institution, January 3, 2023, exh. NF-1.

⁵⁶ For developments, if any, in tariff treatment, please see "U.S. tariff treatment" section.

Acquisition	Bauwerk Group AG/ Somerset Hardwood Flooring (SHF)	Effective May 1, 2022, Switzerland-based Bauwerk Group AG acquired Kentucky-based SHF. While known for hardwood flooring, SHF began domestic production of MLWF in 2012. Somerset produces in Somerset, Kentucky and Crossville, Tennessee.
Bankruptcy	Armstrong Flooring	On May 8, 2022, Armstrong and three subsidiaries filed for bankruptcy, citing persistent supply chain challenges and pandemic-related issues.
Acquisition	AHF Products/ Armstrong Flooring	In July 2022, AHF Products and Gordon Brothers acquired the North American assets of Armstrong Flooring, including its brand name and three manufacturing plants in Lancaster and Beech Creek, Pennsylvania and Kankakee, Illinois in a deal reported to be \$107 million. Armstrong operations continued as usual in North America following the acquisition.
Plant Closure	AHF Products	On September 1, 2022, AHF Products announced that it will cease production at its Titusville, Pennsylvania plant, moving its manufacturing operations of solid and engineered wood flooring to its facilities in Beverly, West Virginia, Somerset, Kentucky, and Only, Tennessee. Production at Titusville stopped on October 30.

Sources: *Hearthwood Floors*, "A New Innovative Collaboration Between American OEM Wood & The NOX Corporation," <https://www.hearthwoodfloors.com/flooring-trends/a-new-innovative-collaboration-between-american-oem-wood-and-the-nox-corporation/>, November 5, 2018. *Mullican Flooring*, Mullican Flooring Introduces Wexford Kiln-Aged, Expands Engineered Product Line, <https://www.mullicanflooring.com/Company/News/Mullican-Flooring-Introduces-Wexford-Kiln-Aged-Ex?sort=0>, November 2018. *American Industrial Partners*, "AHF Products Will Acquire LM Flooring, a leading global Engineered Wood manufacturer," <https://americanindustrial.com/ahf-products-will-acquire-lm-flooring-a-leading-global-engineered-wood-manufacturer/>, May 22, 2019. Dalheim, Robert, *Woodworking Industry News*, "Another Chinese flooring firm invests big in Georgia," <https://www.woodworkingnetwork.com/news/woodworking-industry-news/another-chinese-flooring-firm-invests-big-georgia-300-jobs-created>, June 29, 2020. *Floor Covering News*, "AHF Products acquires American OEM Assets", <https://www.fcnews.net/2021/08/ahf-products-acquires-american-oem/>, August 16, 2021. *Boise Cascade*, "Boise Cascade expands in Minnesota and Northern Kentucky," <https://www.bc.com/boise-cascade-expands-in-minnesota-and-northern-kentucky/>, January 4, 2022. *Resolute Forest Products*, "Resolute Acquires Louisiana-Pacific's 50% Equity Interest," <https://resolutefp.mediaroom.com/2022-03-04-Resolute-Acquires-Louisiana-Pacific-50-Equity-Interest-in-Resolute-LP-Engineered-Wood-Partnership>, March 4, 2022. *Floor Daily*, "Bauwerk Group Acquires Somerset Hardwood", <https://www.floordaily.net/flooring-news/bauwerk-group-boen-acquires-somerset-hardwood>, May 2, 2022. Koenig, Karen, *Woodworking Network*, "Armstrong Flooring files for Chapter 11 bankruptcy," <https://www.woodworkingnetwork.com/news/woodworking-industry-news/armstrong-flooring-files-chapter-11-bankruptcy>, May 9, 2022. Ryan, Ken, *Floor Covering News*, "Armstrong Flooring to sell assets to AHF, Gordon Brothers," <https://www.fcnews.net/2022/07/armstrong-flooring-to-sell-na-assets-to-ahf-gordon-brothers/>, July 11, 2022. Urie, Daniel, *PennLive*, "AHF Products closes on deal to purchase Armstrong Flooring's North American assets," <https://www.pennlive.com/news/2022/07/ahf-products-closes-on-deal-to-purchase-armstrong-floorings-north-american-assets.html>, July 27, 2022. Adams, Larry, *Woodworking Network*, "AHF Products to close plant and shift production," <https://www.woodworkingnetwork.com/news/woodworking-industry-news/ahf-products-close-plant-and-shift-production>, September 1, 2022.

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.⁵⁷ Table I-5 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

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

Quantity in 1,000 square feet; value in 1,000 dollars; unit value in dollars per square foot; ratio is in percent

Item	Measure	2010	2016	2021
Capacity	Quantity	230,125	325,701	***
Production	Quantity	136,639	219,548	***
Capacity utilization	Ratio	59.4	67.4	***
U.S. shipments	Quantity	133,839	209,615	***
U.S. shipments	Value	341,140	465,779	***
U.S. shipments	Unit value	\$2.55	\$2.22	***
Net sales	Value	126,640	213,147	***
COGS	Value	282,478	463,690	***
COGS to net sales	Ratio	86.8	92.6	***
Gross profit or (loss)	Value	43,003	37,272	***
SG&A expenses	Value	64,316	67,667	***
Operating income or (loss)	Value	(21,313)	(30,395)	***
Operating income or (loss) to net sales	Ratio	(6.5)	(6.1)	***

Source: For the years 2010 and 2016, data are compiled using data submitted in the Commission's original investigations and first five-year reviews. For the year 2021, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, January 3, 2023, Exhibit 1.

Note: For a discussion of data coverage, please see "U.S. producers" section. For the year 2021, the data were provided by three firms AHF Products, LLC, Mohawk Industries, Inc., and Mullican Flooring, L.P. The domestic interested parties ***.

⁵⁷ Individual company trade and financial data are presented in app. B.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.⁵⁸

In its original determinations and its full first five-year review determinations, the Commission defined a single domestic like product as MLWF, coextensive with Commerce’s scope.⁵⁹

In its original determinations, the Commission defined the domestic industry as all U.S. producers of MLWF.⁶⁰ The Commission also found that U.S. Floors merely engaged in finishing operations and did not perform sufficient production-related activities to warrant inclusion in the domestic industry.⁶¹ In its full first five-year review determinations, the Commission defined the domestic industry as all domestic producers of MLWF.⁶²

U.S. importers

In the original investigations, 65 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of MLWF, accounting for the majority of U.S. imports of MLWF during 2010.⁶³ During the first five-year reviews, the Commission received U.S. importer questionnaires from 48 firms, which accounted for the majority of subject U.S. imports of MLWF from China during 2016.⁶⁴ Import data presented in the original investigations and first reviews are based on questionnaire responses.

⁵⁸ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁵⁹ Original publication, p. 7, and first review publication, p. 8.

⁶⁰ Original publication, p. 12.

⁶¹ Original publication, pp. 8-10.

⁶² First review publication, p. 11.

⁶³ Original publication, p. I-13.

⁶⁴ First review publication, p. IV-1.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 192 potential U.S. importers of MLWF.^{65 66}

U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports from China, Canada, and all other sources.⁶⁷

⁶⁵ Domestic interested parties' response to the notice of institution, January 3, 2023, exh. 1.

⁶⁶ The list of possible U.S. importers submitted by domestic interested parties likely overstates the actual number of U.S. importers of MLWF because it includes numerous freight forwarding and logistics firms as well as a number of duplicate entities. Domestic interested parties' response to the notice of institution, January 3, 2023, exh. 1.

⁶⁷ In the first five-year reviews, Chinese nonsubject imports (based on quantity) accounted for between 7.9 percent to 23.3 percent of all imports during 2011-2016. In 2014, Chinese nonsubject imports were designated as such based on the amended antidumping duty determinations by Commerce to be de minimis for two firms; Zhejiang Layo Wood Industry Co., Ltd and the Samling Group, which excluded their imports from the antidumping and countervailing duty orders. First review publication, p. I-4.

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

Quantity in 1,000 square feet; value in 1,000 dollars; unit value in dollars per square foot

U.S. imports from	Measure	2017	2018	2019	2020	2021
China	Quantity	315,981	757,835	227,076	213,578	321,426
Canada	Quantity	395,994	450,145	420,581	390,058	436,180
All other sources	Quantity	1,197,022	1,462,375	1,431,799	1,692,473	1,834,087
All import sources	Quantity	1,908,947	2,670,354	2,079,456	2,296,109	2,591,694
China	Value	164,966	405,439	115,579	93,627	150,930
Canada	Value	198,130	216,083	209,427	215,142	341,060
All other sources	Value	471,864	660,019	558,217	671,241	1,138,724
All import sources	Value	834,960	1,281,540	883,223	980,010	1,630,714
China	Unit value	\$0.52	\$0.53	\$0.51	\$0.44	\$0.47
Canada	Unit Value	\$0.50	\$0.48	\$0.50	\$0.55	\$0.78
All other sources	Unit value	\$0.42	\$0.46	\$0.41	\$0.43	\$0.65
All import sources	Unit value	\$0.44	\$0.48	\$0.42	\$0.43	\$0.63

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 4412391000, 4412393000, 4412394012, 4412394019, 4412394031, 4412394032, 4412394039, 4412394051, 4412394052, 4412394059, 4412394061, 4412394062, 4412394069, 4412395010, 4412395030, 4412395050, 4412941030, 4412941050, 4412943105, 4412943121, 4412944100, 4412945100, 4412946000, 4412947000, 4412948000, 4412949000, 4412949500, 4412990600, 4412991020, 4412991030, 4412991040, 4412993120, 4412993140, 4412993150, 4412993160, 4412993170, 4412994100, 4412995710, 4412996000, 4412997000, 4412998000, 4412999000, 4412999500, accessed February 9, 2023.

Note. --These data may be overstated as HTS statistical reporting numbers 4412941030, 4412941050, 4412943105, 4412943121, 4412944100, 4412945100, 4412946000, 4412947000, 4412948000, 4412949000, 4412949500 may contain products outside the scope of these reviews.

Note. — In the first reviews, nonsubject sources import data included imports from nonsubject producers in China (classified as China nonsubject) and imports from all other sources. In these reviews, there is no distinction between imports from nonsubject producers in China and imports from all other nonsubject sources.

Apparent U.S. consumption and market shares

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

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

Quantity in 1,000 square feet; value in 1,000 dollars; shares in percent

Source	Measure	2010 ¹	2016 ¹	2021
U.S. producers	Quantity	133,839	209,615	***
China	Quantity	125,366	149,074	321,426
Canada	Quantity	---	---	436,180
All other sources ²	Quantity	47,948	108,780	1,834,087
All import sources	Quantity	173,314	257,854	2,591,694
Apparent U.S. consumption	Quantity	307,152	467,469	***
U.S. producers	Value	341,130	465,779	***
China	Value	326,981	411,631	150,930
Canada	Value	---	---	341,060
All other sources	Value	115,785	293,888	1,138,724
All import sources	Value	442,766	705,519	1,630,714
Apparent U.S. consumption	Value	783,896	1,171,298	***
U.S. producers	Share of quantity	43.6	44.8	***
China	Share of quantity	40.8	31.9	***
Canada	Share of quantity	---	---	***
All other sources	Share of quantity	15.6	23.3	***
All import sources	Share of quantity	56.4	55.5	***
U.S. producers	Share of value	43.5	39.8	***
China	Share of value	41.7	35.1	***
Canada	Share of value	---	---	***
All other sources	Share of value	14.8	25.1	***
All import sources	Share of value	56.5	60.2	***

¹ In the original investigations (2010) and first five-year reviews (2016), the Commission relied on data submitted in response to its questionnaires rather than official U.S. import statistics.

² In the first five-year reviews (2016), MLWF imports from nonsubject sources included imports from nonsubject producers in China and imports from all other sources. In the original investigations (2010) and first five-year reviews (2016), MLWF imports from Canada were based on questionnaire data (and are unavailable), while in these reviews (2021) are based on official import statistics.

Table I-7--Continued

MLWF: Apparent U.S. consumption and market shares, by source and period

Source: For the years 2010 and 2016, data are compiled using data submitted in the Commission's original investigations and the first five-year reviews. For the year 2021, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 4412391000, 4412393000, 4412394012, 4412394019, 4412394031, 4412394032, 4412394039, 4412394051, 4412394052, 4412394059, 4412394061, 4412394062, 4412394069, 4412395010, 4412395030, 4412395050, 4412941030, 4412941050, 4412943105, 4412943121, 4412944100, 4412945100, 4412946000, 4412947000, 4412948000, 4412949000, 4412949500, 4412990600, 4412991020, 4412991030, 4412991040, 4412993120, 4412993140, 4412993150, 4412993160, 4412993170, 4412994100, 4412995710, 4412996000, 4412997000, 4412998000, 4412999000, 4412999500, accessed February 9, 2023.

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

Note: For 2010 and 2016, apparent U.S. consumption is derived from U.S. shipments of imports, rather than U.S. imports based on official import statistics.

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 received foreign producer/exporter questionnaires from 52 firms, which accounted for the majority of production of MLWF in China during 2010, and the vast majority of MLWF exports from China to the United States during 2010.⁶⁸ During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from 11 firms, which accounted for less than 12.2 percent of production of MLWF in China during 2016, and approximately 9.6 percent of MLWF exports from China to the United States during 2016.⁶⁹

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of 226 possible producers and/or exporters of MLWF in China.⁷⁰

⁶⁸ Original publication, p. VII-1.

⁶⁹ First review publication, p. IV-8.

⁷⁰ Domestic interested parties' response to the notice of institution, January 3, 2023, exh. 1.

Recent developments

Table I-8 presents developments in the Chinese industry since the Commission's last five-year review.

Table I-8
MLWF: Developments in the Chinese industry

Item	Firm	Event
Acquisition	Armstrong Flooring	Following the bankruptcy of Armstrong Flooring in May 2022, AHF Products and Armstrong World Industries entered a dispute over the use of the acquired company's name on products ("Armstrong"). A hearing confirmed AHF Products' right to use the acquired brand name "Armstrong" on its flooring products. An Armstrong World Industries spokesperson noted that AWI would appeal the ruling for Armstrong Flooring's assets in China and Australia. Separate acquisition agreements for the Chinese and Australian operations were reported to total \$203 million.

Source: Umble, Chad, *Lancaster Online*, "Court ruling on use of 'Armstrong' name clears way for sale of Armstrong Flooring," https://lancasteronline.com/business/local_business/court-ruling-on-use-of-armstrong-name-clears-the-way-for-sale-of-armstrong-flooring/article_18ac4a42-09d4-11ed-af85-e36bca139b8c.html, July 22, 2022.

Exports

Table I-9 presents export data for plywood, veneered panels and similar laminated wood, a category that includes multilayered wood flooring and out-of-scope products, from China (by export destination in descending order of value for 2021). Top destination markets were the United States (8 percent), Philippines (7.5 percent), and United Kingdom (7.5 percent), which together accounted for 23 percent of multilayered wood flooring export value reported by China in 2021.

Table I-9
MLWF: Value of exports from China, by destination and period

Value in USD 1,000

Destination market	2016	2017	2018	2019	2020	2021
United States	1,364,205	1,088,549	995,240	391,027	299,054	463,183
Philippines	312,611	332,131	378,877	361,901	346,297	437,757
United Kingdom	322,016	273,833	338,287	285,435	269,953	434,353
Japan	280,761	289,497	293,569	272,276	225,135	370,471
Canada	194,821	215,034	236,166	211,387	203,137	331,000
Belgium	119,148	135,625	144,640	137,679	156,373	286,051
Australia	102,048	130,368	164,839	155,832	169,996	250,250
Vietnam	133,041	176,546	223,719	230,170	246,556	234,797
Germany	97,564	116,799	135,828	128,299	146,679	200,980
Mexico	74,471	77,634	98,614	90,456	94,715	181,097
All other markets	2,202,405	2,169,706	2,419,177	2,133,363	1,996,168	2,630,963
All markets	5,203,092	5,005,723	5,428,957	4,397,825	4,154,063	5,820,903

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 4412.31, 4412.32, 4412.33, 4412.34, 4412.39, 4412.51, 4412.52, 4412.59, 4412.91, 4412.92, 4412.94, 4412.99, accessed December 30, 2022. These data may be overstated as these HS subheadings may contain products outside the scope of this review.

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

Third-country trade actions

Table I-10 presents information on third-country antidumping duty orders on plywood and wood flooring products from China. The EU, Turkey, Morocco, and South Korea have all extended either ad valorem or specific duty rates on various forms of plywood from China, with South Korea most recently enforcing a second antidumping duty order on coniferous wood plywood from China.

Table I-10
MLWF: Third-country orders on subject countries

Subject country	Country imposing orders	Product description	Imposition date	Duty rates
China	India	Veneered engineered wooden flooring	March 3, 2018	\$0.56/square meter
China	South Korea	Coniferous wood plywood	March 3, 2016, last extended November 6, 2020	5.33 percent to 7.15 percent; Other 7.15 percent
China	South Korea	Plywood	October 18, 2013, last extended November 6, 2020	3.98 percent to 27.21 percent; Other 17.48 percent
China	Morocco	Plywood	June 6, 2012, last extended July 27, 2018	25 percent
China	Turkey	Plywood consisting solely of sheets of wood, each ply not exceeding 6 mm thickness	October 20, 2006, last extended on May 22, 2018 On October 28, 2016, Turkey extended its antidumping orders on plywood from China to Bulgaria and Vietnam due to circumvention.	\$140/cubic meter
China	European Union	Okoumé plywood	November 12, 2004	6.5 percent to 23.5 percent; All others 66.7 percent

Source:

World Trade Organization ("WTO"), "Semi-Annual Report under Article 16.4 of the Agreement: India," G/ADP/N/314/IND, October 4, 2018, p. 4, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N314IND.pdf&Open=True>, October 4, 2018, p. 4. *WTO*, "Semi-Annual Report under Article 16.4 of the Agreement: Republic of Korea," G/ADP/N/370/KOR, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370KOR.pdf&Open=True>, October 14, 2022, p. 5. *WTO*, "Semi-Annual Report under Article 16.4 percent of the Agreement: Republic of Korea," G/ADP/N/350/KOR, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N350KOR.pdf&Open=True>, April 22, 2021, p. 4. *WTO*, "Semi-Annual Report under Article 16.4 of the Agreement: Morocco," G/ADP/N/370/MAR, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370MAR.pdf&Open=True>, August 24, 2022, p. 6. *WTO*, "Semi-Annual Report under Article 16.4 of the Agreement: Morocco," G/ADP/N/314/MAR, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N314MAR.pdf&Open=True>, September 25, 2018, p. 3. *WTO*, "Semi-Annual Report under Article 16.4 of the Agreement: Turkey," G/ADP/N/370/TUR, <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370TUR.pdf&Open=True>, August 26, 2022, p. 5. *WTO*, "Semi-Annual Report under Article 16.4 of the Agreement: Turkey,"

G/ADP/N/314/TUR,
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N314TUR.pdf&Open=True>,
September 18, 2018, p.6. WTO, “Semi-Annual Report under Article 16.4 of the Agreement: European Union,” G/ADP/N/370/EU,
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/ADP/N370EU.pdf&Open=True>,
October 5, 2022, p. 11. WTO, “Semi-Annual Report under Article 16.4 of the Agreement: European Union,” G/ADP/N/216/EEC,
<https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=Q:/G/ADP/N216EEC.pdf&Open=True>,
October 14, 2011, p. 8.

The global market

From 2016 to 2021, global export value increased by 38.6 percent. Downstream demand in industries such as construction, wood furniture manufacturing, and ship building has fueled global export growth in recent years, but—as with many sectors—the industry contracted during the COVID-19 pandemic.⁷¹ Some industry analysts note that product demand is closely linked with housing demand, which was also relatively lower in 2019.⁷² Nearly all major exporters reported relatively lower values of exports in 2019 and 2020, but quickly recovered to 2016-18 levels or higher in 2021 as downstream industries like construction rebounded.

Major exporters of MLWF are found in Southeast Asia, Europe, and South America, and include several large economies, namely China, Russia, and the United States. Table I-11 presents global export data for plywood and wood flooring products, a category that includes MLWF and out-of-scope products, (by source in descending order of value for 2021). Leading exporters were China (28.2 percent), Indonesia (12.2 percent), and Russia (9.4 percent), which collectively accounted for close to half of global export value in 2021. The United States exported \$366.2 million in plywood and wood flooring products in 2021, which represents 1.6 percent of global export value.

China’s reported export value increased by 11.9 percent from 2016 to 2021. Over the same period, Indonesia (14 percent), Russia (104.5 percent), Brazil (153 percent), and Vietnam (289 percent) increased the value of their exports as well.⁷³ Malaysia is the only major exporter

⁷¹ Zhang, Sissi, *IBISWorld*, “2021 Industry Report: Plywood Manufacturing in China.” September 2022.

⁷² Sweet, Jonathan, *LBM Journal*, “In Depth: Engineered wood products.” September 11, 2019, <https://lbmjournals.com/in-depth-engineered-wood-products-2/>, retrieved January 19, 2023.

⁷³ Commerce preliminarily determined in July 2022 that certain hardwood plywood and veneered panel products imported from Vietnam are sourced in China and circumvent antidumping duty and countervailing duty orders on hardwood plywood from China. Department of Commerce, *Federal Register*, “Certain Hardwood Plywood Products from the People’s Republic of China”, July 29, 2022 <https://www.federalregister.gov/documents/2022/07/29/2022-16307/certain-hardwood-plywood-products-from-the-peoples-republic-of-china-preliminary-scope->

(continued...)

with a decrease in export value during the reporting period, and its share of global export value decreased from 7.1 percent in 2016 to 3.8 percent in 2021. During the reporting period, Brazil and Vietnam surpassed Malaysia in MLWF export value. The United States' export value increased slightly from 2016-21, while its share of global export value decreased from 2.3 percent to 1.8 percent as other top ten exporters significantly increased their export value.

Major exporters of MLWF are found in Southeast Asia, Europe, and South America, and include several large economies, namely China, Russia, and the United States. Table I-11 presents global export data for plywood and wood flooring products, a category that includes multilayered wood flooring and out-of-scope products (by source in descending order of value for 2021). Leading export sources included China (28.2 percent), Indonesia (12.2 percent), and Russia (9.4 percent), collectively accounting for close to half of global export value in 2021. The United States exported \$366.2 million in plywood and wood flooring products in 2021, which represents 1.6 percent of global export value.

(...continued)

[determination#:~:text=On%20February%2025%2C%202020%2C%20the,China%20are%20, retrieved January 19, 2023.](#)

Table I-11
MLWF: Value of global exports by country and period

Value in USD 1,000

Exporting country	2016	2017	2018	2019	2020	2021
China	5,203,092	5,005,723	5,428,957	4,397,825	4,154,063	5,820,903
Indonesia	2,211,590	1,751,284	2,059,111	1,690,402	1,743,967	2,517,080
Russia	945,887	1,102,199	1,352,511	1,137,643	1,154,020	1,934,359
Brazil	478,097	620,579	774,660	550,543	645,646	1,210,558
Vietnam	285,992	383,302	664,971	675,715	714,277	1,113,274
Malaysia	1,052,774	1,067,991	1,131,850	821,759	677,324	790,582
Finland	573,335	657,584	683,006	584,630	524,720	663,223
Canada	326,120	356,471	384,176	364,874	368,722	520,339
Chile	348,305	310,779	440,561	353,528	354,601	430,611
United States	344,092	400,330	330,703	244,445	222,334	366,266
All other exporters	3,076,511	3,484,923	4,053,414	3,838,288	3,856,011	5,206,399
All exporters	14,845,793	15,141,163	17,303,921	14,659,654	14,415,685	20,573,594

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 4412.31, 4412.32, 4412.33, 4412.34, 4412.39, 4412.51, 4412.52, 4412.59, 4412.91, 4412.92, 4412.94, 4412.99, accessed December 30, 2022. These data may be overstated as HS these subheadings may contain products outside the scope of this review.

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

Note: Only values are shown as multiple countries report quantity in different units of measure.

APPENDIX A
FEDERAL REGISTER NOTICES

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

Citation	Title	Link
87 FR 73784 December 1, 2022	<i>Multilayered Wood Flooring from China; Institution of Five year reviews</i>	https://www.govinfo.gov/content/pkg/FR-2022-12-01/pdf/2022-26048.pdf
87 FR 73757 December 1, 2023	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2022-12-01/pdf/2022-26154.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

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APPENDIX C
SUMMARY DATA

SUMMARY DATA FROM FIRST REVIEWS

Table C-1

Multilayered wood flooring: Summary data concerning the U.S. market, 2011-16, January to June 2016, and January to June 2017

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

	Reported data						
	Calendar year						January to June
	2011	2012	2013	2014	2015	2016	2016 2017
U.S. consumption quantity:							
Amount.....	296,058	309,611	377,642	422,718	466,506	467,469	222,833 224,860
Producers' share (fn1).....	47.8	51.1	49.2	47.0	43.4	44.8	45.3 41.1
Importers' share (fn1):							
China subject.....	32.8	36.6	37.3	37.1	36.0	31.9	33.9 29.9
China nonsubject.....	6.4	5.1	6.4	9.4	12.0	13.0	11.1 14.7
All other sources.....	13.0	7.3	7.0	6.5	8.7	10.3	9.8 14.3
Nonsubject sources.....	19.4	12.4	13.4	15.9	20.7	23.3	20.8 29.0
All import sources.....	52.2	48.9	50.8	53.0	56.6	55.2	54.7 58.9
U.S. consumption value:							
Amount.....	726,954	761,139	926,082	1,073,753	1,167,443	1,171,298	560,287 560,996
Producers' share (fn1).....	43.8	45.9	44.1	41.3	37.2	39.8	40.0 37.3
Importers' share (fn1):							
China subject.....	34.8	41.1	41.5	42.4	42.1	35.1	38.4 32.3
China nonsubject.....	5.7	4.6	5.8	8.3	11.1	13.2	10.2 14.6
All other sources.....	15.8	8.4	8.5	8.0	9.6	11.9	11.5 15.7
Nonsubject sources.....	21.5	13.0	14.3	16.3	20.7	25.1	21.6 30.4
All import sources.....	56.2	54.1	55.9	58.7	62.8	60.2	60.0 62.7
U.S. importers' U.S. shipments of Imports from:							
China subject:							
Quantity.....	97,212	113,237	141,033	156,821	167,747	149,074	75,456 67,329
Value.....	252,853	313,204	384,434	455,208	491,769	411,631	215,146 181,446
Unit value.....	\$2.60	\$2.77	\$2.73	\$2.90	\$2.93	\$2.76	\$2.85 \$2.69
Ending inventory quantity.....	26,867	32,470	28,567	40,715	39,514	44,665	39,430 35,398
China nonsubject:							
Quantity.....	18,827	15,801	24,253	39,701	56,046	60,748	24,632 33,075
Value.....	41,246	35,189	53,832	88,906	129,758	154,036	56,871 82,142
Unit value.....	\$2.19	\$2.23	\$2.22	\$2.24	\$2.32	\$2.54	\$2.31 \$2.38
Ending inventory quantity.....	6,211	6,150	7,720	9,635	17,977	33,254	18,732 28,298
All other sources:							
Quantity.....	38,563	22,510	26,479	27,608	40,445	48,032	21,810 32,072
Value.....	114,759	63,711	79,005	86,399	112,187	139,852	64,314 88,352
Unit value.....	\$2.98	\$2.83	\$2.98	\$3.13	\$2.77	\$2.91	\$2.95 \$2.75
Ending inventory quantity.....	8,006	8,004	8,827	14,618	18,250	19,250	14,055 18,793
Nonsubject sources:							
Quantity.....	57,390	38,311	50,732	67,309	96,491	108,780	46,442 65,147
Value.....	156,005	98,900	132,837	175,305	241,945	293,888	121,185 170,494
Unit value.....	\$2.72	\$2.58	\$2.62	\$2.60	\$2.51	\$2.70	\$2.61 \$2.62
Ending inventory quantity.....	14,217	14,154	16,547	24,253	36,227	52,504	32,787 47,091
All import sources:							
Quantity.....	154,602	151,548	191,765	224,130	264,238	257,854	121,898 132,476
Value.....	408,858	412,104	517,271	630,513	733,714	705,519	336,331 351,940
Unit value.....	\$2.64	\$2.72	\$2.70	\$2.81	\$2.78	\$2.74	\$2.76 \$2.66
Ending inventory quantity.....	41,084	46,624	45,114	64,968	75,741	97,169	72,217 82,489
U.S. producers:							
Average capacity quantity.....	266,505	263,106	270,508	284,641	301,447	325,701	162,584 163,850
Production quantity.....	144,109	163,817	194,639	213,212	202,758	219,548	107,225 95,492
Capacity utilization (fn1).....	54.1	62.3	72.0	74.9	67.3	67.4	66.0 58.3
U.S. shipments:							
Quantity.....	141,456	158,063	185,877	198,588	202,268	209,615	100,935 92,384
Value.....	318,096	349,035	408,811	443,240	433,729	465,779	223,956 209,056
Unit value.....	\$2.25	\$2.21	\$2.20	\$2.23	\$2.14	\$2.22	\$2.22 \$2.26
Export shipments:							
Quantity.....	4,199	3,635	3,632	3,932	4,892	5,079	2,609 1,772
Value.....	6,811	6,370	7,409	7,915	10,186	11,097	5,790 4,263
Unit value.....	\$1.62	\$1.75	\$2.04	\$2.01	\$2.08	\$2.18	\$2.22 \$2.41
Ending inventory quantity.....	56,605	58,165	62,751	73,342	68,952	73,759	72,554 75,293
Inventories/total shipments (fn1).....	38.9	36.0	33.1	36.2	33.3	34.4	35.0 40.0
Production workers.....	2,106	2,245	2,719	2,949	3,050	3,128	3,172 3,061
Hours worked (1,000s).....	4,213	4,540	5,504	6,008	6,236	6,563	3,355 3,097
Wages paid (\$1,000).....	60,986	68,371	81,809	91,591	94,216	100,439	51,562 46,634
Hourly wages.....	\$14.48	\$15.06	\$14.86	\$15.24	\$15.11	\$15.30	\$15.37 \$15.06
Productivity (sq feet per hour).....	34.2	36.1	35.4	35.5	32.5	33.5	32.0 30.8
Unit labor costs.....	\$0.42	\$0.42	\$0.42	\$0.43	\$0.46	\$0.46	\$0.48 \$0.49
Net Sales:							
Quantity.....	134,956	156,656	183,435	196,212	201,275	213,147	103,230 93,672
Value.....	343,231	383,478	451,278	482,898	491,198	500,962	241,877 225,782
Unit value.....	\$2.54	\$2.45	\$2.46	\$2.46	\$2.44	\$2.35	\$2.34 \$2.41
Cost of goods sold (COGS).....	271,312	297,095	358,847	415,517	444,424	463,690	226,239 200,779
Gross profit of (loss).....	71,919	86,383	92,431	67,381	46,774	37,272	15,638 25,003
SG&A expenses.....	47,426	50,981	50,990	54,719	57,708	67,667	32,247 33,040
Operating income or (loss).....	24,493	35,402	41,441	12,662	(10,934)	(30,395)	(16,609) (8,037)
Capital expenditures.....	***	***	***	***	***	***	*** ***
Unit COGS.....	\$2.01	\$1.90	\$1.96	\$2.12	\$2.21	\$2.18	\$2.19 \$2.14
Unit SG&A expenses.....	\$0.35	\$0.33	\$0.28	\$0.28	\$0.29	\$0.32	\$0.31 \$0.35
Unit operating income or (loss).....	\$0.18	\$0.23	\$0.23	\$0.06	(\$0.05)	(\$0.14)	(\$0.16) (\$0.09)
COGS/sales (fn1).....	79.0	77.5	79.5	86.0	90.5	92.6	93.5 88.9
Operating income or (loss)/sales (fn1).....	7.1	9.2	9.2	2.6	(2.2)	(6.1)	(6.9) (3.6)

Table continued next page.

Table C-1--Continued

Multilayered wood flooring: Summary data concerning the U.S. market, 2011-16, January to June 2016, and January to June 2017

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

	Period changes						
	2011-16	2011-12	2012-13	2013-14	2014-15	2015-16	Jan-Jun 2016-17
U.S. consumption quantity:							
Amount.....	57.9	4.6	22.0	11.9	10.4	0.2	0.9
Producers' share (fn1).....	(2.9)	3.3	(1.8)	(2.2)	(3.6)	1.5	(4.2)
Importers' share (fn1):							
China subject.....	(0.9)	3.7	0.8	(0.2)	(1.1)	(4.1)	(3.9)
China nonsubject.....	6.6	(1.3)	1.3	3.0	2.6	1.0	3.7
All other sources.....	(2.8)	(5.8)	(0.3)	(0.5)	2.1	1.6	4.5
Nonsubject sources.....	3.9	(7.0)	1.1	2.5	4.8	2.6	8.1
All import sources.....	2.9	(3.3)	1.8	2.2	3.6	(1.5)	4.2
U.S. consumption value:							
Amount.....	61.1	4.7	21.7	15.9	8.7	0.3	0.1
Producers' share (fn1).....	(4.0)	2.1	(1.7)	(2.9)	(4.1)	2.6	(2.7)
Importers' share (fn1):							
China subject.....	0.4	6.4	0.4	0.9	(0.3)	(7.0)	(6.1)
China nonsubject.....	7.5	(1.1)	1.2	2.5	2.8	2.0	4.5
All other sources.....	(3.8)	(7.4)	0.2	(0.5)	1.6	2.3	4.3
Nonsubject sources.....	3.6	(8.5)	1.4	2.0	4.4	4.4	8.8
All import sources.....	4.0	(2.1)	1.7	2.9	4.1	(2.6)	2.7
U.S. importers' U.S. shipments of Imports from:							
China subject:							
Quantity.....	53.3	16.5	24.5	11.2	7.0	(11.1)	(10.8)
Value.....	62.8	23.9	22.7	18.4	8.0	(16.3)	(15.7)
Unit value.....	6.2	6.3	(1.4)	6.5	1.0	(5.8)	(5.5)
Ending inventory quantity.....	66.2	20.9	(12.0)	42.5	(2.9)	13.0	(10.2)
China nonsubject:							
Quantity.....	222.7	(16.1)	53.5	63.7	41.2	8.4	34.3
Value.....	273.5	(14.7)	53.0	65.2	45.9	18.7	44.4
Unit value.....	15.7	1.7	(0.3)	0.9	3.4	9.5	7.6
Ending inventory quantity.....	435.4	(1.0)	25.5	24.8	86.6	85.0	51.1
All other sources:							
Quantity.....	24.6	(41.6)	17.6	4.3	46.5	18.8	47.1
Value.....	21.9	(44.5)	24.0	9.4	29.8	24.7	37.4
Unit value.....	(2.2)	(4.9)	5.4	4.9	(11.4)	5.0	(6.6)
Ending inventory quantity.....	140.4	(0.0)	10.3	65.6	24.8	5.5	33.7
Nonsubject sources:							
Quantity.....	89.5	(33.2)	32.4	32.7	43.4	12.7	40.3
Value.....	88.4	(36.6)	34.3	32.0	38.0	21.5	40.7
Unit value.....	(0.6)	(5.0)	1.4	(0.5)	(3.7)	7.7	0.3
Ending inventory quantity.....	269.3	(0.4)	16.9	46.6	49.4	44.9	43.6
All import sources:							
Quantity.....	66.8	(2.0)	26.5	16.9	17.9	(2.4)	8.7
Value.....	72.6	0.8	25.5	21.9	16.4	(3.8)	4.6
Unit value.....	3.5	2.8	(0.8)	4.3	(1.3)	(1.5)	(3.7)
Ending inventory quantity.....	136.5	13.5	(3.2)	44.0	16.6	28.3	14.2
U.S. producers':							
Average capacity quantity.....	22.2	(1.3)	2.8	5.2	5.9	8.0	0.8
Production quantity.....	52.3	13.7	18.8	9.5	(4.9)	8.3	(10.9)
Capacity utilization (fn1).....	13.3	8.2	9.7	3.0	(7.6)	0.1	(7.7)
U.S. shipments:							
Quantity.....	48.2	11.7	17.6	6.8	1.9	3.6	(8.5)
Value.....	46.4	9.7	17.1	8.4	(2.1)	7.4	(6.7)
Unit value.....	(1.2)	(1.8)	(0.4)	1.5	(3.9)	3.6	2.0
Export shipments:							
Quantity.....	21.0	(13.4)	(0.1)	8.3	24.4	3.8	(32.1)
Value.....	62.9	(6.5)	16.3	6.8	28.7	8.9	(26.4)
Unit value.....	34.7	8.0	16.4	(1.3)	3.4	4.9	8.4
Ending inventory quantity.....	30.3	2.8	7.9	16.9	(6.0)	7.0	3.8
Inventories/total shipments (fn1).....	(4.5)	(2.9)	(2.9)	3.1	(2.9)	1.1	4.9
Production workers.....	48.5	6.6	21.1	8.5	3.4	2.6	(3.5)
Hours worked (1,000s).....	55.8	7.8	21.2	9.2	3.8	5.2	(7.7)
Wages paid (\$1,000).....	64.7	12.1	19.7	12.0	2.9	6.6	(9.6)
Hourly wages.....	5.7	4.0	(1.3)	2.6	(0.9)	1.3	(2.0)
Productivity (sq feet per hour).....	(2.2)	5.5	(2.0)	0.4	(8.4)	2.9	(3.5)
Unit labor costs.....	8.1	(1.4)	0.7	2.2	8.2	(1.5)	1.6
Net Sales:							
Quantity.....	57.9	16.1	17.1	7.0	2.6	5.9	(9.3)
Value.....	46.0	11.7	17.7	7.0	1.7	2.0	(6.7)
Unit value.....	(7.6)	(3.8)	0.5	0.0	(0.8)	(3.7)	2.9
Cost of goods sold (COGS).....	70.9	9.5	20.8	15.8	7.0	4.3	(11.3)
Gross profit of (loss).....	(48.2)	20.1	7.0	(27.1)	(30.6)	(20.3)	59.9
SG&A expenses.....	42.7	7.5	0.0	7.3	5.5	17.3	2.5
Operating income or (loss).....	fn2	44.5	17.1	(69.4)	fn2	178.0	(51.6)
Capital expenditures.....	***	***	***	***	***	***	***
Unit COGS.....	8.2	(5.7)	3.2	8.3	4.3	(1.5)	(2.2)
Unit SG&A expenses.....	(9.7)	(7.4)	(14.6)	0.3	2.8	10.7	12.9
Unit operating income or (loss).....	fn2	24.5	(0.0)	(71.4)	fn2	162.5	(46.7)
COGS/sales (fn1).....	13.5	(1.6)	2.0	6.5	4.4	2.1	(4.6)
Operating income or (loss)/sales (fn1).....	(13.2)	2.1	(0.0)	(6.6)	(4.8)	(3.8)	3.3

Notes:

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

fn2.--Undefined.

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

SUMMARY DATA FROM ORIGINAL INVESTIGATIONS

Table C-1

MLWF: Summary data concerning the U.S. market, 2008-10, January-June 2010, and January-June 2011

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

Item	Reported data					Period changes			
	2008	2009	2010	January-June		2008-10	2008-09	2009-10	Jan.-June 2010-11
				2010	2011				
U.S. consumption quantity:									
Amount	337,884	284,861	307,152	154,920	162,439	-9.1	-15.7	7.8	4.9
Producers' share (1)	46.4	46.0	43.6	44.7	43.0	-2.9	-0.4	-2.4	-1.7
Importers' share (1):									
China (subject)	37.4	38.9	40.8	40.3	41.4	3.4	1.5	1.9	1.1
All other sources	16.1	15.1	15.6	15.0	15.6	-0.5	-1.0	0.5	0.6
Total imports	53.6	54.0	56.4	55.3	57.0	2.9	0.4	2.4	1.7
U.S. consumption value:									
Amount	905,708	740,709	783,896	396,751	403,947	-13.4	-18.2	5.8	1.8
Producers' share (1)	46.3	46.2	43.5	44.7	43.7	-2.8	-0.2	-2.7	-1.0
Importers' share (1):									
China (subject)	37.4	38.9	41.7	41.5	42.2	4.3	1.5	2.8	0.7
All other sources	16.2	14.9	14.8	13.8	14.1	-1.4	-1.3	-0.1	0.3
Total imports	53.7	53.8	56.5	55.3	56.3	2.8	0.2	2.7	1.0
U.S. shipments of imports from:									
China (subject) :									
Quantity	126,460	110,781	125,366	62,476	67,227	-0.9	-12.4	13.2	7.6
Value	339,175	288,330	326,981	164,532	170,535	-3.6	-15.0	13.4	3.6
Unit value	\$2.68	\$2.60	\$2.61	\$2.63	\$2.54	-2.8	-3.0	0.2	-3.7
Ending inventory quantity	38,271	31,207	38,705	33,755	41,359	1.1	-18.5	24.0	22.5
All other sources:									
Quantity	54,514	43,009	47,948	23,250	25,345	-12.0	-21.1	11.5	9.0
Value	146,770	110,359	115,785	54,793	56,813	-21.1	-24.8	4.9	3.7
Unit value	\$2.69	\$2.57	\$2.41	\$2.36	\$2.24	-10.3	-4.7	-5.9	-4.9
Ending inventory quantity	17,535	13,464	12,886	12,427	12,246	-26.5	-23.2	-4.3	-1.5
All sources:									
Quantity	180,974	153,790	173,314	85,726	92,572	-4.2	-15.0	12.7	8.0
Value	485,945	398,690	442,766	219,325	227,348	-8.9	-18.0	11.1	3.7
Unit value	\$2.69	\$2.59	\$2.55	\$2.56	\$2.46	-4.9	-3.5	-1.5	-4.0
Ending inventory quantity	55,806	44,672	51,590	46,181	53,605	-7.6	-20.0	15.5	16.1
U.S. producers:									
Average capacity quantity	252,643	252,256	230,125	114,703	117,097	-8.9	-0.2	-8.8	2.1
Production quantity	157,217	125,283	136,639	71,499	74,453	-13.1	-20.3	9.1	4.1
Capacity utilization (1)	62.2	49.7	59.4	62.3	63.6	-2.9	-12.6	9.7	1.2
U.S. shipments:									
Quantity	156,909	131,071	133,839	69,194	69,867	-14.7	-16.5	2.1	1.0
Value	419,763	342,020	341,130	177,426	176,599	-18.7	-18.5	-0.3	-0.5
Unit value	\$2.68	\$2.61	\$2.55	\$2.56	\$2.53	-4.7	-2.5	-2.3	-1.4
Export shipments:									
Quantity	3,116	1,580	2,680	1,467	1,165	-14.0	-49.3	69.6	-20.6
Value	10,659	5,841	10,509	5,575	4,604	-1.4	-45.2	79.9	-17.4
Unit value	\$3.42	\$3.70	\$3.92	\$3.80	\$3.95	14.6	8.1	6.1	4.0
Ending inventory quantity	28,702	20,819	23,058	22,405	26,870	-19.7	-27.5	10.8	19.9
Inventories/total shipments (1)	17.9	15.7	16.9	15.9	18.9	-1.0	-2.2	1.2	3.1
Production workers	2,507	2,031	1,915	2,036	1,826	-23.6	-19.0	-5.7	-10.4
Hours worked (1,000s)	5,125	3,999	3,825	2,019	1,848	-25.4	-22.0	-4.4	-8.5
Wages paid (\$1,000s)	72,852	58,529	58,298	30,352	27,883	-20.0	-19.7	-0.4	-8.1
Hourly wages	\$14.22	\$14.64	\$15.24	\$15.03	\$15.08	7.2	3.0	4.1	0.3
Productivity (square feet per hour)	29.2	29.5	33.7	33.5	37.7	15.3	0.9	14.2	12.5
Unit labor costs	\$0.49	\$0.50	\$0.45	\$0.45	\$0.40	-7.0	2.0	-8.8	-10.8
Net sales:									
Quantity	152,182	124,323	126,640	66,040	65,436	-16.8	-18.3	1.9	-0.9
Value	410,088	328,438	325,481	171,989	166,445	-20.6	-19.9	-0.9	-3.2
Unit value	\$2.69	\$2.64	\$2.57	\$2.60	\$2.54	-4.6	-2.0	-2.7	-2.3
Cost of goods sold (COGS)	361,437	296,180	282,478	144,556	136,734	-21.8	-18.1	-4.6	-5.4
Gross profit or (loss)	48,651	32,258	43,003	27,433	29,711	-11.6	-33.7	33.3	8.3
SG&A expenses	77,181	64,912	64,316	32,758	31,312	-16.7	-15.9	-0.9	-4.4
Operating income or (loss)	(28,530)	(32,653)	(21,313)	(5,325)	(1,601)	25.3	-14.5	34.7	69.9
Capital expenditures	20,042	13,308	10,734	4,622	6,535	-46.4	-33.6	-19.3	41.4
Unit COGS	\$2.38	\$2.38	\$2.23	\$2.19	\$2.09	-6.1	0.3	-6.4	-4.5
Unit SG&A expenses	\$0.51	\$0.52	\$0.51	\$0.50	\$0.48	0.1	2.9	-2.7	-3.5
Unit operating income or (loss)	(\$0.19)	(\$0.26)	(\$0.17)	(\$0.08)	(\$0.02)	10.2	-40.1	35.9	69.7
COGS/sales (1)	88.1	90.2	86.8	84.0	82.1	-1.3	2.0	-3.4	-1.9
Operating income or (loss)/									
sales (1)	(7.0)	(9.9)	(6.5)	(3.1)	(1.0)	0.4	-3.0	3.4	2.1

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

Note.--Import data are compiled from the responses to the Commission's importer questionnaires. Commerce found in the final phase of its investigations that imports manufactured and exported by Zhejiang Yuhua Timber Co., Ltd. had received de minimis countervailable subsidies and had not been sold at less than fair value. This firm accounted for *** percent of reported Chinese production and *** percent of reported exports to the United States.

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

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

Table C-2

MLWF: Summary data concerning the U.S. market (excluding *** and ***), 2008-10, January-June 2010, and January-June 2011

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

Item	Reported data					Period changes			
	2008	2009	2010	January-June		2008-10	2008-09	2009-10	Jan.-June 2010-11
U.S. consumption quantity:									
Amount	337,884	284,861	307,152	154,920	162,439	-9.1	-15.7	7.8	4.9
Producers' share (1):									
***	***	***	***	***	***	***	***	***	***
All other	***	***	***	***	***	***	***	***	***
Total	46.4	46.0	43.6	44.7	43.0	-2.9	-0.4	-2.4	-1.7
Importers' share (1):									
China (subject)	37.4	38.9	40.8	40.3	41.4	3.4	1.5	1.9	1.1
All other sources	16.1	15.1	15.6	15.0	15.6	-0.5	-1.0	0.5	0.6
Total imports	53.6	54.0	56.4	55.3	57.0	2.9	0.4	2.4	1.7
U.S. consumption value:									
Amount	905,708	740,709	783,896	396,751	403,947	-13.4	-18.2	5.8	1.8
Producers' share (1):									
***	***	***	***	***	***	***	***	***	***
All other	***	***	***	***	***	***	***	***	***
Total	46.3	46.2	43.5	44.7	43.7	-2.8	-0.2	-2.7	-1.0
Importers' share (1):									
China (subject)	37.4	38.9	41.7	41.5	42.2	4.3	1.5	2.8	0.7
All other sources	16.2	14.9	14.8	13.8	14.1	-1.4	-1.3	-0.1	0.3
Total imports	53.7	53.8	56.5	55.3	56.3	2.8	0.2	2.7	1.0
U.S. shipments of imports from:									
China (subject):									
Quantity	126,460	110,781	125,366	62,476	67,227	-0.9	-12.4	13.2	7.6
Value	339,175	288,330	326,981	164,532	170,535	-3.6	-15.0	13.4	3.6
Unit value	\$2.68	\$2.60	\$2.61	\$2.63	\$2.54	-2.8	-3.0	0.2	-3.7
Ending inventory quantity	38,271	31,207	38,705	33,755	41,359	1.1	-18.5	24.0	22.5
All other sources:									
Quantity	54,514	43,009	47,948	23,250	25,345	-12.0	-21.1	11.5	9.0
Value	146,770	110,359	115,785	54,793	56,813	-21.1	-24.8	4.9	3.7
Unit value	\$2.69	\$2.57	\$2.41	\$2.36	\$2.24	-10.3	-4.7	-5.9	-4.9
Ending inventory quantity	17,535	13,464	12,886	12,427	12,246	-26.5	-23.2	-4.3	-1.5
All sources:									
Quantity	180,974	153,790	173,314	85,726	92,572	-4.2	-15.0	12.7	8.0
Value	485,945	398,690	442,766	219,325	227,348	-8.9	-18.0	11.1	3.7
Unit value	\$2.69	\$2.59	\$2.55	\$2.56	\$2.46	-4.9	-3.5	-1.5	-4.0
Ending inventory quantity	55,806	44,672	51,590	46,181	53,605	-7.6	-20.0	15.5	16.1
U.S. producers' (2):									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid (\$1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (square feet per hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (1)	***	***	***	***	***	***	***	***	***
Home Legend/US Floors:									
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***

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

(2) Excluding *** and ***.

Note.--Import data are compiled from the responses to the Commission's importer questionnaires. Commerce found in the final phase of its investigations that imports manufactured and exported by Zhejiang Yuhua Timber Co., Ltd. had received de minimis countervailable subsidies and had not been sold at less than fair value. This firm accounted for *** percent of reported Chinese production and *** percent of reported exports to the United States.

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

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

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 five firms as top purchasers of multilayered wood flooring: ***. Purchaser questionnaires were sent to these five firms and three firms *** provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for multilayered wood flooring that have occurred in the United States or in the market for multilayered wood flooring in China since January 1, 2018?

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

2. Do you anticipate any significant changes in the supply and demand conditions for multilayered wood flooring in the United States or in the market for multilayered wood flooring in China within a reasonably foreseeable time?

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