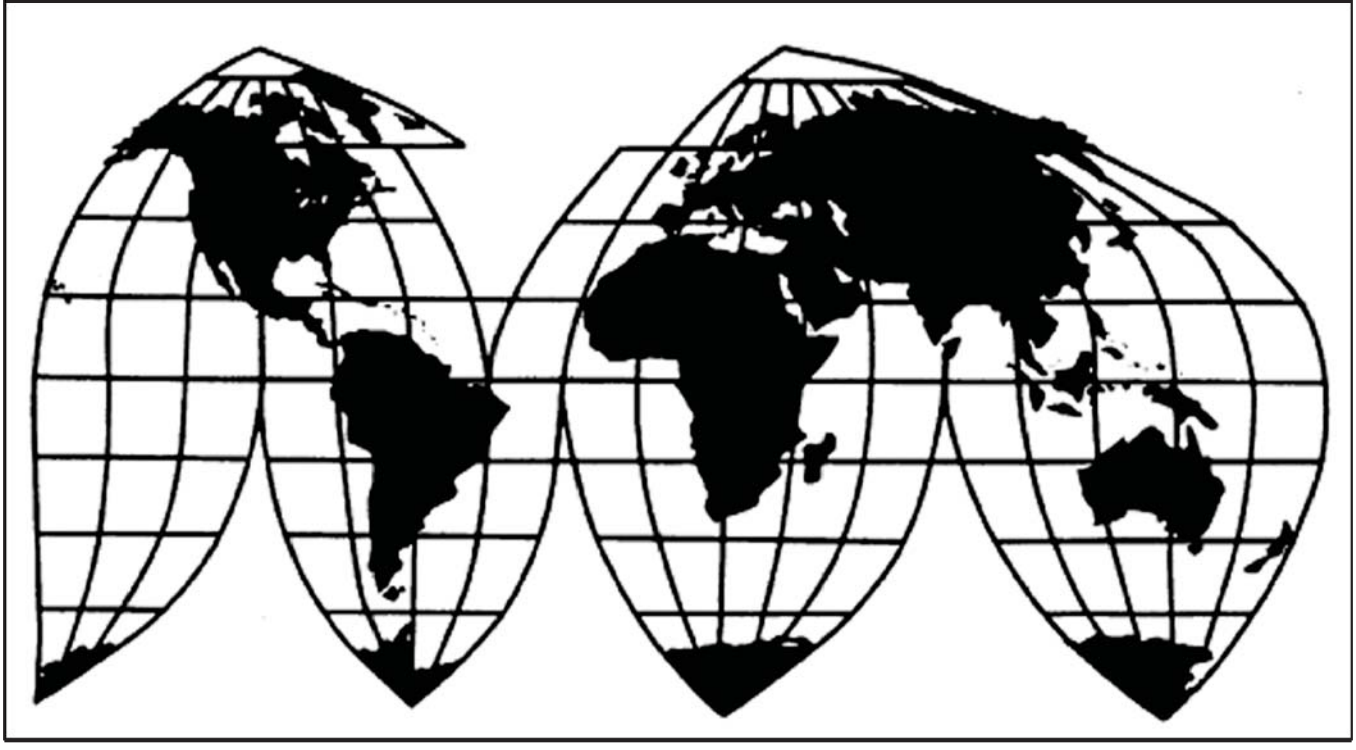
Light-Walled Rectangular Pipe and Tube from Taiwan

Investigation No. 731-TA-410 (Fourth Review)

Publication 4707 **July 2017**

U.S. International Trade Commission



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U.S. International Trade Commission

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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-410 (Fourth Review)

Light-Walled Rectangular Pipe and Tube from Taiwan

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the antidumping duty order on light-walled rectangular pipe and tube from Taiwan 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, pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)), instituted this review on January 3, 2017 (82 F.R. 137) and determined on April 10, 2017 that it would conduct an expedited review (82 F.R. 21406, May 8, 2017).

[1] The record is defined in sec. 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 this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty order on light-walled rectangular pipe and tube ("LWR pipe and tube") from Taiwan would likely lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

In March 1989, the Commission determined that an industry in the United States was materially injured or threatened with material injury by reason of imports of LWR pipe and tube from Taiwan that the U.S. Department of Commerce ("Commerce") had determined were sold in the United States at less than fair value ("LTFV").[1] Commerce subsequently issued an antidumping duty order on LWR pipe and tube from Taiwan.[2]

In July 2000, the Commission completed its first five-year reviews and, following full reviews, determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[3] Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.[4]

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[1] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan,* Inv. No. 731-TA-410 (Final), USITC Pub. 2169 at 1 (March 1989) ("Original Determination"). In the original investigation, the Commission cumulated subject imports from Taiwan with imports from Argentina, which were, at that time, "subject to investigation." *Id.* at 7-9. Two Commissioners made material injury determinations, two made threat determinations, and two made negative determinations. *Id*. at 1.

[2] *Light-Walled Rectangular Carbon Steel Tubing from Taiwan: Antidumping Duty Order*, 54 Fed. Reg. 12467 (March 27, 1989).

[3] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela,* Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review), USITC Pub. 3316 at 60 (July 2000) ("First Review Opinion"). In the first five-year reviews, the Commission grouped the antidumping duty order on LWR pipe and tube from Taiwan with the following: antidumping duty orders on LWR pipe and tube from Singapore and Argentina; certain countervailing duty orders on imports of circular, welded non-alloy steel pipe and tube not more than 16 inches in outside diameter ("CW pipe and tube"); and antidumping duty orders on imports of certain oil country tubular goods. The Commission conducted these reviews together in order to promote administrative efficiency due to similarities in the products and/or market participants. *Id*. at 6. The Commission considered subject imports from Taiwan on a cumulated basis with imports of LWR pipe from Argentina for purposes of the first reviews. *Id.* at 48.

[4] *Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube from Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube from India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube from Taiwan*, 65 Fed. Reg. 50,955 (Aug. 22, 2000).

In July 2006, the Commission completed its second five-year reviews and, following full reviews, determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[5] Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.[6]

In January 2012, the Commission completed its third five-year review and, following an expedited review, determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[7] Subsequently, Commerce issued a continuation of the antidumping duty order.[8]

The Commission instituted this fourth five-year review on January 3, 2017. Allied Tube and Conduit; Atlas Tube; Bull Moose Tube Company; California Steel and Tube; Hannibal Industries, Inc.; Maruichi American Corporation; Searing Industries; and Western Tube & Conduit Corporation (collectively, "domestic producers"), U.S. producers of LWR pipe and tube, jointly filed a response to the notice of institution.[9] No respondent interested party has provided any information or arguments to the Commission in this review. On April 10, 2017, the Commission found the domestic producers' response to the notice of institution individually adequate, the domestic interested party group response adequate, and the respondent interested party group response inadequate. In the absence of any circumstances that would warrant conducting a full review, the Commission determined that it would conduct an expedited review pursuant to section 751(c)(3) of the Tariff Act.[10]

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[5] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey,* Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review), USITC Pub. 3867 at 46 (July 2006) ("Second Review Opinion"). In the second five-year reviews, the Commission grouped the LWR pipe orders with orders on imports of CW pipe and tube. In the second reviews, the Commission considered subject imports from Taiwan on a non-cumulated basis. *Id.* at 28-35.

[6] *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Continuation of Antidumping Duty Order*, 71 Fed. Reg. 45521 (August 9, 2006).

[7] *Light-Walled Rectangular Pipe and Tube from Taiwan,* Inv. No. 731-TA-410 (Third Review), USITC Pub. 4301 at 17 (January 2012) ("Third Review Opinion").

[8] *Light-Walled Welded Rectangular Carbon Steel Tubing From Taiwan: Continuation of Antidumping Duty Order*, 77 Fed. Reg. 5240 (February 2, 2012).

[9] Domestic producers did not file comments on adequacy or further comments.

[10] *See Explanation of Commission Determination on Adequacy in Light-Walled Rectangular Pipe and Tube from Taiwan*, EDIS Doc. 608061 (April 11, 2017).

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."[11] 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."[12] 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.[13]

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

> The product covered by the order is light-walled welded carbon steel pipe and tube of rectangular (including square) cross-section having a wall thickness of less than 0.156 inch. This merchandise is classified under item number 7306.61.5000 of the Harmonized Tariff Schedule (HTS). It was formerly classified under item number 7306.60.5000. The HTS item numbers are provided for convenience and customs purposes only. The written product description remains dispositive.[14]

LWR pipe and tube is used for a variety of applications including fencing, window guards, cattle chutes, railings for construction and agricultural applications, and more ornamental (but also functional) items such as furniture parts, athletic equipment, lawn and garden equipment, store shelving, towel racks, and similar items. It is not used to convey liquids or gases. LWR pipe and tube sold in the U.S. market is generally manufactured to conform to standards of the American Society for Testing and Materials ("ASTM") International or the American Society of Mechanical Engineers ("ASME"). LWR pipe and tube's physical properties and specifications often depend on the intended end use. Corrosion-resistant LWR

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[11] 19 U.S.C. § 1677(4)(A).

[12] 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).

[13] *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).

[14] *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 82 Fed. Reg. 21512 (May 9, 2017) ("Commerce Review Determination").

pipe and tube products, often galvanized, are used in applications where corrosion resistance is required, such as air conditioning equipment, automotive parts, or certain outdoor signs.[15]

In the original investigation and prior reviews, the Commission defined the domestic like product as LWR pipe and tube, coextensive with Commerce's scope.[16] In this review, domestic producers state that they agree with this definition.[17] The record does not contain any information suggesting that the pertinent product characteristics of LWR pipe and tube have changed since the prior proceedings.[18] In light of the foregoing, we continue to define the domestic like product as LWR pipe and tube, 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."[19] 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 investigation and prior reviews, the Commission defined the domestic industry as all U.S. producers of LWR pipe and tube.[20] In this review, domestic producers state that they agree with this definition.[21] There are no related party or other domestic industry issues in this review.[22] Accordingly, we define the domestic industry as all U.S. producers of LWR pipe and tube.

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[15] Confidential Report ("CR") at I-12-13, Public Report ("PR") at I-9-10.

[16] Original Determination, USITC Pub. 2169 at 3-4, 51 at n.2; First Review Opinion, USITC Pub. 3316 at 13-14; Second Review Opinion, USITC Pub. 3867 at 6-7; Third Review Opinion, USITC Pub. 4301 at 6.

[17] Domestic Producer Response at 23.

[18] *See generally*, CR at I-11-16, PR at I-8-10.

[19] 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.

[20] Original Determination, USITC Pub. 2169 at 4; First Review Opinion, USITC Pub. 3316 at 16; Second Review Opinion, USITC Pub. 3867 at 9; Third Review Opinion, USITC Pub. 4301 at 7.

[21] Domestic Producer Response at 23.

[22] CR at I-19, PR at I-11.

III. Revocation of the Antidumping and Duty Order 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."[23] The Uruguay Round Agreements Act Statement of Administrative Action ("SAA") states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[24] Thus, the likelihood standard is prospective in nature.[25] 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.[26]

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."[27] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but

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[23] 19 U.S.C. § 1675a(a).

[24] SAA, H.R. Rep. 103-316, vol. I at 883-84 (1994). 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.

[25] 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.

[26] *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'").

[27] 19 U.S.C. § 1675a(a)(5).

normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[28]

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."[29] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[30] 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.[31]

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.[32] 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.[33]

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

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[28] 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*.

[29] 19 U.S.C. § 1675a(a)(1).

[30] 19 U.S.C. § 1675a(a)(1). Commerce did not make any duty absorption findings. CR at I-16, PR at I-11.

[31] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[32] 19 U.S.C. § 1675a(a)(2).

[33] 19 U.S.C. § 1675a(a)(2)(A-D).

United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[34]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[35] 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.[36]

No respondent interested party participated in this expedited review. The record, therefore, contains limited new information with respect to the LWR pipe and tube industry in Taiwan. There also is limited new information on the LWR pipe and tube market in the United States during the period of review. We rely as appropriate on the facts available from the original investigation and prior reviews and the limited new information on the record in this fourth five-year review.

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

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[34] *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.

[35] 19 U.S.C. § 1675a(a)(4).

[36] 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.

[37] 19 U.S.C. § 1675a(a)(4).

1. Demand Conditions

In the original investigation, the Commission observed that demand for LWR pipe and tube depended on demand for the various end-use products in which it is used, including construction and various ornamental applications.[38] In the first reviews, the Commission found that demand for LWR pipe and tube had nearly doubled since the original investigation, and in the second reviews, the Commission found that demand for LWR pipe and tube had nearly tripled since the original investigation.[39] The Commission also found that demand for LWR pipe and tube was closely tied to residential construction, because two of the largest sources of demand for LWR pipe and tube were for fencing and outdoor furniture."[40] In the third review, the Commission observed that demand as measured by apparent U.S. consumption had declined and that domestic interested parties did not project demand to increase.[41]

In this review, domestic producers argue that demand increased after the end of the most recent recession, but that this increase appeared to have stopped or reversed by 2016.[42] The record indicates that apparent U.S. consumption was 580,514 short tons in 2016, which was higher than in 2010 (384,535 short tons), but lower than in 2005 (793,000 short tons).[43]

2. Supply Conditions

In the original investigation, the U.S. market was supplied by domestic producers, imports from Taiwan, and imports from other countries.[44] Most domestic producers of LWR pipe and tube were small, non-integrated or partially integrated firms that did not melt their own steel to make slabs. Nineteen firms operated 25 production lines and accounted for approximately 85 percent of domestic production in 1987.[45] In the first reviews, the Commission observed that the market share held by nonsubject imports had increased. The Commission also found that the domestic industry had consolidated somewhat and that 13 firms accounted for approximately 80 to 90 percent of domestic production in 1998, with the three largest firms accounting for 53 percent of domestic production.[46] In the second reviews, the Commission observed that nonsubject imports continued to supply an increasing share of the U.S. market, reaching their highest level in 2006. The Commission also noted that in 2008, antidumping and countervailing duty orders went into effect on imports from China, and antidumping duty orders went into effect on imports from Korea, Mexico, and Turkey. It observed that domestic interested parties asserted imports from these sources had been

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[38] Original Determination, USITC Pub. 2169 at 28, 44.
[39] First Review Opinion, USITC Pub. 3316 at 42; Second Review Opinion, USITC Pub. 3867 at 36.
[40] Second Review Opinion, USITC Pub. 3867 at 36.
[41] Third Review Opinion, USITC Pub. 4301 at 10.
[42] Domestic Producer Response at 23.
[43] CR/PR at Table I-5.
[44] *E.g.,* Original Determination, USITC Pub. 2169 at 25.
[45] Second Review Opinion, USITC Pub. 3867 at 36.
[46] First Review Opinion, USITC Pub. 3316 at 42 n.247, 51.

greatly abated as a result. It found that there was little further consolidation of the domestic industry and that there were shifts in production of LWR pipe and tube among domestic firms.[47] In the third review, the Commission observed that nonsubject imports continued to supply the U.S. market in greater quantities than subject imports from Taiwan. The Commission found that there had been changes in the composition of the domestic industry and further concentration of the industry since the prior reviews, which limited the comparability of data between the original investigation and prior reviews with data from the third review.[48]

In this review, domestic producers contend that the supply of domestically produced LWR pipe and tube in the U.S. market has fallen sharply due to the closure of Allied Tube and Conduit's mill in Philadelphia. Domestic producers also assert that the supply of nonsubject imports has increased.[49] The record in this review indicates that the domestic industry had *** short tons of U.S. commercial shipments of LWR pipe and tube in 2016, which accounted for the majority of apparent U.S. consumption.[50] The subject imports from Taiwan accounted for less than 0.05 percent of apparent U.S. consumption in 2016, and nonsubject imports accounted for 37.9 percent of the market.[51]

3. Substitutability

In the original investigation, the Commission found that domestically produced LWR pipe and tube was generally interchangeable with subject imports, with some limits on substitutability.[52] In the first reviews, the Commission found that LWR pipe and tube was a commodity product and that domestically produced LWR pipe and tube products were substitutable with cumulated subject imports.[53] In the second reviews, the Commission found moderately high substitutability between domestically produced LWR pipe and tube and cumulated subject imports.[54] It also found that prices in the U.S. market were competitive.[55] In the third review, the Commission found that the moderately high substitutability between the domestic like product and subject imports was not likely to change in the reasonably foreseeable future.[56] The Commission also found that price was an important consideration in purchasing decisions.[57]

In this review, there is no new information on the record to suggest that the substitutability between domestically produced LWR pipe and tube and subject imports has

[47] Second Review Opinion, USITC Pub. 3867 at 36-37.
[48] Third Review Opinion, USITC Pub. 4301 at 10-11.
[49] Domestic Producer Response at 23.
[50] CR/PR at Table I-3.
[51] CR/PR at Table I-6.
[52] Original Determination, USITC Pub. 2169 at 29-30, 45-46.
[53] First Review Opinion, USITC Pub. 3316 at 51.
[54] Second Review Opinion, USITC Pub. 3867 at 37.
[55] Second Review Opinion, USITC Pub. 3867 at 57.
[56] Third Review Opinion, USITC Pub. 4301 at 12.
[57] Third Review Opinion, USITC Pub. 4301 at 15.

changed since the prior reviews. Nor does the record indicate that the importance of price has changed since the prior reviews. Accordingly, we again find that the domestic like product and subject imports have moderately high substitutability and that price is an important factor in purchasing decisions.

C. Revocation of the Antidumping Order on Subject Imports from Taiwan Is Likely to Lead to the Continuation or Recurrence of Material Injury to the Domestic Industry within a Reasonably Foreseeable Time

1. Likely Volume of Subject Imports

During the original investigation, the volume of subject imports from Taiwan was 406 short tons in 1985, 9,975 short tons in 1986, 14,770 short tons in 1987, 9,105 short tons in the first nine months of ("interim") 1987, and 15,747 short tons in interim 1988.[58] The market share of subject imports from Taiwan was 0.2 percent in 1985, 3.8 percent in 1986, 5.1 percent in 1987, 4.1 percent in interim 1987, and 6.4 percent in interim 1988.[59]

In the first reviews, the Commission found that the antidumping duty orders had a restraining effect on cumulated subject imports from Argentina and Taiwan and concluded that the likely volume of cumulated subject imports would reach significant levels within a reasonably foreseeable time if the orders were revoked. It observed that after the imposition of the antidumping duty order, imports of LWR pipe and tube from Taiwan fell to 5,375 short tons in 1989, rose again to 14,188 short tons in 1990, then fell to 8,519 short tons in 1991 and 2,620 short tons in 1992, and were minimal or zero thereafter. The Commission found significant subject imports were likely upon revocation in light of the significant unused capacity in Argentina and Taiwan, the previously demonstrated interest in the U.S. market by subject producers, and the ability of subject producers to increase U.S. market penetration rapidly.[60]

In the second reviews, the Commission found that the antidumping duty order had a restraining effect on subject imports from Taiwan, with these imports generally remaining in the U.S. market, but at minimal levels, since 1992. The Commission found no indication that the industry in Taiwan had changed significantly since the original investigations, when its production capacity and unused capacity levels were substantial and it was export oriented. Based on these factors, combined with the moderately high substitutability of the domestic like product and subject imports from Taiwan, and the growth in the U.S. market, the Commission found that producers in Taiwan would have an incentive to export significant volumes of LWR pipe and tube to the U.S. market if the order were revoked.[61]

In the third review, the Commission observed that the volume of subject imports was small, but found that it would likely be significant if the order were revoked. It found that the record suggested there was still significant capacity and unused capacity in Taiwan, and that

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[58] Original Determination, USITC Pub. 2169 at Table 14.
[59] Original Determination, USITC Pub. 2169 at Table 16.
[60] First Review Opinion, USITC Pub. 3316 at 43-44.
[61] Second Review Opinion, USITC Pub. 3867 at 44.

exports from Taiwan to Australia, a much smaller market than the United States, had increased such that Australia had initiated antidumping duty investigations on imports of similar products from Taiwan.[62]

In this review, we find that the volume of subject imports would likely increase to significant levels in the event of revocation. Currently, the antidumping duty order has a restraining effect on subject imports, which were 398 short tons in 2012, 207 short tons in 2013, 253 short tons in 2014, 131 short tons in 2015, and 133 short tons in 2016.[63] The record contains only limited data concerning the LWR pipe and tube industry in Taiwan because no foreign producer or exporter of subject merchandise participated in this review. Nonetheless, the available information indicates that the LWR pipe and tube industry in Taiwan has expanded and that the new entrants have significant capacity.[64] The subject producers identified in the third review continue to produce LWR pipe and tube, and one of the new subject producers, Shin Yang Steel, states that it has an annual capacity of 370,000 metric tons and is "the largest steel pipe and tube producer . . . in Taiwan."[65] Additionally, the LWR pipe and tube industry in Taiwan remains export oriented. Total exports of LWR pipe and tube from Taiwan increased 55 percent from January to November 2016 as compared to calendar year 2015.[66] Moreover, the antidumping duty order in Australia, which is the largest destination for exports of LWR pipe and tube produced in Taiwan, remains in place.[67] The Australian antidumping duty order provides additional incentive for subject producers to target the United States should the order under review be revoked.[68]

Accordingly, based on the available information, we conclude that the volume of subject imports would likely be significant, both in absolute terms and relative to U.S. consumption, should the order be revoked.

2. Likely Price Effects

In the original investigation, cumulated subject imports from Argentina and Taiwan undersold the domestic like product in all possible comparisons. The two Commissioners who reached affirmative present injury determinations found that cumulated subject imports from Argentina and Taiwan suppressed prices for the domestic like product. The two Commissioners who found threat of material injury found that LWR pipe and tube from Taiwan consistently undersold the domestic like product throughout the period examined.[69]

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[62] Third Review Opinion, USITC Pub. 4301 at 14.

[63] CR/PR at Table I-4.

[64] CR at I-32, PR at I-23-24.

[65] CR at I-32, PR at I-24.

[66] CR at I-33, PR at I-24.

[67] CR at I-35, PR at I-26.

[68] Because of the expedited nature of this review, the record does not contain information about inventories of the subject merchandise or the subject industry's potential for product shifting.

[69] Original Determination, USITC Pub. 2169 at 30-31, 35-42, 56.

In the first reviews, the Commission was unable to obtain meaningful pricing information on subject LWR pipe and tube imports, because imports from Argentina and Taiwan had only been present in the U.S. market in limited quantities, and subject producers had not submitted information in those reviews. The Commission found that, if the orders were revoked, there would likely be significant underselling by cumulated subject imports from Argentina and Taiwan. The Commission also found that LWR pipe and tube from Argentina and Taiwan would likely enter the United States at prices that would have a significant depressing or suppressing effect on prices for the domestic like product in light of the commodity nature of the product, the inelasticity of domestic demand for LWR pipe and tube, and the demonstrated willingness of subject producers during the original investigations to undersell the domestic like product as a means of gaining market share.[70]

In the second reviews, the Commission found it had no meaningful contemporaneous U.S. pricing or average unit value ("AUV") data on subject imports from Taiwan, although the record did show that price remained an important consideration in purchasing decisions in the U.S. market. Raw material prices influenced LWR pipe and tube prices, and the Commission observed that hot-rolled steel was the primary input in the manufacture of LWR pipe and tube. The Commission found that, if the order were revoked, LWR pipe and tube from Taiwan would likely undersell the domestic like product in order to gain market share, forcing U.S. producers either to lower prices (at the risk of being unable to cover costs) or lose market share. The Commission based this finding on the moderately high substitutability of the domestic like product and subject LWR pipe and tube from Taiwan, a purchaser's expressed interest in LWR pipe and tube from Taiwan, the demonstrated willingness of subject producers in Taiwan to undersell the domestic like product to gain market share during the original investigations, and its finding of a likely significant volume of subject LWR pipe and tube from Taiwan in the event of revocation.[71]

In the third review, the Commission found that price remained an important consideration in purchasing decisions and that subject imports were highly substitutable for the domestic like product. The Commission observed that subject producers demonstrated interest in the U.S. market both in the original investigation and after the imposition of the order and were willing to undersell the domestic like product to gain market share. It concluded that if the order were revoked, the likely significant volume of subject imports would likely undersell the domestic like product and have significant price depressing or suppressing effects within a reasonably foreseeable time.[72]

In this review, we continue to find that subject imports from Taiwan have moderately high substitutability with the domestic like product, and that price is an important factor in purchasing decisions. The record does not contain current pricing comparisons due to the expedited nature of this review. Based on the available information, we find that if the order were revoked, significant volumes of subject imports would likely significantly undersell the

[70] First Review Opinion, USITC Pub. 3316 at 44.
[71] Second Review Opinion, USITC Pub. 3867 at 44-45, 57.
[72] Third Review Opinion, USITC Pub. 4301 at 15.

domestic like product to gain market share, as they did in the original investigation. The likely significant volume of low-priced subject imports in the event of revocation would force the domestic industry to either lower prices or lose sales and cede market share. In light of these considerations, we conclude that absent the restraining effect of the order, subject imports would likely have significant depressing or suppressing effects on prices for the domestic like product.

3. Likely Impact

In the original investigation, the Commission found that a number of the domestic industry's performance indicators improved between 1985 and 1987. The two Commissioners who reached present material injury determinations concluded that while the industry's condition was not objectively poor, the subject imports had a materially adverse effect on the industry's output. The two Commissioners who made threat determinations found that the industry was in a vulnerable condition.[73]

In the first reviews, the Commission found that the domestic industry had experienced meaningful improvements in production, capacity, shipments, and employment as a consequence of the orders on subject imports from Argentina and Taiwan and the increases in demand in the U.S. construction sector. The domestic industry's operating margin was markedly higher than during the original investigations. The Commission concluded that, in light of these improvements, the industry was not vulnerable to material injury. Nevertheless, the Commission determined that if the orders were revoked, the adverse price effects associated with increased volumes of cumulated subject imports from Argentina and Taiwan would likely have a significant impact on the domestic industry's condition.[74]

In the second reviews, the Commission did not find that the domestic industry was vulnerable to material injury if the order were revoked. Nevertheless, given the generally substitutable nature of subject imports from Taiwan and the domestic like product and the attractiveness of the U.S. market, the Commission found that the likely significant volume of subject imports, when combined with the likely adverse price effects of those imports, would likely have a significant impact on the domestic industry's production, shipments, sales, and revenues. Reductions in these performance factors, the Commission found, would have a direct adverse impact on the domestic industry's profitability and employment levels, as well as its ability to raise capital and make and maintain necessary capital investments.[75]

In the third review, the Commission found that the record was insufficient to make a determination on whether the domestic industry was vulnerable to the continuation or recurrence of material injury. The Commission found that should the order be revoked, subject imports would increase in volume at the expense of the domestic industry. It concluded that

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[73] Original Determination, USITC Pub. 2169 at 30-31, 47-49, 51-54.
[74] First Review Opinion, USITC Pub. 3316 at 45.
[75] Second Review Opinion, USITC Pub. 3867 at 41-45.

the volume and price effects of such imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.[76]

In this review, the record indicates that in 2016, the capacity of the domestic industry was 895,176 short tons, its production was 385,220 short tons, its capacity utilization was 43.0 percent, and its U.S. commercial shipments were *** short tons.[77] Production was higher than in 2010, but lower than in 1998 or 2005, while capacity was lower than in 2010 but higher than in 1998 or 2005. The domestic industry's net sales were $334.8 million in 2016, its operating income was $42.8 million, and its ratio of operating income to net sales was 12.8 percent.[78] Overall, the domestic industry's financial condition in 2016 was better than in previous years for which data are available. However, due to the expedited nature of this review, the limited record is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury if the order were revoked.

Nevertheless, based on the information available in this review, we find that revocation of the order would likely lead to a significant increase in the volume of subject imports and that these imports would likely undersell the domestic like product to a significant degree, resulting in significant price depression or suppression for the domestic like product. We find that the increased subject import competition that would likely occur after revocation of the order would likely have a significant impact on the domestic industry. The domestic industry would likely lose market share to subject imports and/or experience lower prices due to competition from subject imports, which would adversely impact its production, shipments, sales, and revenue. These reductions would likely have a direct adverse impact on the domestic industry's profitability and employment levels, 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, so as not to attribute likely injury from other factors to the subject imports. Nonsubject imports have been present in the U.S. market since the original investigation; their share of apparent U.S. consumption in 2016 was 37.9 percent, slightly higher than in 2010 (31.2 percent) but lower than in 2005 (42.6 percent). Nonsubject import market shares were highest in years when the domestic industry's financial performance was at its best -- the years in which nonsubject import market shares were highest, 2005 and 2016, were also the years in which the domestic industry's operating margins were highest.[79] Moreover, there is no indication that the presence of nonsubject imports would prevent subject imports from re-entering the U.S. market in significant volume should the order be

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[76] Third Review Opinion, USITC Pub. 4301 at 17.

[77] CR/PR at Table I-3.

[78] CR/PR at Table I-3.

[79] *Compare* CR/PR at Table I-6 with Table I-3. As noted in the supply section above, antidumping and countervailing duty orders went into effect in 2008 on imports from China, Korea, Mexico, and Turkey. These orders were continued in 2013. CR/PR at Table I-2. These orders are likely to have a restraining effect on imports from these four countries, two of which, Mexico and Turkey, remain leading suppliers to the U.S. market.

revoked, just as nonsubject imports did not prevent subject imports from increasing substantially in the original investigation.[80] Given the moderately high degree of substitutability of the product, and the fact that the domestic industry is the largest supplier of LWR pipe and tube to the U.S. market, any increase in subject imports is likely to be substantially at the expense of the domestic industry. Thus, we find that the likely effects of nonsubject imports on the domestic industry would be distinct from those of subject imports from Taiwan in the event of revocation.

Accordingly, we conclude that, if the antidumping duty order on LWR pipe and tube from Taiwan were revoked, subject imports from Taiwan would likely have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

IV. Conclusion

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

[80] *See* Original Determination, USITC Pub. 2169 at Tables 14 and 16.

INFORMATION OBTAINED IN THESE REVIEWS

BACKGROUND

On January 3, 2017, the U.S. International Trade Commission ("USITC" or "Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted a review to determine whether revocation of the antidumping order on light-walled rectangular pipe and tube ("LWR pipe and tube") from Taiwan 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] The following tabulation presents information relating to the background and schedule of this proceeding:

Effective or statutory date	Action
January 1, 2017	Notice of initiation by Commerce (82 FR 84; January 1, 2017)
January 3, 2017	Notice of institution by Commission (82 FR 137)
April 10, 2017	Commission's vote on adequacy and scheduling of its expedited review (82 FR 21406; May 8, 2017)
May 9, 2017	Commerce's results of its expedited review (82 FR 21512)
July 12, 2017	Commission's vote
July 25, 2017	Commission's determination and views
August 31, 2017	Commission's statutory deadline to complete expedited review

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

[2] *Light-Walled Rectangular Pipe and Tube from Taiwan; Institution of a Five-Year Review*, 82 FR 137, January 3, 2017. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of a five-year review of the subject antidumping duty order concurrently with the Commission's notice of institution. *Initiation of Five-Year ("Sunset") Reviews*, 82 FR 84, January 3, 2017. 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 prior proceedings is 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 subject merchandise. Presented in app. D are the responses received from purchaser surveys transmitted to the purchasers identified in the adequacy phase of this review.

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 review. It was filed on behalf of the following entities:

Allied Tube and Conduit ("Allied"); Atlas Tube ("Atlas"); Bull Moose Tube Company ("Bull Moose"); California Steel and Tube ("California Steel"); Hannibal Industries, Inc. ("Hannibal"); Maruichi American Corporation ("Maruichi"); Searing Industries ("Searing"); and Western Tube & Conduit Corporation ("Western"), domestic producers of LWR pipe and tube (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-1.

Table I-1
LWR pipe and tube: Summary of responses to the Commission's notice of institution

Type of interested party	Completed responses	
	Number	Coverage (percent)
Domestic:		
U.S. producer	8	74.8[1]
Respondent:		
U.S. importer	0	([2])
Foreign producer/exporter	0	([3])

[1] The coverage figure is the estimated share of total U.S. production of LWR pipe and tube in 2016 accounted for by responding firms. The coverage figure presented, as provided by the domestic interested parties in their response, represents the firms' reported production of LWR pipe and tube in 2014 as a share of total U.S. production in 2013, the most recent year for which public industry data are available. Domestic interested parties reported producing 404,385 tons of LWR pipe and tube in 2014, and the entire industry produced 540,664 tons in 2013. *Domestic interested parties' Response to the Notice of Institution*, February 2, 2017, p. 4. *Light-Walled Rectangular Pipe and Tube from China, Korea, Mexico, and Turkey, Investigation Nos. 701-TA-449 and 731-TA 1118-1121 (Review)*, USITC Publication 4470, June 2013, table C-1.
[2] The Commission did not receive any responses from U.S. importers.
[3] The Commission did not receive any responses from foreign producers/exporters.

Party comments on adequacy

The Commission did not receive any submissions from parties commenting on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews.

RECENT DEVELOPMENTS IN THE INDUSTRY

Since the Commission's last five-year review, the following developments have occurred in the LWR pipe and tube industry.

- April 2014 - Wheatland Tube, (a subsidiary of Zekelman Industries Inc.) invested $35 million to modernize and improve production efficiency at its manufacturing facility in Wheatland, PA.[5]
- March 2015 - Maruichi Oregon Steel Tube LLC, (subsidiary of Maruichi Steel Tube Ltd. from Osaka, Japan), acquired the structural tube division (formerly known as Columbia Structural Steel) of EVRAZ Oregon Steel. The acquisition potentially enabled Maruichi to improve service to its customers in the northwest region of the United States and western Canada. Maruichi Steel Tube Ltd. had two other pipe and tube mills in the United States: Maruichi American Corp. in Los Angeles, CA. and Maruichi Leavitt Pipe & Tube (formerly Leavitt Tube Corporation) in Chicago, IL. [6]
- August 2015 - Allied Tube and Conduit Corp. (subsidiary of Atkore International Group Inc.) closed its production facility in Philadelphia, PA, and stopped producing steel fence framework and sprinkler pipe products at its facilities in Harvey, IL and Phoenix, AZ. The closures resulted in the elimination of about 317 employees.[7]
- June 2016 - JMC Steel Group (Chicago, IL) changed its name to Zekelman Industries Inc.[8]
- September 2016 - Nucor Corp. (Charlotte, NC) agreed to acquire Independence Tube Corp. (ITC) for $435 million. ITC makes hollow structural section (HSS) steel tubing for structural and mechanical applications at its production facilities in Illinois and Alabama.[9]

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[5] *JMC Steel Group announces plant modernization project for Wheatland Tube location,* Wheatland Tube, April 4, 2014, http://www.wheatland.com/press-releases/jmc-steel-group-announces-plant-modernization-project, retrieved March 3, 2017.

[6] *Acquisition of Evraz Oregon Steel Structural Tubing*, Maruichi Oregon Steel Tube, LLC, March 5, 2015, http://most.us.com/most/wp-content/themes/maruichi/pdf/pdf150305.pdf, retrieved March 3, 2017.

[7] *Atkore International announces exit from fence and sprinkler businesses,* August 6, 2015, http://www.atkore.com/news/atkore-international-announces-exit-from-fence-and-sprinkler-businesses/, retrieved March 3, 2017.

[8] *JMC Steel Group changes name to Zekelman Industries Inc.,* June 6, 2016, http://www.zekelman.com/press-release/zekelman-industries/jmc-steel-group-changes-name-to-zekelman-industries-inc, retrieved February 24, 2017

[9] *Nucor to acquire Independence Tube Corporation,* September 19, 2016, http://www.nucor.com/investor/news/?rid=2204413, retrieved March 16, 2017.

- December 2016 - Nucor Corp. agreed to acquire Southland Tube (Birmingham, AL) for $130 million. Southland Tube produces HSS steel tubing for structural and mechanical applications.[10]
- February 2017 - Zekelman finalized the acquisition of the Western Tube and Conduit Corp. (Long Beach, CA). The acquisition expanded Zekelman's presence in the western half of the United States and Canada in the electrical, fence, and mechanical tube markets.[11]
- February 2017 - Zekelman acquired American Tube Manufacturing, Inc. (Birmingham, AL). American Tube is a leading producer of round, square, and rectangle shaped HSS tubing products in the southeastern region of the United States.[12]
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THE ORIGINAL INVESTIGATION AND SUBSEQUENT REVIEWS

The original investigation

The original investigation resulted from a petition filed on June 6, 1988 with Commerce and the Commission by the mechanical tubing subcommittee of the Committee on Pipe and Tube Imports and by the individual manufacturers of LWR pipe and tube that are members of the subcommittee. On March 27, 1989, Commerce made a final affirmative determination of sales at less than fair value ("LTFV") with respect to LWR pipe and tube from Taiwan.13 Commerce's final weighted-average dumping margins were 5.51 percent for Ornatube Enterprise Co., Ltd., 40.97 percent for Vulcan Industrial Corp. and Yieh Hsing Industries, Ltd., and 29.15 percent for all other firms. The Commission completed its original investigation in March 1989, determining that an industry in the United States was materially injured or threatened with material injury by reason of imports of LWR pipe and tube from Taiwan that Commerce determined to be sold at LTFV.[14]

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[10] *Nucor to acquire Southland Tube,* December 6, 2016, http://www.nucor.com/investor/news/?rid=2227913, retrieved February 24, 2017.

[11] *Zekelman Industries completes acquisition of Western Tube & Conduit Corporation*, February 15, 2017, http://www.zekelman.com/press-release/zekelman-industries/zekelman-industries-completes-acquisition-of-western-tube-conduit-corporation, retrieved March 3, 2017.

[12] *Zekelman Industries acquires American Tube Manufacturing, Inc.,* February 22, 2017, http://www.zekelman.com/press-release/zekelman-industries/zekelman-industries-acquires-american-tube-manufacturing-inc, retrieved March 3, 2017.

[13] *Antidumping Duty Order; Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan*, 54 FR 12467, March 27, 1989.

[14] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Investigation No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, p. 1. Acting Chairman Brunsdale and Commissioner Cass determined that an industry in the United States was materially injured by reason of imports of LWR pipe and tube from Taiwan that Commerce determined to be sold at LTFV, Ibid., p. 49. Commissioners Eckes and Newquist determined that an industry in the United States was threatened with material injury by reason of imports of LWR pipe and tube from Taiwan that Commerce determined to be sold at

(*continued*...)

The first five-year reviews[15]

In July 2000, the Commission completed its first full five-year reviews and determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[16] Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.[17]

(…*continued*)
LTFV, Ibid., p. 58. Commissioners Lodwick and Rohr dissented, determining that industry in the United States was not materially injured or threatened with material injury by reason of imports of LWR pipe and tube from Taiwan that Commerce determined to be sold at LTFV, Ibid., pp. 66 and 74. As a part of a related investigation initiated by the same petition, the Commission determined in May 1989 that an industry in the United States was materially injured or threatened with material injury by reason of imports of LWR pipe and tube from Argentina that Commerce determined to be sold at LTFV. *Certain Light-Walled Rectangular Pipes and Tubes from Argentina, Investigation No. 731-TA-409 (Final)*, USITC Publication 2187, May 1989, p. 1. The determinations of individual Commissioners regarding Argentina remained the same as their determinations regarding Taiwan. The Commission also previously made an affirmative determination concerning LWR pipe and tube from Singapore. *Certain Welded Carbon Steel Pipes and Tubes from the Philippines and Singapore, Inv. Nos. 731-TA-293, 294, and 296 (Final)*. USITC Publication 1907, November 1986, p. 1.

[15] In the first five-year reviews, the Commission grouped the antidumping duty order on LWR pipe and tube from Taiwan with the antidumping duty orders on LWR pipe and tube from Singapore and Argentina and with certain countervailing duty orders on imports of circular, welded non-alloy steel pipe and tube not more than 16 inches in outside diameter ("CW pipe and tube") and oil country tubular goods ("OCTG") in order to promote administrative efficiency due to similarities in the products and/or market participants. *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigation Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. 6.

[16] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigation Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. 60. The Commission also determined that revocation of the antidumping duty orders on imports from Argentina would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time, but it made a negative determination concerning the order on imports from Singapore. It made negative determinations concerning all OCTG orders and CW pipe and tube orders on imports from Venezuela and affirmative determinations concerning CW pipe and tube orders on imports from Brazil, India, Taiwan, Thailand, and Turkey. Ibid., p. 3.

[17] *Continuation of Antidumping Duty Orders: Light-Walled Rectangular Welded Carbon Steel Pipe and Tube from Argentina and Taiwan; Circular Welded Non-Alloy Steel Pipe and Tube from Brazil, Korea, Mexico, and Taiwan; Welded Carbon Steel Pipe and Tube from India, Thailand, and Turkey; and Small Diameter Standard and Rectangular Steel Pipe and Tube from Taiwan*, 65 FR 50955, August 22, 2000.

The second five-year reviews[18]

In July 2006, the Commission completed its second full five-year reviews and determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[19] Subsequently, Commerce issued a continuation of the antidumping duty order on LWR pipe and tube from Taiwan.[20]

The third five-year review[21]

In January 2012, the Commission completed its third expedited five-year review, and determined that revocation of the antidumping duty order covering LWR pipe and tube from Taiwan was likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[22] Subsequently, Commerce issued a continuation of the antidumping duty order.[23]

PRIOR RELATED TITLE VII INVESTIGATIONS

The Commission has conducted several previous import relief investigations (and subsequent reviews) concerning LWR pipe and tube. Table I-2 presents data on previous and related Title VII investigations.

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[18] In the second five-year reviews, the Commission grouped the LWR pipe and tube orders with orders on imports of CW pipe and tube. *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, pp. 4-5.

[19] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. 46. The Commission made a negative determination concerning the order on LWR pipe and tube from Argentina. It also determined that revocation of the orders on CW pipe and tube from Brazil, India, Taiwan, Thailand, and Turkey would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. Ibid., p. 3.

[20] *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Continuation of Antidumping Duty Order*, 71 FR 45521, August 9, 2006.

[21] In the third five-year review, the Commission decided to conduct an expedited review of the order on LWR pipe and tube from Taiwan and full reviews of the orders on CW pipe and tube from Brazil, India, Korea, Taiwan, Thailand, and Turkey. *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. 4.

[22] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. 17.

[23] *Light-Walled Welded Rectangular Carbon Steel Tubing From Taiwan: Continuation of Antidumping Duty Order*, 77 FR 5240, February 2, 2012.

Table I-2

LWR pipe and tube: Previous and related Title VII investigations

Source	Inv. No.	USITC Publication		Result
		Number	Date	
Korea	731-TA-138 (Final)	USITC 1519	April 1984	Affirmative; revoked October 1985 following voluntary restraint agreement
Spain	731-TA-198 (Preliminary)	USITC 1569	August 1984	Terminated after preliminary; petition withdrawn
Taiwan	731-TA-211 (Final)	USITC 1799	January 1986	ITC negative
Singapore	731-TA-296 (Final)	USITC 1907	November 1986	Affirmative
	731-TA-296 (Review)	USITC 3316	July 2000	Revoked following ITC negative
Taiwan	731-TA-349 (Final)	USITC 1994	July 1987	ITC negative
Argentina	731-TA-409 (Final)	USITC 2187	May 1989	Affirmative
	731-TA-409 (Review)	USITC 3316	July 2000	Order continued
	731-TA-409 (Second Review)	USITC 3867	July 2006	Revoked following ITC negative
Taiwan	731-TA-410 (Final)	USITC 2169	March 1989	Affirmative
	731-TA-410 (Review)	USITC 3316	July 2000	Order continued
	731-TA-410 (Second Review)	USITC 3867	July 2006	Order continued
	731-TA-410 (Third Review)	USITC 4301	January 2012	Order continued
Mexico	731-TA-730 (Preliminary)	USITC 2892	May 1995	ITC negative
Mexico	731-TA-1054 (Final)	USITC 3728	October 2004	ITC negative
Turkey	731-TA-1055 (Final)	USITC 3728	October 2004	ITC negative
Turkey	731-TA-1121 (Final)	USITC 4001	May 2008	Affirmative
	731-TA-1121 (Review)	USITC 4470	June 2013	Order continued
China	701-TA-449 (Final)	USITC 4024	July 2008	Affirmative
	701-TA-449 (Review)	USITC 4470	June 2013	Order continued
	731-TA-1118 (Final)	USITC 4024	July 2008	Affirmative
	731-TA-1118 (Review)	USITC 4470	June 2013	Order continued
Korea	731-TA-1119 (Final)	USITC 4024	July 2008	Affirmative
	731-TA-1119 (Review)	USITC 4470	June 2013	Order continued
Mexico	731-TA-1120 (Final)	USITC 4024	July 2008	Affirmative
	731-TA-1120 (Review)	USITC 4470	June 2013	Order continued

Source: Cited Commission publications.

PRIOR RELATED SAFEGAURD INVESTIGATIONS

In 2001, the Commission determined that certain carbon and alloy steel welded tubular products other than oil country tubular goods (including LWR pipe and tube as defined in the current proceeding) were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing such articles, and recommended a tariff-rate quota decreasing from 20 percent to 11 percent over four years.[24] On March 5, 2002, President George W. Bush announced the implementation of steel safeguard measures. Import relief relating to welded tubular products (other than oil country tubular goods) consisted of an additional tariff for a period of three years and one day (15 percent ad valorem on imports in the first year, 12 percent in the second year, and 9 percent in the third year).[25] Following receipt of the Commission's mid-term monitoring report in September 2003, and after seeking information from the U.S. Secretary of Commerce and U.S. Secretary of Labor, President Bush determined that the effectiveness of the action taken had been impaired by changed circumstances. Therefore, he terminated the U.S. measure with respect to increased tariffs on December 4, 2003.[26] On March 21, 2005, the Commission instituted an investigation under section 204(d) of the Trade Act of 1974 for the purpose of evaluating the effectiveness of the relief action imposed by the President on imports of certain steel products. The Commission transmitted that report to the President and the Congress on September 19, 2005.[27]

THE PRODUCT

Commerce's scope

Commerce has defined the scope of this order under review as follows:

> *The product covered by the order is light-walled welded carbon steel pipe and tube of rectangular (including square) cross-section having a wall thickness of less than 0.156 inch. This merchandise is classified under item number 7306.61.5000 of the Harmonized Tariff Schedule (HTS). It was formerly classified under item number 7306.60.5000. The*

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[24] *Steel; Import Investigations*, 66 FR 67304, December 28, 2001.

[25] *Presidential Proclamation 7529 of March 5, 2002, To Facilitate Positive Adjustment to Competition from Imports of Certain Steel Products, 67 FR 10553*, March 7, 2002. The President also instructed the Secretaries of Commerce and the Treasury to establish a system of import licensing to facilitate steel import monitoring.

[26] *Presidential Proclamation 7741 of December 4, 2003, To Provide for the Termination of Action Taken With Regard to Imports of Certain Steel Products*, 68 FR 68483, December 8, 2003. Import licensing, however, remained in place through March 21, 2005, and continues in modified form at this time.

[27] *Steel: Evaluation of the Effectiveness of Import Relief, Inv. No. TA-204-12*, USITC Publication 3797, September 2005.

HTS item numbers are provided for convenience and customs purposes only. The written product description remains dispositive.[28]

Description and uses[29]

The terms "pipes," "tubes," and "tubular products" are interchangeable in common usage and in the HTSUS. However, tubular product manufacturers typically classify "pipes" as having a circular cross-section in a few standard sizes, whereas "tubes" may have any cross-sections including circular, square, rectangular or others. Pipes are specified in terms of their internal nominal diameter, whereas tubes are specified in terms of their outside dimensions and wall thickness. Steel pipes and tubes can be further subdivided according to their manufacturing method (welded or seamless) or grades of steel (carbon, alloy, and stainless).[30] The scope of the antidumping duty order on LWR pipe and tube includes only carbon, or nonalloy, steel products, and not stainless steel or other alloy steels. The scope of the order includes only welded LWR pipe and tube and excludes seamless products.

LWR pipe and tube sold in the U.S. market is generally manufactured to conform to standards of the American Society for Testing and Materials ("ASTM") International[31] or the American Society of Mechanical Engineers ("ASME"). Chemical requirements, testing procedures, and permissible variations (tolerances) are specified in the ASTM or ASME specifications.[32] Domestically produced and subject imported LWR pipe and tube are typically manufactured to meet ASTM A-500 (ornamental tubing)[33] or ASTM A-513 (mechanical

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[28] *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 82 FR 21512, May 9, 2017.

[29] Unless otherwise noted, this information is based on *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan, Inv. No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, pp. I-9 through I-10 and *Light-Walled Rectangular Pipe and Tube from China, Korea, Mexico, and Turkey, Inv. Nos 701-TA-449 and 731-TA-1118-1121 (Review)*, USITC Publication 4470, June 2013, pp. I-15 through I-17.

[30] Although carbon steel contains trace amounts of alloy elements, it is mainly composed of carbon and iron. Alloy steel is any type of steel to which one or more elements besides carbon have been intentionally added to produce a desired physical property or characteristic. Common elements that are added to make alloy steel are molybdenum, manganese, nickel, silicon, boron, chromium, and vanadium. Stainless steel is an alloy steel composed of certain amounts of nickel and chromium, which makes it corrosion-resistant.

[31] ASTM International (formerly called American Society for Testing and Materials) is not a product testing or certification organization. Rather, manufacturers can voluntarily choose to indicate on the label or packaging that their products have been tested according to ASTM standards.

[32] Mohinder L. Nayyar, *Piping Handbook: Sixth Edition*, 1992.

[33] ASTM A-500 covers cold-formed welded and seamless carbon steel round, square, rectangular, or special shape structural tubing for welded, riveted, or bolted construction of bridges and buildings, and for general structural purposes.

tubing).[34] Mechanical tubing is welded or seamless tubing that is produced in different sizes, shapes, and chemical compositions to meet the specification required for the end use.

LWR pipe and tube is not used to convey liquids or gases. Rather, its main uses include fencing, window guards, cattle chutes, railings for construction and agricultural applications, and more ornamental (but also functional) items such as furniture parts, athletic equipment, lawn and garden equipment, store shelving, towel racks, and similar items. LWR pipe and tube's physical properties and specifications often depend on the intended end use. Corrosion-resistant LWR pipe and tube, often galvanized, are used in applications where corrosion resistance is required, such as air conditioning equipment, automotive parts, or certain outdoor signs.

Manufacturing process[35]

U.S. producers currently employ two methods in the manufacture of LWR pipe and tube, as follows:

(*1) Two-stage forming (from flat coil, to round tube, to rectangular tube):* In this process, flat-rolled steel sheet is slitted into strips of the width needed to produce the desired size of pipe and tube. The steel strips are then fed into equipment that bends the strip into tubular form. The edges of the strip are then pressed together and heated to approximately 2,600 degrees Fahrenheit. The pressure and heat on the edges form a weld. After welding, the round tube is formed into rectangular or square shapes by forming rolls. The tube is then cooled and cut to size.

(2) Direct forming: In this process, LWR pipe and tube is produced directly from flat coil to rectangular tube. Essentially, the steel sheet is formed into a rectangular shape and then the edges of the sheet are welded.

These two processes can be performed on the same equipment, using the same employees that are used to produce round pipe and tube and structural (heavier-walled rectangular) tube. Following the welding process, LWR pipe and tube is often galvanized. Galvanizing is the process of coating steel with a thin film of zinc to protect the steel from corrosion. The most common method for galvanizing is the hot-dip process, which involves dipping the tube into a molten zinc bath.[36]

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[34] ASTM A-513 covers the following: 1) electric-resistance-welded carbon and alloy steel tubing for use as mechanical tubing, 2) mechanical tubing made from hot- or cold-rolled steel, and 3) round, square, rectangular, and special shape tubing.

[35] Unless otherwise noted, this information is based on Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan, Inv. No. 731-TA-410 (Third Review), USITC Publication 4301, January 2012, pp. I-9 through I-10.

[36] The bath temperature should be between 830 to 850 degrees Fahrenheit. Galvanized coatings are formed by a chemical process during which steel and zinc metallurgically bond, forming a series of corrosion-inhibiting, highly abrasion-resistant zinc/iron alloy layers.

U.S. tariff treatment

LWR pipe and tube is currently imported under HTS statistical reporting number 7306.61.5000. This subheading covers other tubes, pipes and hollow profiles of iron or nonalloy steel of a rectangular or square cross section having a wall thickness of less than 4 millimeters. LWR pipe and tube imported from Taiwan enters the U.S. market at a column 1-general duty rate of "free."

Definition of the domestic like product

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. In its original determination, full first five-year review determination, expedited second five-year review determination, and expedited third five-year review determination of the antidumping duty order on LWR pipe and tube from Taiwan, the Commission defined the domestic like product as LWR pipe and tube coextensive with Commerce's scope definition.[37]

In its notice of institution for this review, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry. According to their response to the notice of institution, the domestic interested parties agree with the Commission's definitions from the prior proceedings.[38]

ACTIONS AT COMMERCE

Commerce has not made any scope rulings, company revocations, duty absorption findings, or anti-circumvention determinations, and has not conducted any critical circumstance reviews, changed circumstances reviews, or new shipper reviews since the original order was imposed.

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[37] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Investigation No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, pp. 3-4; *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. 14; *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. 7; *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. 6.

[38] *Domestic Interested Parties' Response to the Notice of Institution,* February 2, 2017, p. 23.

Administrative Reviews

Commerce has conducted two administrative reviews of the antidumping duty order on LWR pipe and tube from Taiwan. The most recent administrative review concluded on June 9, 1992. The order remains in effect for all manufacturers and exporters of LWR pipe and tube from Taiwan.

Current five-year review

Commerce notified the Commission that it had not received adequate responses from respondent interested parties to its notice of initiation of the current five-year reviews. Therefore, it conducted an expedited review with respect to LWR pipe and tube from Taiwan.[39] Commerce determined that revocation of the antidumping duty order on LWR pipe and tube from Taiwan would likely lead to a continuation or recurrence of dumping.[40]

THE INDUSTRY IN THE UNITED STATES

U.S. producers

In the original investigation, the Commission found that, from 1985 to 1988, 22 firms produced LWR pipe and tube in the United States.[41] Thirteen U.S. producers of LWR pipe and tube provided the Commission with data in the first review,[42] 14 provided data in the second review,[43] and eight provided data in the third review.[44] No domestic producer was related to an exporter or importer of LWR pipe and tube from Taiwan or imported LWR pipe and tube from Taiwan, or was otherwise a related party as defined by the statute, in the original investigation and subsequent reviews.

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[39] Mark Hoadley, Program Manager, Office VII, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, Department of Commerce, Letter to Michael Anderson, March 15, 2017.

[40] *Light-Walled Welded Rectangular Carbon Steel Tubing from Taiwan: Final Results of the Expedited Fourth Sunset Review of the Antidumping Duty Order*, 82 FR 21512, May 9, 2017.

[41] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, p. A-6.

[42] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. LWR-I-3.

[43] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. LWR-I-1.

[44] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. I-11.

In response to the Commission's notice of institution in this current review, the eight responding domestic producers of LWR pipe and tube provided a list of 12 additional known and currently operating U.S. producers of LWR pipe and tube: AK Tube LLC; Camrose Pipe Corporation ("Evraz Oregon"); EXL Tube; Hanna Steel Corporation; Maruichi Leavitt Pipe and Tube, LLC; Parthenon Metal Works, a division of Leggett & Platt Incorporated; Longhorn Tube; Mid-States Tube Corporation; Prolamsa Inc.; Southeast Tube; Southland Tube; and Vest, Inc.[45] Domestic producers are not aware of any related parties among the U.S. producers.[46]

As noted by the domestic interested parties, the U.S. industry's performance has improved in a number of areas since the original period of investigation. From 1987 to 2013,[47] U.S. consumption of LWR pipe and tube nearly tripled to 674,043 short tons, U.S. production capacity has more than tripled to 1.1 million short tons, U.S. production has more than doubled to 540,644 short tons, net sales have risen nearly six-fold to $533.6 million, employment has more than doubled to 976, and net profits have increased by more than twelve-fold to $34.1 million.[48] The industry's operating margin ranged from 2.6 to 4.6 percent during the period of investigation, briefly turned negative in 2009, and stood at 10.9 percent in 2011.[49] From 2015 to 2016, U.S. capacity and production decreased by ***, respectively, primarily due to the closure of Allied's mill in Philadelphia.[50] In addition, U.S. demand had generally been increasing since the end of the recession, but this trend may have stopped or even reversed in 2016.[51]

Definition of the domestic industry and related party issues

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 related party for purposes of its injury determination if "appropriate circumstances" exist.[52] In its original determination, full first five-year review determination, expedited second five-year review determination, and expedited third five-year review determination of the antidumping duty order on LWR pipe and tube from Taiwan, the Commission defined the domestic industry as all domestic producers of LWR pipe and tube.[53]

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[45] *Domestic Interested Parties' Response to the Notice of Institution, February 2, 2017, exh. 11.*

[46] *Ibid., p. 22.*

[47] 2013 is the most recent year for which the Commission has complete data regarding LWR pipe and tube. See *Light-Walled Rectangular Pipe and Tube from China, Korea, Mexico, and Turkey, Investigation Nos. 701-TA-449 and 731-TA 1118-1121 (Review)*, USITC Publication 4470, June 2013.

[48] *Domestic Interested Parties' Response to the Notice of Institution, February 2, 2017, pp. 6-7.*

[49] Ibid., p. 7.

[50] Ibid., p. 23 and exh. 1.

[51] Ibid., p. 23.

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

[53] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Investigation No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, p. 4; *Certain Pipe and Tube from Argentina, Brazil, Canada,*

(*continued*...)

In its notice of institution for this review, the Commission solicited comments from interested parties regarding the appropriate definition of the domestic industry and inquired as to whether any related party issues existed. The domestic interested parties did not cite any potential related party issues and agreed with the Commission's definition of the domestic industry from prior proceedings.[54]

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 of the current five-year review.[55] Table I-3 presents a compilation of the data submitted from all responding U.S. producers as well as trade and financial data submitted by U.S. producers in the original investigation and prior five-year reviews.

(…*continued*)
India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review), USITC Publication 3316, July 2000, p. 16; *Certain Pipe and Tube From Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. 9; *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. 7.

[54] *Domestic Interested Parties' Response to the Notice of Institution,* February 2, 2017, p. 23.

[55] Individual company trade and financial data are presented in app. B.

Table I-3
LWR pipe and tube: Trade and financial data submitted by U.S. producers, 1987, 1998, 2005, 2010, and 2016

Item	1987	1998	2005	2010	2016
Capacity (short tons)	320,361	599,170	886,000	1,174,325	895,176
Production (short tons)	212,027	403,669	451,000	316,149	385,220
Capacity utilization (percent)	66.2	67.4	50.9	26.9	43.0
U.S. commercial shipments:					
Quantity (short tons)	([1])	([1])	([1])	([1])	***
Value ($1,000)	([1])	([1])	([1])	([1])	***
Unit value (per short ton)	([1])	([1])	([1])	([1])	$***
Internal consumption/company transfers:					
Quantity (short tons)	([1])	([1])	([1])	([1])	***
Value ($1,000)	([1])	([1])	([1])	([1])	***
Unit value (per short ton)	([1])	([1])	([1])	([1])	$***
Total U.S. shipments:					
Quantity (1,000 pounds)	207,888	404,970	455,000	264,168	360,368
Value ($1,000)	140,515	225,943	424,830	253,484	319,938
Unit value (per short ton)	$675.92	$557.93	$933.69	$959.56	$887.81
Net sales ($1,000)	93,000	112,005	428,401	272,943	334,821
COGS ($1,000)	84,464	93,860	356,747	228,854	263,467
COGS/net sales (percent)	90.8	83.8	83.3	83.9	78.7
Gross profit or (loss) ($1,000)	8,536	18,146	71,654	44,089	74,515
SG&A expenses (loss) ($1,000)	5,760	7,660	26,978	29,344	31,738
Operating income (loss) ($1,000)	2,776	10,485	44,676	14,745	42,777
Operating income (loss)/net sales (percent)	3.0	9.4	10.4	5.5	12.8

[1] Data not available.

Source: Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final), USITC Publication 2169, March 1989, tables 2, 3, and 7; Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review), USITC Publication 3316, July 2000, table C-3; Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review), USITC Publication 3867, July 2006, table C-2; Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review), USITC Publication 4301, January 2012, table 1-4, and Domestic Interested Parties' Response to the Notice of Institution, February 2, 2017, exh. 1.

U.S. IMPORTS AND APPARENT CONSUMPTION

U.S. importers

In the original investigation, the Commission found that, from 1984 to 1988, at least 31 firms imported LWR pipe and tube from Taiwan into the United States.[56] Eleven importers provided the Commission with data in the first reviews[57] and two provided data in the second reviews.[58] No importers submitted a response to the Commission's notice of institution in the third review.

In the final phase of the original investigation, official Commerce statistics showed that imports from Taiwan accounted for 18.3 percent of all imports of LWR pipe and tube into the United States in 1987. Imports of LWR pipe and tube from Taiwan accounted for less than 0.05 percent of all imports in 1998,[59] 0.1 percent in 2005,[60] and 0.2 percent in 2010.[61]

No importers provided a response to the Commission's notice of institution in this current fourth review. In their response, domestic interested parties stated that they did not know the identity of currently operating U.S. importers of LWR pipe and tube from Taiwan.[62]

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[56] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, p. A-6.

[57] This number included importers of subject LWR pipe and tube from Argentina and Singapore as well as from Taiwan. *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. LWR-IV-1.

[58] This number included importers of subject LWR pipe and tube from Argentina in addition to imports of the subject product from Taiwan. *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. LWR-IV-1.

[59] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, table LWR-IV-1.

[60] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, table LWR-IV-1.

[61] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, table I-5.

[62] *Domestic Interested Parties' Response to the Notice of Institution, February 2, 2017, p. 22.*

U.S. imports

In the original investigations, the two Commissioners who found present material injury cumulated subject imports from Argentina and Taiwan and concluded that the effect of the cumulated subject imports had been to reduce significantly the domestic industry's sales of LWR pipe and tube in the U.S. market.[63] The two Commissioners who made affirmative threat of material injury determinations in the original investigations did not cumulate imports from Taiwan with imports from Argentina. They observed that the volume of subject LWR pipe and tube from Taiwan increased despite the operation of Taiwan's self-restraint program for exports and any chilling effect the filing of the petition may have had.[64] They also found that LWR pipe and tube from Taiwan captured an increasing share of the U.S. market during the period, and they concluded that these trends were likely to continue despite the restraint program.[65]

In the first reviews, the Commission found that the volume of cumulated subject imports from Argentina and Taiwan was likely to reach significant levels within a reasonably foreseeable time if the antidumping duty orders on LWR pipe and tube from Taiwan and Argentina were revoked.[66] In the second reviews, the Commission found that the likely volume of subject imports from Taiwan would be significant if the order was revoked.[67] In the third review, the Commission found that the volume of imports from Taiwan, both in absolute terms and relative to production and consumption in the United States, would likely be significant absent the restraining effect of the antidumping duty order.[68]

Table I-4 presents the quantity, value, and unit value for imports of LWR pipe and tube from Taiwan as well as the other top sources of U.S. imports (shown in descending order of 2016 imports by quantity). Imports from Taiwan represented 0.3 percent or less of total imports in each of the years during the current period of review. The unit values of imports

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[63] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, pp. 24-25 and 33-35. Although the petition in the original investigations covered subject imports from Argentina and Taiwan, Commerce extended the deadline for its final determination concerning subject imports from Argentina, and the Commission's investigations concerning imports from Argentina and Taiwan were separated. Different timetables notwithstanding, the Commission considered whether the impact of imports from both countries should be cumulatively assessed. Ibid., pp.6-9.

[64] Ibid., p. A-21, n.1.

[65] Ibid., pp. 56-57.

[66] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. 44.

[67] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, p. 44.

[68] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. 14.

from Taiwan declined 48.5 percent from 2012 to 2016, and were two to three times higher than the average unit values of all imports during that period.

Table I-4
LWR pipe and tube: U.S. imports, 2012-16

Item	2012	2013	2014	2015	2016
	Quantity (short tons)				
Taiwan (subject)	398	207	253	131	133
Mexico	64,648	82,699	95,510	84,144	110,764
Canada	45,785	57,304	59,625	65,935	78,776
Vietnam	804	2,008	5,196	4,162	13,642
Turkey	5,920	1,903	5,490	8,951	6,873
India	722	1,159	1,701	3,229	1,704
Costa Rica	1,544	1,391	640	1,327	1,125
Germany	547	288	318	409	298
Colombia	5,983	4,232	2,135	1,245	124
All other imports (nonsubject)	4,051	3,854	4,089	6,614	6,707
Total imports	130,402	155,044	174,956	176,146	220,146
	Landed, duty-paid value ($1,000)				
Taiwan (subject)	1,159	451	527	225	199
Mexico	55,129	66,965	79,800	60,548	78,786
Canada	46,513	54,286	59,157	54,852	64,696
Vietnam	657	1,753	4,000	2,591	7,761
Turkey	4,831	1,660	4,382	6,008	3,732
India	692	1,064	1,472	2,543	1,367
Costa Rica	1,880	1,425	616	1,203	710
Germany	1,298	1,047	1,294	1,254	974
Colombia	6,337	4,292	2,051	1,135	91
All other imports (nonsubject)	4,677	3,669	3,854	5,520	5,247
Total imports	123,174	136,611	157,153	135,879	163,563

Table continued on next page.

Table I-4—Continued
LWR pipe and tube: U.S. imports, 2012-16

Item	2012	2013	2014	2015	2016
	Unit value (dollars per short ton)				
Taiwan (subject)	$2,912.55	$2,176.84	$2,084.41	$1,720.02	$1,499.14
Mexico	852.76	809.75	835.52	719.58	711.29
Canada	1,015.89	947.34	992.15	831.91	821.27
Vietnam	817.06	873.01	769.85	622.49	568.91
Turkey	816.11	872.09	798.19	671.26	542.93
India	959.01	917.85	865.14	787.41	802.37
Costa Rica	1,217.54	1,024.34	962.48	906.70	630.82
Germany	2,372.61	3,634.00	4,067.80	3,066.61	3,266.90
Colombia	1,059.17	1,014.11	960.60	911.26	736.02
All other imports (nonsubject)	1,154.65	951.97	942.50	834.53	782.38
Total imports	944.57	881.11	898.24	771.40	742.98

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

Source: Official statistics of Commerce for HTS statistical reporting number 7306.61.5000.

Apparent U.S. consumption and market shares

Table I-5 presents data on U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, while table I-6 presents data on U.S. market shares of U.S. apparent consumption.

Table I-5
LWR pipe and tube: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 1987, 1998, 2005, 2010, and 2016

Item	1987	1998	2005	2010	2016
	Quantity (short tons)				
U.S. producers' U.S. shipments	207,888	404,970	455,000	264,168	360,368
U.S. imports from—					
Taiwan	14,770	47	277	242	133
All other	65,788	159,881	337,773	120,125	220,013
Total imports	80,558	159,928	338,000	120,367	220,146
Apparent U.S. consumption	288,446	564,898	793,000	384,535	580,514
	Value (1,000 dollars)				
U.S. producers' U.S. shipments	140,515	225,943	424,830	253,484	319,938
U.S. imports from—					
Taiwan	6,462	86	441	657	199
All other	31,177	78,263	266,654	102,358	163,364
Total imports	37,639	78,349	267,095	103,015	163,563
Apparent U.S. consumption	178,154	304,292	691,925	356,499	483,501

Source: *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, tables 3 and 14; *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, table C-3; *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, table C-2; and *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, tables I-4 and I-5. For the year 2016, 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 subheading 7306.61.5000.

Table I-6
LWR pipe and tube: Apparent U.S. consumption and U.S. market shares, 1987, 1998, 2005, 2010, and 2016

Item	1987	1998	2005	2010	2016
	Quantity (*short tons*)				
Apparent U.S. consumption	288,446	564,898	793,000	384,535	580,514
	Value (*1,000 dollars*)				
Apparent U.S. consumption	178,154	304,292	691,925	356,499	483,501
	Share of consumption based on quantity (*percent*)				
U.S. producer's share	72.1	71.7	57.4	68.7	62.1
U.S. imports from--					
Taiwan	5.1	([1])	([1])	0.1	([1])
All other sources	22.8	28.3	42.6	31.2	37.9
Total imports	27.9	28.3	42.6	31.3	37.9
	Share of consumption based on value (*percent*)				
U.S. producer's share	78.9	74.3	61.4	71.1	66.2
U.S. imports from--					
Taiwan	3.6	([1])	0.1	0.2	([1])
All other sources	17.5	25.7	38.5	28.7	33.8
Total imports	21.1	25.7	38.6	28.9	33.8

[1] Less than 0.05 percent.

Source: *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, tables 3 and 14; *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, table C-3; *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, table C-2; and *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, tables I-4 and I-5. For the year 2016, 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 subheading 7306.61.5000.

THE INDUSTRY IN TAIWAN

In the original investigation, the Commission based its analysis of the industry in Taiwan on information supplied by Ornatube Enterprise Company, an LWR pipe and tube producer, that included data of three Taiwanese producers: Ornatube, Vulcan Industrial Corp, and Yieh Man Corp. (formerly Yieh Hsing). It was reported that these three manufacturers nearly doubled their capacity in the original investigation to *** short tons in 1988, and exported *** short tons of LWR pipe and tube to the United States that same year.[69] The Commission's report noted that data regarding the entire Taiwanese industry's capacity, production, shipments, and exports were not available.[70]

In the first reviews, the Commission identified three possible producers of LWR pipe and tube in Taiwan but received no responses to its questionnaires. In response to the Commission's inquiries, the American Institute in Taiwan noted that overcapacity was a major problem in Taiwan's steel pipe and tube industry. At that time, Taiwan reportedly had an estimated capacity of 697,000 short tons of welded carbon steel pipe and tube of sizes which could include LWR pipe and tube.[71]

In the second reviews, the Commission sent questionnaires to eight possible producers of LWR pipe and tube in Taiwan, as well as all possible producers of circular welded pipe and tube in Taiwan, but received no responses to its questionnaires.[72] The Taiwan Steel & Iron Industries Association ("TSIIA") *** data on producers of LWR pipe and tube in Taiwan, and indicated ***.[73]

In the third review, the domestic interested parties identified the following companies as currently operating producers of LWR pipe and tube in Taiwan that had exported LWR pipe and tube to the United States from 2006 to 2012:

Far East Machinery Company ("Femco"): Femco was established in 1949, with its headquarters and three production facilities in Chiayi City in central Taiwan. Femco is a medium-size company with a total work force of about 1,000 employees and a steel capacity of 159,000 short tons. It produces LWR pipe and tube with sides ranging from 1.5 inches to

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[69] *Investigation No. 701-TA-410 (Final): Light-Walled Rectangular Pipes and Tubes from Taiwan—Staff Report*, INV-M-027, March 6, 1989, table 11.

[70] *Certain Light-Walled Rectangular Pipes and Tubes from Taiwan, Inv. No. 731-TA-410 (Final)*, USITC Publication 2169, March 1989, p. A-21.

[71] *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Investigations Nos. 701-TA-253 (Review) and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, p. LWR-IV-4.

[72] *Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey, Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532—534 and 536 (Second Review)*, USITC Publication 3867, July 2006, pp. LWR-IV-8—LWR-IV-9.

[73] *Investigation Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 409, 410, 532-534, and 536 (Second Review): Certain Pipe and Tube from Argentina, Brazil, India, Korea, Mexico, Taiwan, Thailand, and Turkey—Staff Report*, INV-DD-083, June 12, 2006, pp. LWR-IV-15—LWR-IV-16.

15.7 inches. Femco also produces standard pipe, line pipe, cold-formed welded and seamless carbon steel structural tubing and rounds and shapes. These products comply with ASTM, British, Japanese, and Chinese industrial standards.[74] In 2014, FEMCO's chairman stated that the firm intended to expand sales outside of Taiwan, and had opened or planned to open new sales offices in the United States, as well as India, Malaysia, Thailand, and China.[75]

Kounan Steel Company ("Kounan"): Kounan is a small steel manufacturing and trading company established in 1970 in Kaohsiung in southern Taiwan. It employs 30 people with a total market capitalization of $14.7 million. Kounan manufactures LWR pipe and tube with sides ranging from 0.84 to 16 inches. In 2011, eighty percent of these products were exported to China, the Middle East, Pakistan and New Zealand with future export targets including the United States, the EU, and Australia.[76]

Mayer Steel Pipe Company ("Mayer"): Mayer, a medium-size steel manufacturer, was founded in 1959 in Taipei, in northern Taiwan. Mayer has two pipe mills in Tao Yuan county, employing 208 workers. Mayer produces a variety of tubular products including LWR pipe and tube and welded pipe using carbon and steel, low alloy steel, as well as stainless steel.

Vulcan Industrial Corporation ("Vulcan"): Vulcan was founded in 1973 and currently has a total workforce of 150 employees. Like Kounan, Vulcan's headquarters are in Kaohsiung in southern Taiwan. Vulcan manufactures several LWR pipe and tube products ranging from 0.5 inch to 3.1 inches. Vulcan also produces other tubular products using carbon and low alloy steel.

Chung Hung Steel Company (Chung Hung): Established in 1983 in Kaohsiung in southern Taiwan, Chung Hung has a total capacity of 110,000 short tons. Chung Hung offers various LWR pipe and tube products ranging from 1.6 inch to 7.9 inches. The company also produces cold-rolled products including hard coil, temper-grade coil, and carbon coil; and hot-rolled products including hot-rolled bands and coils. Chung Hung products are made to ASTM, API, British, Chinese, and Japanese standards. The firm's former name was Yieh Loong Enterprise Company, which was changed to Chung Hung in 2004.

No producers and/or exporters of LWR pipe and tune in Taiwan provided a response to the Commission's notice of institution in this current fourth review. In their response, domestic interested parties identified the five companies named in the third review along with two additional companies as currently operating producers and/or exporters of LWR pipe and tube in Taiwan.[77] According to SIMDEX, a market research firm that tracks worldwide pipeline projects and metal tube manufacturers, each of the five companies identified in the third review continue to make LWR pipe and tube.[78] Chung Hung has increased its capacity to

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[74] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, p. I-21.

[75] *Domestic Interested Parties' Response to the Notice of Institution*, February 2, 2017, p. 14.

[76] *Light-Walled Rectangular Pipe and Tube from Taiwan, Investigation No. 731-TA-410 (Third Review)*, USITC Publication 4301, January 2012, pp. I-21—I-22.

[77] *Domestic Interested Parties' Response to the Notice of Institution*, February 2, 2017, p. 13.

[78] Ibid., pp.13-15.

248,000 tons since the previous review, while FEMCO still has its previously reported capacity. The two additional companies that domestic interested parties identified are as follows:[79]

Shin Yang Steel ("Shin Yang"): Shin Yang makes LWR in Taiwan, as well as other pipe and tube products. Shin Yang's website states that it has an annual capacity of 370,000 metric tons, making it "the largest steel pipe and tube producer for both structural and ordinary piping in Taiwan." It adds, "Due to the great improvement of production technology, high productivity and low cost, the welded steel pipe and tube production has grown rapidly and vigorously in recent years."

Tension Steel Industries ("Tension"): According to SIMDEX, Tension has three factories for making round, square, and rectangular carbon and low-alloy pipe and tube.

In their response, domestic interested parties also presented data published by Global Trade Atlas indicating that Taiwan's total exports of rectangular iron and steel tube increased 55 percent from January to November 2016 as compared to calendar year 2015, while its exports to Mexico increased 156 percent to 1,429 short tons and its exports to Canada increased 2,800 percent to 928 short tons over the same period.[80]

Table I-7 presents export data for square or rectangular pipes and tubes[81] from Taiwan in descending order of quantity for 2015. Australia is the predominant export market for Taiwan, accounting for 77.9 percent of exports by quantity and 58.9 percent by value in 2015. The next largest export markets are Papua New Guinea, Mexico, and Japan.

[79] Ibid., p. 15.

[80] *Domestic Interested Parties' Response to the Notice of Institution*, February 2, 2017, pp. 11-13 and exh 3. Rectangular iron and steel tube products may include subject LWR pipe and tube as well as heavy-walled or alloy rectangular pipe and tube, both of which are nonsubject merchandise. Ibid., p. 11, fn. 38.

[81] Square or rectangular pipes and tubes includes subject LWR pipe and tube as well as nonsubject pipes and tubes of alloy steel and with a wall thickness of 4 mm or more.

Table I-7
LWR pipe and tube: Exports of square and rectangular pipes and tubes from Taiwan, by destination, 2011-15

Item	Calendar year				
	2011	2012	2013	2014	2015
	Quantity (1,000 short tons)				
United States	43	41	(1)	(1)	223
All other major destinations.--					
Australia	21,843	19,592	24,056	23,447	19,407
Papua New Guinea	430	957	759	694	833
Mexico	(1)	(1)	7	(1)	558
Japan	272	63	196	515	398
New Zealand	33	(1)	505	216	370
Brazil	7	(1)	100	(1)	332
Turkey	(1)	(1)	(1)	(1)	281
United Arab Emirates	(1)	(1)	(1)	(1)	161
Netherlands	(1)	(1)	(1)	(1)	149
South Africa	(1)	(1)	(1)	(1)	149
All other destinations	1,789	1,312	2,046	1,034	2,049
Total exports	24,417	21,924	27,669	25,947	24,910

Table continued on next page.

Table I-7—Continued
LWR pipe and tube: Exports of square and rectangular pipes and tubes from Taiwan, by destination, 2011-15

Item	Calendar year				
	2011	2012	2013	2014	2015
	Value ($1,000)				
United States	176	([1])	([1])	173	749
All other major destinations.--					
Australia	17,824	16,496	19,274	17,899	12,605
Papua New Guinea	357	798	600	527	543
Mexico	([1])	([1])	13	([1])	1,026
Japan	222	84	188	383	298
New Zealand	27	([1])	416	164	465
Brazil	25	([1])	253	([1])	580
Turkey	([1])	([1])	([1])	([1])	524
United Arab Emirates	([1])	([1])	([1])	([1])	309
Netherlands	([1])	([1])	([1])	1	281
South Africa	([1])	([1])	([1])	([1])	286
All other destinations	1,985	1,503	2,242	1,194	3,725
Total exports	20,617	18,882	22,986	20,340	21,392

[1] Data not available.

Note.— Square or rectangular pipes and tubes includes subject LWR pipe and tube as well as nonsubject pipes and tubes of alloy steel and with a wall thickness of 4 mm or more. As of March 1, 2017, data in calendar year 2016 was not available for the majority or reporting countries. Because of rounding, figures may not add to total shown.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.61.

ANTIDUMPING OR COUNTERVAILING DUTY ORDERS IN THIRD-COUNTRY MARKETS

In June 2012, Australia issued an antidumping duty order on hollow structural sections from Taiwan, a category that includes LWR pipe and tube.[82]

[82] *Domestic Interested Parties' Response to the Notice of Institution*, February 2, 2017, p. 16.

THE GLOBAL MARKET

Table I-8 presents the largest global export sources of square or rectangular pipes and tubes[83] during 2011-2015.[84] China and Italy are the largest exporters by quantity, at over 1.3 million short tons each in 2015, followed by Turkey, Russia, Canada, and the United States. Italy is the largest exporter by value, at over $1 billion, followed by China, Turkey, Canada, the United States, and Germany.

Table I-8
LWR pipe and tube: Global exports by major sources, 2011-15

Reporting country	2011	2012	2013	2014	2015
	Quantity (short tons)				
United States	204,711	237,064	223,387	232,435	210,159
Taiwan	24,417	21,924	27,669	25,947	24,910
All other major exporters.-- China	762,604	784,374	850,696	1,057,926	1,312,711
Italy	957,662	1,110,277	1,054,532	1,230,747	1,310,234
Turkey	565,508	670,946	688,363	782,445	794,453
Russia	58,638	82,241	201,852	278,914	280,476
Canada	226,564	204,098	218,458	251,492	280,362
Austria	211,869	192,247	186,281	197,266	201,042
United Kingdom	203,908	187,051	178,361	191,495	178,628
Germany	174,338	152,272	156,169	157,503	63,387
Vietnam	75,019	(1)	95,032	127,769	152,929
Netherlands	202,541	128,897	134,371	164,573	152,558
All other exporters	1,964,875	2,487,148	2,011,548	1,920,255	1,875,173
Total global exports	5,632,653	6,258,538	6,026,720	6,618,768	6,937,022

[83] Square or rectangular pipes and tubes includes subject LWR pipe and tube as well as nonsubject pipes and tubes of alloy steel and with a wall thickness of 4 mm or more.

[84] As of March 1, 2017, data in calendar year 2016 was not yet available for the majority or reporting countries.

Table I-8--Continued
LWR pipe and tube: Global exports by major sources, 2011-15

Reporting country	2011	2012	2013	2014	2015
	Value (1,000 dollars)				
United States	213,572	263,121	244,129	253,384	212,490
Taiwan	20,617	18,882	22,986	20,340	21,392
All other major exporters.-- China	625,163	625,875	661,519	777,496	769,565
Italy	1,151,176	1,105,848	1,051,962	1,187,269	1,016,022
Turkey	420,243	456,178	435,056	476,333	372,624
Russia	48,791	60,475	135,853	165,814	131,581
Canada	241,717	206,271	207,711	243,396	227,419
Austria	238,333	187,135	178,757	184,245	149,549
United Kingdom	216,374	186,504	174,481	188,088	145,296
Germany	265,215	219,232	230,655	227,216	190,352
Vietnam	62,101	73,857	80,124	94,021	115,493
Netherlands	172,726	104,913	105,093	126,720	97,583
All other exporters	1,955,898	1,739,242	1,700,239	1,600,748	1,263,878
Total global exports	5,631,927	5,247,532	5,228,565	5,545,072	4,713,243

[1] Data not available.

Note.— Square or rectangular pipes and tubes includes subject LWR pipe and tube as well as nonsubject pipes and tubes of alloy steel and with a wall thickness of 4 mm or more. As of March 1, 2017, data in calendar year 2016 was not available for the majority or reporting countries. Because of rounding, figures may not add to total shown.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 7306.61.

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
82 FR 84 January 3, 2017	*Initiation of Five-Year ("Sunset") Reviews*	https://www.federalregister.gov/d/2016-31844
82 FR 137 January 3, 2017	*Light-Walled Rectangular Pipe and Tube From Taiwan Institution of a Five-Year Review*	https://www.federalregister.gov/d/2016-31465
82 FR 21406 May 8, 2017	*Light-Walled Rectangular (LWR) Pipe and Tube From Taiwan; Scheduling of an Expedited Five-Year Review*	https://www.federalregister.gov/d/2017-09230

APPENDIX B

COMPANY-SPECIFIC DATA

RESPONSE CHECKLIST FOR U.S. PRODUCERS

Item	Allied	Atlas	Bull Moose	California Steel	Hannibal
	Quantity=short tons; value=1,000 dollars; Unit values, unit labor costs, and unit financial data are per short ton				
Nature of operation	✓	✓	✓	✓	✓
Statement of intent to participate	✓	✓	✓	✓	✓
Statement of likely effects of revoking the order	✓	✓	✓	✓	✓
U.S. producer list	✓	✓	✓	✓	✓
U.S. importer/foreign producer list	?	?	?	?	?
List of 3-5 leading purchasers	✓	✓	✓	✓	✓
List of sources for national/regional prices	?	?	?	?	?
Production:					
Quantity	***	***	***	***	***
Percent of total reported	***	***	***	***	***
Capacity	***	***	***	***	***
Commercial shipments:					
Quantity	***	***	***	***	***
Value	***	***	***	***	***
Internal consumption:					
Quantity	***	***	***	***	***
Value	***	***	***	***	***
Net sales	***	***	***	***	***
COGS	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***
SG&A expenses (loss)	***	***	***	***	***
Operating income/(loss)	***	***	***	***	***
Changes in supply/demand	✓	✓	✓	✓	✓

Note.—The production, capacity, and shipment data presented are for calendar year 2016. The financial data are for fiscal year ended 2016.

✓ = response provided; **×** = response not provided; **NA** = not applicable; ? = indicated that the information was not known.

Table continued on next page.

RESPONSE CHECKLIST FOR U.S. PRODUCERS—CONTINUED

Item	Maruichi	Searing	Western	Total
	Quantity=short tons; value=1,000 dollars; Unit values, unit labor costs, and unit financial data are per short ton			
Nature of operation	✓	✓	✓	✓
Statement of intent to participate	✓	✓	✓	✓
Statement of likely effects of revoking the order	✓	✓	✓	✓
U.S. producer list	✓	✓	✓	✓
U.S. importer/foreign producer list	?	?	?	?
List of 3-5 leading purchasers	✓	✓	✓	✓
List of sources for national/regional prices	?	?	?	?
Production:				
Quantity	***	***	***	385,220
Percent of total reported	***	***	***	100.0
Capacity	***	***	***	895,176
Commercial shipments:				
Quantity	***	***	***	***
Value	***	***	***	***
Internal consumption:				
Quantity	***	***	***	***
Value	***	***	***	***
Net sales	***	***	***	334,821
COGS	***	***	***	263,467
Gross profit or (loss)	***	***	***	74,515
SG&A expenses (loss)	***	***	***	31,738
Operating income/(loss)	***	***	***	42,777
Changes in supply/demand	✓	✓	✓	✓

Note.—The production, capacity, and shipment data presented are for calendar year 2016. The financial data are for fiscal year ended 2016.

✓ = response provided; **×** = response not provided; **NA** = not applicable; ? = indicated that the information was not known.

APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

DATA COMPILED IN ORIGINAL INVESTIGATIONS

Consideration of Alleged Material Injury

Of the 22 firms known to have produced light-walled rectangular pipes and tubes in the United States since January 1985, 19 have supplied usable data to the Commission in response to its questionnaires. These firms accounted for approximately 85 percent of total U.S. production in 1987.

U.S. production, capacity, and capacity utilization

Data for reporting producers' production and capacity, summarized in table 2, show that U.S. producers' capacity to produce light-walled rectangular pipes and tubes increased by 15.8 percent from 1985 to 1986, decreased by 1.7 percent from 1986 to 1987, and increased again, by 4.7 percent, from January-September 1987 to January-September 1988. Part of the increase in capacity from 1985 to 1986 reflects * * *, and the reallocation of existing resources to increased production of the subject product by other firms. The decrease in capacity from 1986 to 1987 * * *.

Table 2
Light-walled rectangular pipes and tubes: U.S. production, average practical capacity, and capacity utilization, 1985-87, January-September 1987, and January-September 1988

Item	1985	1986	1987	Jan.-Sept.-- 1987	1988
Production (tons).....	179,172	194,917	212,027	176,794	171,939
Average capacity (tons)..	281,391	325,721	320,361	239,604	250,882
Ratio of production to capacity (percent).....	63.7	59.8	66.2	73.8	68.5

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Production increased by 18.3 percent from 1985 to 1987, then decreased by 2.8 percent from January-September 1987 to January-September 1988. The greater increase in capacity over production from 1985 to 1986 resulted in a decrease in capacity utilization of nearly 4 percentage points. Capacity utilization increased from 1986 to 1987 by about 6 percentage points; however, from January-September 1987 to January-September 1988 it decreased by about 5 percentage points.

U.S. producers' intracompany consumption, domestic shipments, and exports

Only about 1 to 2 percent of the U.S.-produced product is internally consumed, i.e., fabricated by producers into intermediate or finished products. An even lesser amount is exported, as shown in table 3. Domestic shipments, which account for over 98 percent of U.S. producers' total shipments, increased by 16.6 percent from 1985 to 1987. From January-September 1987 to January-September 1988, they decreased by 1.2 percent. In value terms,

Table 3
Light-walled rectangular pipes and tubes: U.S. producers' intracompany consumption, domestic shipments, and exports, 1985-87, January-September 1987, and January-September 1988

Item	1985	1986	1987	Jan.-Sept.-- 1987	1988
Domestic shipments: 1/					
Quantity (tons).....	178,301	193,018	207,888	170,808	168,783
Value (1,000 dollars)...	2/101,740	3/114,657	140,515	112,464	128,075
Average unit value (per ton) 4/.....	$626	$639	$676	$658	$759
Exports:					
Quantity (tons).....	***	***	***	***	***
Value (1,000 dollars)...	***	***	***	***	***
Average unit value (per ton).....	***	***	***	***	***

1/ Includes intracompany shipments, which account for 1 to 2 percent of total domestic shipments.
2/ Data are for firms accounting for 91 percent of reported shipments.
3/ Data are for firms accounting for 93 percent of reported shipments.
4/ Computed from data supplied by firms providing information on both quantity and value of shipments.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

domestic shipments increased by 38.1 percent from 1985 to 1987 and by 13.9 percent from January-September 1987 to January-September 1988.

Average unit values for domestic shipments increased by 8.0 percent during 1985-87 and by 15.3 percent from January-September 1987 to January-September 1988. U.S. producers have indicated that the rise in average unit values for domestic shipments between the interim 1987 and 1988 periods is the result of price increases in hot-rolled steel coil (skelp) in 1987 and 1988, during which time there reportedly were shortages of steel, causing some producers to be put on allocation by their steel suppliers. 1/ Staff contacts by telephone with producers have yielded a variety of responses on the issue of steel-price increases and shortages. * * *.

According to data obtained by Commission staff in annual steel reports, the weighted-average net price (f.o.b. mill) of domestic hot-rolled sheet and strip remained fairly constant at $284-$296 per ton during January 1986-June 1987, and then rose steadily to $364 per ton in April-June 1988, as shown in the following tabulation (in dollars per ton): 2/

1/ Transcript of the hearing, pp. 28, 42, 53 and 69.
2/ Annual Survey Concerning Competitive Conditions in the Steel Industry and Industry Efforts to Adjust and Modernize, USITC Pubs. 1981, 2019, and 2159, September 1986, 1987, and 1988.

Period	1986	1987	1988
Jan.-Mar.....	293	289	350
Apr.-June.....	295	296	364
July-Sept.....	286	314	1/
Oct.-Dec.....	284	323	1/

1/ Not available.

Because of substantial domestic freight charges, most shipments remain within a certain region. 1/ * * *.

Inventories

End-of-period inventories of reporting producers are shown in table 4. The data show an increase in inventories of 41.1 percent from December 31, 1985, to December 31, 1987, and an increase of 16.8 percent from September 30, 1987, to September 30, 1988. As a share of the preceding year's U.S. shipments, inventories generally increased over the period.

Table 4
Light-walled rectangular pipes and tubes: U.S. producers' inventories, as of Dec. 31, 1985, 1986, and 1987, and as of Sept. 30, 1987, and 1988 1/

Item	As of Dec. 31--			As of Sept. 30--	
	1985	1986	1987	1987	1988
Inventories (tons).....	10,924	12,827	15,410	15,233	17,795
Ratio of inventories to shipments (percent).....	6.1	6.6	7.4	2/ 6.7	2/ 7.9

1/ Firms accounting for 96 percent of reported U.S. shipments in 1987 provided inventory information.
2/ Based on annualized shipments.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Employment

Data on reporting producers' employment, shown in table 5, show that the average number of production and related workers producing light-walled rectangular pipes and tubes in U.S. plants increased by 36.4 percent from 1985 to 1987. The average number of these workers rose by 1.1 percent from January-September 1987 to January-September 1988. Hours worked, total compensation, and hourly compensation increased similarly. Productivity declined by 3.3 percent from 1985 to 1987 and by 4.1 percent from January-

1/ Transcript of the conference, pp. 50-51.

Table 5
Average number of production and related workers producing light-walled rectangular pipes and tubes in U.S. plants, hours worked by such workers, output per hour worked, total compensation and average hourly compensation paid to such workers, and unit labor costs of production, 1985-87, January-September 1987, and January-September 1988 1/

Item	1985	1986	1987	Jan.-Sept.-- 1987	1988
Average number of production and related workers producing the subject product	312	404	426	454	459
Hours worked by production and related workers producing the subject product (1,000 hours)	595	735	775	575	583
Total compensation paid to production and related workers producing the subject product (1,000 dollars)	7,986	10,013	10,577	7,522	8,191
Hourly compensation paid to production and related workers producing the subject product	$13.42	$13.62	$13.65	$13.13	$14.05
Output (production) of the subject product per hour worked (tons) 2/	0.23	0.20	0.23	0.26	0.25
Unit labor cost of producing the subject product (per ton) 2/	$57.25	$66.93	$60.20	$49.77	$55.70

1/ Data are for firms accounting for 83 percent of reported U.S. shipments in 1987.
2/ Computed using data supplied by firms providing information on both production and employment.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

September 1987 to January-September 1988. Unit labor costs increased by 16.9 percent from 1985 to 1986, declined by 10.1 percent between 1986 and 1987, and increased by 11.9 percent between interim periods 1987 and 1988. One firm, * * *, reported a permanent reduction of * * * workers or * * * percent of its production force during * * *, citing that it was unable to achieve the volume of production necessary to employ these workers.

Table 7
Income-and-loss experience of U.S. producers 1/ on their operations producing light-walled rectangular pipes and tubes, accounting years 1985-87 and interim periods ended Sept. 30, 1987, and Sept. 30, 1988

Item	1985	1986	1987	Interim period ended Sept. 30-- 1987	1988
	Value (1,000 dollars)				
Net sales	64,399	77,418	93,000	56,762	73,140
Cost of goods sold	57,269	70,064	84,464	52,029	66,245
Gross profit	7,130	7,354	8,536	4,733	6,895
General, selling, and administrative expenses	4,140	5,371	5,760	3,104	3,799
Operating income	2,990	1,983	2,776	1,629	3,096
Interest expense	1,006	1,185	1,139	491	514
Other income, net	126	31	22	17	20
Net income before income taxes	2,110	829	1,659	1,155	2,602
Depreciation and amortization included above	1,504	2,087	2,167	1,266	1,326
Cash flow 2/	3,614	2,916	3,826	2,421	3,928
	Share of net sales (percent)				
Cost of goods sold	88.9	90.5	90.8	91.7	90.6
Gross profit	11.1	9.5	9.2	8.3	9.4
General, selling, and administrative expenses	6.4	6.9	6.2	5.5	5.2
Operating income	4.6	2.6	3.0	2.9	4.2
Net income before income taxes	3.3	1.1	1.8	2.0	3.6
	Value per unit (dollars per short ton)				
Net sales	517	531	559	547	657
Cost of goods sold	460	481	508	502	595
Gross profit	57	50	51	3/ 46	62
General, selling, and administrative expenses	33	37	35	30	34
Operating income	24	3/ 14	3/ 17	16	28
Other income (expense)	(8)	(8)	(7)	(5)	(5)
Net income before income taxes	16	6	10	11	23
	Number of firms reporting				
Operating losses	1	3	4	5	3
Net losses	2	4	5	5	3
Data	10	12	12	11	11

1/ The firms are * * *.
2/ Cash flow is defined as net income or loss plus depreciation and amortization.
3/ Figures do not foot due to rounding.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

SUMMARY DATA COMPILED IN FIRST REVIEWS

Table C-3
Light-walled rectangular carbon steel pipes and tubes: Summary data concerning the U.S. market, 1997-98, January-September 1998, and January-September 1999

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

Item	Reported data				Period changes	
			January-September			Jan.-Sept.
	1997	1998	1998	1999	1997-98	1998-99
U.S. consumption quantity:						
Amount	525,598	564,898	427,891	492,192	7.5	15.0
Producers' share (1)	72.2	71.7	72.4	66.9	-0.5	-5.5
Importers' share (1):						
Argentina	0.0	0.0	0.0	0.0	0.0	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan	0.0	(2)	(2)	(2)	0.0	0.0
Subtotal	0.0	(2)	(2)	(2)	0.0	0.0
Other sources	27.8	28.3	27.6	33.1	0.5	5.5
Total imports	27.8	28.3	27.6	33.1	0.5	5.5
U.S. consumption value:						
Amount	294,483	304,292	233,228	245,151	3.3	5.1
Producers' share (1)	75.1	74.3	74.8	70.0	-0.8	-4.7
Importers' share (1):						
Argentina	0.0	0.0	0.0	0.0	0.0	0.0
Singapore	0.0	0.0	0.0	0.0	0.0	0.0
Taiwan	0.0	(2)	(2)	(2)	0.0	0.0
Subtotal	0.0	(2)	(2)	(2)	0.0	0.0
Other sources	24.9	25.7	25.2	29.9	0.8	4.7
Total imports	24.9	25.7	25.2	30.0	0.8	4.7
U.S. imports from:						
Argentina:						
Quantity	0	0	0	0	0.0	0.0
Value	0	0	0	0	0.0	0.0
Unit value	(3)	(3)	(3)	(3)	(3)	(3)
Ending inventory quantity	0	0	0	0	0.0	0.0
Singapore:						
Quantity	0	0	0	0	0.0	0.0
Value	0	0	0	0	0.0	0.0
Unit value	(3)	(3)	(3)	(3)	(3)	(3)
Ending inventory quantity	0	0	0	0	0.0	0.0
Taiwan:						
Quantity	0	47	31	38	(3)	22.1
Value	0	86	57	63	(3)	11.8
Unit value	(3)	$1,819.40	$1,842.88	$1,686.80	(3)	-8.5
Ending inventory quantity	0	0	0	0	0.0	0.0
Subtotal:						
Quantity	0	47	31	38	(3)	22.1
Value	0	86	57	63	(3)	11.8
Unit value	(3)	$1,819.40	$1,842.88	$1,686.80	(3)	-8.5
Ending inventory quantity	0	0	0	0	0.0	0.0
Other sources:						
Quantity	146,220	159,881	118,237	162,859	9.3	37.7
Value	73,459	78,263	58,815	73,409	6.5	24.8
Unit value	$502.38	$489.51	$497.43	$450.75	-2.6	-9.4
Ending inventory quantity	300	444	1,641	1,109	48.0	-32.4
All sources:						
Quantity	146,220	159,928	118,268	162,897	9.4	37.7
Value	73,459	78,349	58,872	73,473	6.7	24.8
Unit value	$502.38	$489.90	$497.78	$451.04	-2.5	-9.4
Ending inventory quantity	300	444	1,641	1,109	48.0	-32.4

Table continued on next page.

Table C-3--Continued
Light-walled rectangular carbon steel pipes and tubes: Summary data concerning the U.S. market, 1997-98, January-September 1998, and January-September 1999

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

Item	Reported data				Period changes	
			January-September			Jan.-Sept.
	1997	1998	1998	1999	1997-98	1998-99
U.S. producers':						
Average capacity quantity	567,640	599,170	447,584	494,793	5.6	10.5
Production quantity	382,215	403,669	310,626	335,015	5.6	7.9
Capacity utilization (1)	67.3	67.4	69.4	67.7	0.0	-1.7
U.S. shipments:						
Quantity	379,378	404,970	309,623	329,295	6.7	6.4
Value	221,025	225,943	174,356	171,678	2.2	-1.5
Unit value	$582.60	$557.93	$563.12	$521.35	-4.2	-7.4
Export shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	42,960	42,295	44,653	47,908	-1.5	7.3
Inventories/total shipments (1)	***	***	***	***	***	***
Production workers	528	549	553	590	4.0	6.7
Hours worked (1,000s)	1,166	1,197	1,015	1,091	2.6	7.5
Wages paid ($1,000s)	14,729	15,530	12,854	14,275	5.4	11.1
Hourly wages	$12.63	$12.98	$12.66	$13.08	2.7	3.3
Productivity (tons/1,000 hours)	327.8	337.3	306.0	306.9	2.9	0.3
Unit labor costs	$38.54	$38.47	$41.38	$42.61	-0.2	3.0
Net sales:						
Quantity	187,993	183,392	143,617	145,252	-2.4	1.1
Value	116,251	112,005	88,643	82,849	-3.7	-6.5
Unit value	$618.38	$610.74	$617.22	$570.38	-1.2	-7.6
Cost of goods sold (COGS)	97,201	93,860	73,905	67,768	-3.4	-8.3
Gross profit or (loss)	19,050	18,146	14,738	15,081	-4.7	2.3
SG&A expenses	8,151	7,660	6,118	6,282	-6.0	2.7
Operating income or (loss)	10,899	10,485	8,620	8,800	-3.8	2.1
Capital expenditures	3,897	3,088	2,166	***	-20.8	***
Unit COGS	$517.05	$511.80	$514.60	$466.56	-1.0	-9.3
Unit SG&A expenses	$43.36	$41.77	$42.60	$43.25	-3.7	1.5
Unit operating income or (loss)	$57.98	$57.17	$60.02	$60.58	-1.4	0.9
COGS/sales (1)	83.6	83.8	83.4	81.8	0.2	-1.6
Operating income or (loss)/ sales (1)	9.4	9.4	9.7	10.6	-0.0	0.9

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Less than 0.05 percent.
(3) Not applicable.

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

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

SUMMARY DATA COMPILED IN SECOND REVIEWS

Table C-2
LWR pipe and tube: Summary data concerning the U.S. market, 1999-2005

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

	Reported data							Period changes						
Item	1999	2000	2001	2002	2003	2004	2005	1999-2005	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
U.S. consumption quantity:														
Amount	749	746	668	787	793	763	792	5.8	-0.5	-10.4	17.9	0.7	-3.7	3.8
Producers' share (1)	69.8	67.3	66.5	62.6	63.4	63.7	57.4	-12.4	-2.5	-0.8	-3.9	0.7	0.3	-6.3
Importers' share (1):														
Argentina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	0.0	-0.0	0.0	0.0
Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0
All other sources	30.2	32.7	33.5	37.4	36.6	36.3	42.6	12.3	2.5	0.8	3.9	-0.7	-0.3	6.3
Total imports	30.2	32.7	33.5	37.4	36.6	36.3	42.6	12.4	2.5	0.8	3.9	-0.7	-0.3	6.3
U.S. consumption value:														
Amount	403,990	423,193	352,957	422,226	437,124	649,020	691,926	71.3	4.8	-16.6	19.6	3.5	48.5	6.6
Producers' share (1)	74.5	71.1	70.4	66.6	67.6	67.5	61.4	-13.1	-3.4	-0.7	-3.8	1.0	-0.1	-6.1
Importers' share (1):														
Argentina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	0.0	-0.0	0.0	0.0
Taiwan	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.0	-0.0	-0.0	0.0	0.0	0.0
Subtotal	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.0	-0.0	-0.0	-0.0	0.0	0.0
All other sources	25.5	28.9	29.6	33.4	32.4	32.5	38.5	13.0	3.4	0.7	3.8	-1.0	0.0	6.1
Total imports	25.5	28.9	29.6	33.4	32.4	32.5	38.6	13.1	3.4	0.7	3.8	-1.0	0.1	6.1
U.S. imports from:														
Argentina:														
Quantity	0	0.003	0	0.014	0	0	0	(2)	(2)	-100.0	(2)	-100.0	(2)	(2)
Value	0	6	0	7	0	0	0	(2)	(2)	-100.0	(2)	-100.0	(2)	(2)
Unit value	(2)	$2,068	(2)	$483	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Taiwan:														
Quantity	0.077	0.023	0.013	0	0	0.059	0.277	258.4	-69.9	-43.1	-100.0	(2)	(2)	372.0
Value	132	48	6	0	0	98	441	233.0	-63.8	-86.6	-100.0	(2)	(2)	352.2
Unit value	$1,713	$2,062	$484	(2)	(2)	$1,661	$1,592	-7.1	20.3	-76.5	(2)	(2)	(2)	-4.2
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Subtotal (subject):														
Quantity	0.077	0.026	0.013	0.014	0	0.059	0.277	258.4	-66.1	-49.5	7.8	-100.0	(2)	372.0
Value	132	54	6	7	0	98	441	233.0	-59.2	-88.1	7.5	-100.0	(2)	352.2
Unit value	$1,713	$2,063	$484	$483	(2)	$1,661	$1,592	-7.1	20.4	-76.5	-0.3	(2)	(2)	-4.2
Ending inventory quantity	0	0	0	0	0	0	0	(2)	(2)	(2)	(2)	(2)	(2)	(2)
All other sources:														
Quantity	227	244	224	294	290	277	337	48.9	7.6	-8.2	31.4	-1.3	-4.6	21.8
Value	103,032	122,291	104,642	141,019	141,739	210,700	266,654	158.8	18.7	-14.4	34.8	0.5	48.7	26.6
Unit value	$455	$502	$468	$479	$488	$761	$790	73.8	10.3	-6.8	2.5	1.8	55.8	3.9
Ending inventory quantity	1	1	1	1	0	1	1	-13.8	4.3	-22.3	38.3	-97.7	3,566.7	-9.1
All sources:														
Quantity	227	244	224	294	290	277	338	49.0	7.6	-8.2	31.4	-1.3	-4.6	21.8
Value	103,165	122,345	104,648	141,026	141,739	210,798	267,095	158.9	18.6	-14.5	34.8	0.5	48.7	26.7
Unit value	$455	$502	$468	$479	$488	$761	$791	73.8	10.2	-6.8	2.5	1.8	55.8	4.0
Ending inventory quantity	1	1	1	1	0	1	1	-13.8	4.3	-22.3	38.3	-97.7	3,566.7	-9.1
U.S. producers':														
Average capacity quantity	901	893	894	924	883	891	886	-1.6	-0.9	0.1	3.4	-4.5	0.9	-0.5
Production quantity	544	518	450	507	503	488	451	-17.1	-4.7	-13.2	12.7	-0.7	-3.0	-7.6
Capacity utilization (1)	60.3	58.0	50.3	54.8	57.0	54.8	50.9	-9.5	-2.3	-7.7	4.5	2.2	-2.2	-3.9
U.S. shipments:														
Quantity	523	502	444	493	502	486	455	-13.0	-4.0	-11.5	11.0	1.9	-3.2	-6.4
Value	300,825	300,848	248,309	281,200	295,385	438,222	424,830	41.2	0.0	-17.5	13.2	5.0	48.4	-3.1
Unit value	$576	$600	$559	$570	$588	$902	$934	62.3	4.2	-6.7	2.0	3.1	53.3	3.6
Export shipments:														
Quantity	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	66	73	66	73	69	66	60	-8.6	10.1	-8.7	10.9	-5.8	-4.7	-8.5
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	1,093	1,050	978	1,058	1,099	1,068	1,059	-3.1	-3.9	-6.9	8.2	3.9	-2.8	-0.8
Hours worked (1,000s)	1,807	1,766	1,559	1,680	1,998	1,867	1,770	-2.0	-2.3	-11.7	7.7	18.9	-6.6	-5.2
Wages paid ($1,000s)	28,178	27,048	25,256	29,610	34,092	34,009	32,999	17.1	-4.0	-6.6	17.2	15.1	-0.2	-3.0
Hourly wages	$15.59	$15.32	$16.20	$17.63	$17.07	$18.22	$18.64	19.6	-1.8	5.8	8.8	-3.2	6.8	2.3
Productivity (tons per hour)	0.301	0.293	0.288	0.302	0.252	0.261	0.255	-15.4	-2.5	-1.7	4.6	-16.5	3.8	-2.6
Unit labor costs	$52	$52	$56	$58	$68	$70	$73	41.2	0.7	7.6	4.1	16.0	2.8	5.0
Net sales:														
Quantity	499	477	421	467	509	490	457	-8.4	-4.5	-11.7	11.0	9.0	-3.8	-6.6
Value	288,564	288,059	234,075	265,797	297,840	441,580	428,401	48.5	-0.2	-18.7	13.6	12.1	48.3	-3.0
Unit value	$578	$604	$556	$569	$585	$901	$936	62.0	4.6	-7.9	2.3	2.8	54.0	3.9
Cost of goods sold (COGS)	226,206	233,531	188,135	210,432	252,677	337,733	356,747	57.7	3.2	-19.4	11.9	20.1	33.7	5.6
Gross profit or (loss)	62,358	54,528	45,940	55,365	45,163	103,847	71,654	14.9	-12.6	-15.8	20.5	-18.4	129.9	-31.0
SG&A expenses	22,165	22,804	22,089	24,374	23,682	30,408	26,978	21.7	2.9	-3.1	10.3	-2.8	28.4	-11.3
Operating income or (loss)	40,193	31,724	23,851	30,991	21,481	73,438	44,676	11.2	-21.1	-24.8	29.9	-30.7	241.9	-39.2
Capital expenditures	7,698	8,578	7,727	5,768	10,842	9,973	7,434	-3.4	11.4	-9.9	-25.4	88.0	-8.0	-25.5
Unit COGS	$453	$490	$447	$451	$496	$689	$780	72.1	8.1	-8.7	0.8	10.1	38.9	13.1
Unit SG&A expenses	$44	$48	$53	$52	$47	$62	$59	32.8	7.8	9.7	-0.6	-10.9	33.4	-5.0
Unit operating income or (loss)	$81	$67	$57	$66	$42	$150	$98	21.3	-17.3	-14.8	17.1	-36.4	255.2	-34.8
COGS/sales (1)	78.4	81.1	80.4	79.2	84.8	76.5	83.3	4.9	2.7	-0.7	-1.2	5.7	-8.4	6.8
Operating income or (loss)/ sales (1)	13.9	11.0	10.2	11.7	7.2	16.6	10.4	-3.5	-2.9	-0.8	1.5	-4.4	9.4	-6.2

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

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

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

SUMMARY DATA COMPILED IN THIRD REVIEW

Table LWR-I-1
LWR pipe and tube: Comparative data from the original investigations, first reviews, and current reviews, 1985-87 and 1997-2005

Item	1985	1986	1987	1997	1998	1999	2000	2001	2002	2003	2004	2005
	Quantity (*1,000 short tons*)											
Apparent U.S. consumption	262	263	288	526	565	749	746	668	787	793	763	792
	Share (*percent*)											
Producers' share	68.1	73.1	72.1	72.2	71.7	69.8	67.3	66.5	62.6	63.4	63.7	57.4
Importers' shares--												
Argentina	(1)	0.7	5.1	0.0	0.0	0.0	(1)	0.0	(1)	0.0	0.0	0.0
Taiwan	0.2	3.8	5.1	0.0	(1)	(1)	(1)	(1)	0.0	0.0	(1)(2)	(1)(2)
All subject sources[3]	0.2	4.5	10.2	0.0	(1)	(1)	(1)	(1)	(1)	0.0	(1)(2)	(1)(2)
All other sources[3]	31.7	22.0	17.7	27.8	28.3	30.2	32.7	33.5	37.4	36.6	36.3	42.6
Total imports	31.9	26.5	27.9	27.8	28.3	30.2	32.7	33.5	37.4	36.6	36.3	42.6
	Quantity (*1,000 short tons*), Value (*1,000 dollars*), Unit value (*per short ton*)											
U.S. imports from—												
Argentina:												
Quantity	(3)	2	15	0	0	0	(3)	0	(3)	0	0	0
Value	45	751	6,170	0	0	0	6	0	7	0	0	0
Average unit value	$372	$407	$418	(4)	(4)	(4)	$2,068	(4)	$483	(4)	(4)	(4)
Taiwan:												
Quantity	(3)	10	15	0	(3)	(3)	(3)	(3)	0	0	(3)	(3)
Value	216	4,208	6,462	0	86	132	48	6	0	0	98[2]	441[2]
Average unit value	$532	$422	$437	(4)	$1,819	$1,713	$2,062	$484	(4)	(4)	$1,661[2]	$1,592[2]
All subject sources:												
Quantity	1	12	30	0	(3)	(3)	(3)	(3)	(3)	0	(3)	(3)
Value	261	4,959	12,632	0	86	132	54	6	7	0	98[2]	441[2]
Average unit value	$495	$420	$428	(4)	$1,819	$1,713	$2,063	$484	$483	(4)	$1,661[2]	$1,592[2]

Table continued on next page. Footnotes and notes appear at the end of the table.

Table LWR-I-1--*Continued*
LWR pipe and tube: Comparative data from the original investigations, first reviews, and current reviews, 1985-87 and 1997-2005

Item	1985	1986	1987	1997	1998	1999	2000	2001	2002	2003	2004	2005
	Quantity (*1,000 short tons*), Value (*1,000 dollars*), Unit value (*per short ton*)											
U.S. imports–*continued*												
Nonsubject sources:[5]												
Quantity	83	58	51	146	160	227	244	224	294	290	277	337
Value	38,314	26,515	25,007	73,459	78,263	103,032	122,291	104,642	141,019	141,739	210,700	266,654
Average unit value	$462	$459	$490	$502	$490	$455	$502	$468	$479	$488	$761	$790
Total imports:												
Quantity	83	70	81	146	159	227	244	224	294	290	277	338
Value	38,575	31,474	37,639	73,459	78,349	103,165	122,345	104,648	141,026	141,739	210,798	267,095
Average unit value	$462	$452	$468	$502	$490	$455	$502	$468	$479	$488	$761	$791
	Quantity (*1,000 short tons*) unless otherwise indicated											
U.S. producers'–												
Capacity	281	326	320	568	599	901	893	894	924	883	891	886
Production	179	195	212	382	404	544	518	450	507	503	488	451
U.S. shipments	178	193	208	379	405	523	502	444	493	502	486	455
Export shipments	***	***	***	***	***	***	***	***	***	***	***	***
PRWs (*number*)	312	404	426	528	549	1,093	1,050	978	1,058	1,099	1,068	1,059
Hours worked (*1,000*)	595	735	775	1,166	1,197	1,807	1,766	1,559	1,680	1,998	1,866	1,770
Net sales (*1,000 dollars*)	64,399	77,418	93,000	116,251	112,005	288,564	288,059	234,075	265,797	297,840	441,580	428,401
Operating margin (*percent*)	4.6	2.6	3.0	9.4	9.4	13.9	11.0	10.2	11.7	7.2	16.6	10.4

[1] Less than 0.05 percent.
[2] The U.S. importer and the foreign producer reported no U.S. imports or exports to the United States in 2004 or 2005 corresponding to the Commission's definition of LWR pipe and tube.
[3] Fewer than 500 short tons.
[4] Not applicable.
[5] Data reported for imports of LWR pipe and tube from nonsubject sources differ from those reported in the first reviews because imports of LWR pipe and tube from Singapore have been included in this category. There were no imports of LWR pipe and tube from Singapore between 1999 and 2005.

Source: *Certain Pipe and Tube from Argentina, Brazil, Canada, India, Korea, Mexico, Singapore, Taiwan, Thailand, Turkey, and Venezuela, Inv. Nos. 701-TA-253 and 731-TA-132, 252, 271, 273, 276, 277, 296, 409, 410, 532-534, 536, and 537 (Review)*, USITC Publication 3316, July 2000, official Commerce import statistics, and data compiled from responses 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 named the following four firms as the top purchasers of light-walled rectangular pipe and tube: ***. Purchaser questionnaires were sent to these four firms and three firms (***) provided responses which are presented below.

1. a.) Have any changes occurred in technology; production methods; or development efforts to produce light-walled rectangular pipe and tube that affected the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in technology; production methods; or development efforts to produce light-walled rectangular pipe and tube that will affect the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

2. a.) Have any changes occurred in the ability to increase production of light-walled rectangular pipe and tube (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that affected the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in the ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production) that will affect the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

3. a.) Have any changes occurred in factors related to the ability to shift supply of light-walled rectangular pipe and tube among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that affected the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad) that will affect the availability of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

4. a.) Have there been any changes in the end uses and applications of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in the end uses and applications of light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

5. a.) Have there been any changes in the existence and availability of substitute products for light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in the existence and availability of substitute products for light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

6. a.) Have there been any changes in the level of competition between light-walled rectangular pipe and tube produced in the United States, light-walled rectangular pipe and tube produced in Taiwan, and such merchandise from other countries in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in the level of competition between light-walled rectangular pipe and tube produced in the United States, light-walled rectangular pipe and tube produced in Taiwan, and such merchandise from other countries in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No

7. a.) Have there been any changes in the business cycle for light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan since 2012?

   b.) Do you anticipate any changes in the business cycle for light-walled rectangular pipe and tube in the U.S. market or in the market for light-walled rectangular pipe and tube in Taiwan within a reasonably foreseeable time?

Purchaser	Changes that have occurred	Anticipated changes
***	No	No
***	No	No
***	No	No