Lightweight Thermal Paper from China

Investigation Nos. 701-TA-451 and 731-TA-1126 (Second Review)

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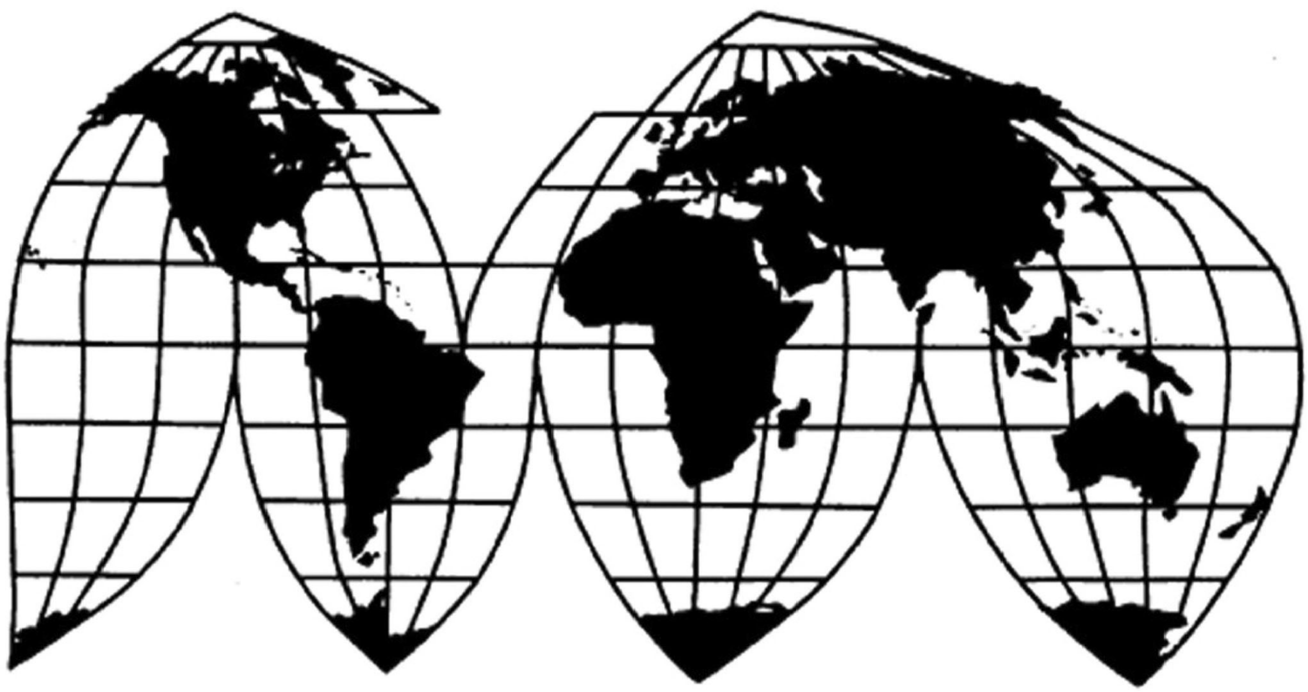
U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-451 and 731-TA-1126 (Second Review)

Lightweight Thermal Paper from China

DETERMINATION

On the basis of the record[1] developed in the subject five-year reviews, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930 ("the Act"), that revocation of the countervailing duty and antidumping duty orders on lightweight thermal paper from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on December 2, 2019 (84 FR 66012) and determined on March 6, 2020 that it would conduct expedited reviews (85 FR 29974, May 19, 2020).

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[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 these second five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty and countervailing duty orders on lightweight thermal paper ("LWTP") from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

Original Investigations: On September 19, 2007, Appleton Papers, Inc. (later renamed to Appvion Operations, Inc. ("Appvion")) filed antidumping and countervailing duty petitions on imports of LWTP from China.[1] In November 2008, the Commission determined that an industry in the United States was threatened with material injury by reason of subsidized and less than fair value ("LTFV") imports of LWTP from China.[2] Consequently, on November 24, 2008, Commerce issued countervailing and antidumping duty orders on subject imports of LWTP from China.[3]

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[1] Confidential Report, Memorandum INV-SS-017 (Feb. 21, 2020) ("CR")/Public Report ("PR") at I-3. Appleton Papers, Inc. also filed antidumping duty petitions on imports of LWTP from Korea and Germany. In the preliminary phase of the original investigations, the Commission determined that subject imports from Korea were negligible and terminated the antidumping duty investigation with respect to those imports. *Id.* at I-3 n.7.

[2] *See Certain Lightweight Thermal Paper from China and Germany*, Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Final), USITC Pub. 4043 (Nov. 2008) ("Original Determinations"). The Commission also determined that an industry in the United States was threatened with material injury by reason of LTFV imports of LWTP from Germany. The Commission's determination with respect to subject imports from China was unanimous and its determination with respect to subject imports from Germany was by a 3-3 vote. An exporter and importer of LWTP from Germany appealed the Commission's affirmative determination with respect to subject imports from Germany. The United States Court of International Trade ("CIT") affirmed the Commission's determination; on appeal, the United States Court of Appeals for the Federal Circuit ("Federal Circuit") vacated the judgment of the CIT and remanded to the Commission. *See Papierfabrik August Koehler AG v. United States*, 675 F. Supp. 2d 1172 (Ct. Int'l Trade 2009) *vacated by* 413 F. App'x 227 (Fed. Cir. 2011). On remand, the Commission again determined that an industry in the United States was threatened with material injury by reason of LTFV imports of LWTP from Germany. *See Certain Lightweight Thermal Paper from Germany*, Inv. No. 731-TA-1127 (Remand), USITC Pub. 4334 (Sep. 2011). The Commission's determination on remand was affirmed by the CIT and the Federal Circuit. *See Papierfabrik August Koehler AG v. United States*, 808 F. Supp. 2d 1350 (Ct. Int'l Trade 2012) *affirmed by* 493 F. App'x 104 (Fed. Cir. 2013).

[3] *Lightweight Thermal Paper from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order*, 73 Fed. Reg. 70958 (Nov. 24, 2008); *Antidumping Duty Orders: Lightweight Thermal Paper from Germany and the*

First five-year reviews: On October 1, 2013, the Commission instituted the first five-year reviews and on January 23, 2014 determined it would conduct full reviews of the antidumping and countervailing duty orders on LWTP from China.[4] In January 2015, the Commission determined that revocation of the antidumping and countervailing duty orders on LWTP from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[5] As a result, effective January 30, 2015, Commerce issued a continuation of the antidumping and countervailing duty orders on LWTP from China.[6]

Current five-year reviews: On December 2, 2019, the Commission instituted the second five-year reviews of the antidumping and countervailing duty orders of LWTP from China.[7] On January 2, 2020, Appvion and Kanzaki Specialty Papers, Inc. ("Kanzaki") (collectively "domestic interested parties"), domestic coaters of LWTP, jointly filed a response to the notice of institution.[8] On March 6, 2020, the Commission determined that the domestic interested party group response to its notice of institution was adequate.[9] The Commission did not receive a response from any respondent interested party and determined that the respondent interested party group response to the notice of institution was inadequate.[10] The Commission did not

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People's Republic of China, 73 Fed. Reg. 70959 (Nov. 24, 2008). Commerce also issued an antidumping duty order on subject imports of LWTP from Germany. *Id.*

[4] *Certain Lightweight Thermal Paper from China and Germany; Institution of Five-Year Reviews*, 78 Fed. Reg. 60313 (Oct. 1, 2013). The Commission determined to conduct a full five-year review of the antidumping duty order on LWTP from Germany because domestic and respondent interested party group responses were adequate with respect to that review, and determined to conduct full five-year reviews of the orders on LWTP from China to promote administrative efficiency in light of its determination with respect to Germany. *Lightweight Thermal Paper from China and Germany; Notice of Commission Determination to Conduct Full Five-Year Reviews*, 79 Fed. Reg. 6218 (Feb. 3, 2014).

[5] *See Lightweight Thermal Paper from China and Germany*, Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Review), USITC Pub. 4511 (Jan. 2015) ("First Five-Year Review Determinations"). The Commission further determined that revocation of the antidumping duty order on LWTP from Germany would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. There was no litigation of the Commission's first five-year review determinations.

[6] *Lightweight Thermal Paper from the People's Republic of China and Germany: Continuation of the Antidumping and Countervailing Duty Orders on the People's Republic of China, Revocation of the Antidumping Duty Order on Germany*, 80 Fed. Reg. 5083 (Jan. 30, 2015). Following the Commission's negative determination, Commerce revoked the antidumping duty order on imports of LWTP from Germany. *Id.*

[7] *Lightweight Thermal Paper from China; Institution of Five-Year Reviews*, 84 Fed. Reg. 66012 (Dec. 2, 2019).

[8] *See* Lightweight Thermal Paper from China/The Domestic Industry's Response to the Notice of Institution, EDIS Doc. 698189 (Jan. 2, 2020) ("Domestic Interested Parties' Response").

[9] Explanation of Commission Determination on Adequacy, EDIS Doc. 707500 (April 10, 2020).

[10] Explanation of Commission Determination on Adequacy.

find any circumstances that would warrant conducting full reviews and determined that it would conduct expedited reviews pursuant to section 751(c)(3) of the Tariff Act.[11]

On May 28, 2020, the domestic interested parties filed comments with the Commission pursuant to Commission rule 207.62(d).[12]

Data Coverage: U.S. industry data are based on information from the original investigations and first five-year reviews, and trade and financial data submitted by domestic interested parties in response to the notice of institution in the current five-year reviews.[13] The domestic interested parties estimate that they accounted for 100 percent of domestic coating of LWTP in 2018.[14] U.S. import and foreign industry data and related information are based on information from the original investigations and first five-year reviews, available information submitted by the domestic interested parties in the current five-year reviews, official import statistics of the Department of Commerce ("Commerce"), and publicly available data, such as Global Trade Atlas data, gathered by Commission staff.[15]

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."[16] 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."[17] 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.[18]

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[11] Explanation of Commission Determination on Adequacy.

[12] Lightweight Thermal Paper from China: The Domestic Industry's Written Comments on the Determinations that the Commission Should Reach in These Reviews, EDIS Doc. 711287 (May 28, 2020) ("Domestic Interested Parties' Expedited Review Comments").

[13] CR/PR at I-14, Table I-3.

[14] CR/PR at Table I-1. In their response to the notice of institution, the domestic interested parties supplied data from one domestic converter of LWTP, ***, which was estimated to account for *** percent of total domestic conversion of LWTP in 2018. *Id.*

[15] CR/PR at Tables I-4, I-5, I-6, I-7, I-8.

[16] 19 U.S.C. § 1677(4)(A).

[17] 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).

[18] *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-

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

> The scope of the order includes certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m^2) (with a tolerance of ±4.0 g/m^2) or less; irrespective of dimensions;[19] with or without a base coat[20] on one or both sides; with thermal active coating(s)[21] on one or both sides that is a mixture of the dye and the developer that react and form an image when heat is applied; with or without a top coat;[22] and without an adhesive backing. Certain lightweight thermal paper is typically (but not exclusively) used in point-of-sale applications such as ATM receipts, credit card receipts, gas pump receipts, and retail store receipts.[23]

Thermal papers have a thermal active coating which reacts to form an image when heat is applied. Thermal papers are specifically intended to be used in direct thermal printers containing thermal print heads. The thermal print heads consist of arrays of tiny heating elements, which act to form images on the paper without the need for toner or inks.[24] Although LWTP is defined as any thermal paper having a basis weight of less than 70 grams per square meter or g/m^2, the majority of LWTP currently produced and purchased in the United States is less than 49.9 g/m^2.[25]

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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).

[19] LWTP is typically produced in jumbo rolls that are slit to the specifications of the converting equipment and then converted into finished slit rolls. Both jumbo and converted rolls (as well as LWTP in any other form, presentation, or dimension) are covered by the scope of these orders.

[20] A base coat, when applied, is typically made of clay and/or latex and like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

[21] A thermal active coating is typically made of sensitizer, dye, and co-reactant.

[22] A top coat, when applied, is typically made of polyvinyl acetone, polyvinyl alcohol, and/or like materials and is intended to provide environmental protection, an improved surface for press printing, and/or wear protection for the thermal print head.

[23] *Lightweight Thermal Paper from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Antidumping Duty Order*, 85 Fed. Reg. 16328 (Mar. 23, 2020) and the accompanying Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order on Lightweight Thermal Paper from the People's Republic of China, Case No. A-570-920 (Mar. 16, 2020) at 2 (EDIS Doc. 706463); *Lightweight Thermal Paper from the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order*, 85 Fed. Reg. 16059 (Mar. 20, 2020) and the accompanying Issues and Decision Memorandum for the Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order on Lightweight Thermal Paper from the People's Republic of China, Case No. C-570-921 (Mar. 16, 2020) at 4 (EDIS Doc. 706463).

[24] CR/PR at I-7 to I-8.

[25] CR/PR at I-8.

In the original investigations and first five-year reviews, the Commission found a single domestic like product coextensive with Commerce's scope definition.[26] In these second five-year reviews, the domestic interested parties have indicated that the Commission should adopt the domestic like product definition from the prior proceedings.[27] The record does not indicate any changes to the pertinent characteristics and uses of LWTP since the prior proceedings that would warrant reconsideration.[28] We consequently define a single domestic like product consisting of LWTP, 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."[29] In defining the domestic industry, the Commission's general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations and first five-year reviews, the Commission defined a single domestic industry encompassing all converters and coaters of LWTP.[30] The Commission also

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[26] Original Determinations, USITC Pub. 4043 at 5-6; First-Five Year Review Determinations, USITC Pub. 4511 at 6. In the preliminary investigations, the Commission addressed two distinct domestic like product issues, and determined that jumbo and slit rolls should be included in the same domestic like product, and that the domestic like product should not include thermal paper with weights heavier than those in the scope of the investigations. *See Certain Lightweight Thermal Paper from China, Germany, and Korea,* Inv. Nos. 701-TA-451 and 731-TA-1126-1128 (Preliminary), USITC Pub. 3964 at 6-10 (Nov. 2007).

[27] Domestic Interested Parties' Expedited Review Comments at 4; Domestic Interested Parties' Response at 28.

[28] *See generally* CR/PR at I-7 to I-12.

[29] 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.

[30] Original Determinations, USITC Pub. 4043 at 8; First Five-Year Review Determinations, USITC Pub. 4511 at 6-7. In the original investigations, the Commission concluded that conversion of LWTP constituted sufficient production-related activity to include the converters in the domestic industry. The Commission found the following: the value of the assets of reporting converters, while not at the level of the coaters, was still substantial; converters used sophisticated, computerized slitting and printing equipment; while the value converters added to the finished product was modest to moderate, it was comparable to the value added ***; the reporting converters' employment exceeded that of the coaters; and converters sourced a significant proportion of their jumbo rolls from U.S. coaters. Original Determinations, Confidential Views, EDIS Doc. 699582 at 9-11 (Nov. 1, 2008).

In the first five year-reviews, the Commission found that the evidence continued to support its conclusion that converters engage in sufficient domestic production operations and included them in recognized that certain domestic producers were related parties, but determined that appropriate circumstances did not exist to exclude any producer from the domestic industry as a related party under 19 U.S.C. § 1677(4)(B).[31]

In these second five-year reviews, the domestic interested parties agree with the Commission's domestic industry definition in the original investigations and prior reviews.[32] There is no evidence with respect to the factors that the Commission examines in its analyses of production-related activities or related party criteria that warrants revisiting the Commission's definition in the original investigations and first five-year reviews.[33]

Given our domestic like product definition, and because there is no new information obtained during these reviews that would suggest any reason to revisit the prior domestic industry definition, we define a single domestic industry encompassing all converters and coaters of LWTP.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[34] The SAA states that "under the likelihood standard, the Commission will engage in a

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the domestic industry producing LWTP. First Five-Year Review Determinations, USITC Pub. 4511 at 7 n.24.

[31] Original Determinations, USITC Pub. 4043 at 8-10. In the original investigations, the Commission evaluated related party issues concerning two converters but found appropriate circumstances did not exist to exclude either one from the domestic industry. Original Determinations, Confidential Views, EDIS Doc. 699582 at 12-15 (Nov. 1, 2008).

In the first five-year reviews, there were no related party issues because no U.S. producer directly or through affiliation imported LWTP from subject countries during the period of review. First Five-Year Review Determinations, USITC Pub. 4511 at 7 n.25, Table I-6.

[32] Domestic Interested Parties' Expedited Review Comments at 4; Domestic Interested Parties' Response at 28.

[33] *See generally* CR/PR at I-11 to I-13, I-17; Domestic Interested Parties' Response at 24 ("Appvion and Kanzaki are unaware of any affiliation between any domestic producer and any Chinese producer of LWTP other than, presumably, the two converters the Commission classified as related parties to Chinese entities during the original investigations."). The domestic interested parties reported that, to the best of their knowledge, the third U.S. coater found to be affiliated to a subject producer in China in the first five-year reviews does not produce in-scope LWTP. CR/PR at I-13 n.35.

[34] 19 U.S.C. § 1675a(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."[35] Thus, the likelihood standard is prospective in nature.[36] 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.[37]

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."[38] According to the SAA, a "'reasonably foreseeable time' will vary from case-to-case, but normally will exceed the 'imminent' timeframe applicable in a threat of injury analysis in original investigations."[39]

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."[40] 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

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[35] SAA at 883-84. The SAA states that "{t}he likelihood of injury standard applies regardless of the nature of the Commission's original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed." *Id*. at 883.

[36] 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.

[37] *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'").

[38] 19 U.S.C. § 1675a(a)(5).

[39] 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*.

[40] 19 U.S.C. § 1675a(a)(1).

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).[41] 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.[42]

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.[43] 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.[44]

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.[45]

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

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[41] 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the antidumping duty order on LWTP from China. *Lightweight Thermal Paper from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Antidumping Duty* Order, 85 Fed. Reg. 16328 (Mar. 23, 2020) and accompanying Issues and Decisions Memorandum at 3.

[42] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

[43] 19 U.S.C. § 1675a(a)(2).

[44] 19 U.S.C. § 1675a(a)(2)(A-D).

[45] *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.

more advanced version of the domestic like product.[46] 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.[47]

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

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[48] The following conditions of competition inform our determinations.

1. Demand Conditions

In the original investigations, the Commission observed that demand for LWTP had increased as it had largely displaced carbonless and impact paper, but that it was less likely to increase in the future since LWTP already held a substantial share of the market for point of sale ("POS") receipts. During the period of investigation (January 2005-June 2008), apparent U.S. consumption had increased.[49]

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[46] 19 U.S.C. § 1675a(a)(4).

[47] 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.

[48] 19 U.S.C. § 1675a(a)(4).

[49] Original Determinations, USITC Pub. 4043 at 14-15. In the original investigations, the Commission calculated apparent U.S. consumption of LWTP as the sum of domestic shipments of U.S. coaters, domestic shipments of U.S. converters, and imports. This method of calculating apparent U.S. consumption overstated both overall consumption and domestic shipments, because shipments of LWTP that are both coated and converted domestically were counted twice. For the same reason, this calculation overstated the domestic industry's market share and understated the market penetration of imports. Nevertheless, the Commission found that to omit domestic shipments of converted product from the apparent U.S. consumption calculation would be inconsistent with its finding that conversion activity constitutes production of the domestic like product. Original Determinations, USITC Pub. 4043 at 14-15 n.81.

In the first five-year reviews, the Commission found that, as in the original investigations, demand for LWTP, which is used principally in POS applications (*e.g.* receipts at cash registers, ATMs, gas pumps), will typically reflect retail sales levels. During the period of review (January 2008-June 2014), apparent U.S. consumption of LWTP increased steadily from 2009 to 2012, declined in 2013, and was lower in the first half of ("interim") 2014 than in interim 2013.[50] The Commission also found that there were limited substitutes for LWTP, with electronic receipts as the most common reported substitute. In light of the foregoing, the Commission found that U.S. demand for LWTP was expected to remain stable and unlikely to change significantly in the reasonably foreseeable future.[51]

In these second five-year reviews, apparent U.S. consumption in 2018 is *** percent higher, at *** short tons, than in 2013.[52] The domestic interested parties contend that, because demand for LWTP typically reflects retail sales levels, it is linked to overall economic conditions in the United States. The relationship between LWTP demand and retail sales causes some seasonality in demand, with end use of LWTP tending to increase late in the year.[53] With respect to future demand, according to Laves Chemie Consulting, "there are indications for market saturation or even decline in West Europe and North America…due to the fact that many people do not wish to have printouts."[54] Regulatory and/or legal changes may also impact consumption of LWTP in the United States. Domestic interested parties point to a bill considered, but not passed, by the California legislature in 2019 that would have required California businesses to ask customers if they wanted a paper receipt before printing one and

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[50] In the first five-year reviews, the Commission calculated apparent U.S. consumption and the market share of domestic producers as the sum of domestic shipments of U.S. coaters (quantity and value), and the additional value added to both domestic and foreign origin jumbo rolls by U.S. converters. This methodology consolidated U.S. coaters' and U.S. converters' shipments, without double counting the volume of merchandise in the U.S. market.

Prior to 2009, imports of LWTP were primarily classified under Harmonized Tariff Schedule ("HTS") basket categories, which included paper other than subject LWTP. Thus, the Commission considered import data for 2008 to be overstated, and apparent U.S. consumption data for 2008 not to be comparable to the apparent U.S. consumption data for 2009-2013 and the interim periods. Both Appvion and the respondent interested parties claimed 2013 data for nonsubject imports and apparent U.S. consumption were understated and proposed different methodologies to calculate apparent U.S. consumption; the Commission, however, found no basis in the record for the claims and found the 2013 apparent U.S. consumption data were the most accurate data for its analysis. First Five-Year Review Determinations, USITC Pub. 4511 at 15 n.68; *see also* CR/PR at Tables I-3, I-5.

[51] First Five-Year Review Determinations, USITC Pub. 4511 at 14-15.

[52] CR/PR at Table I-5. For consistency with the first five-year reviews, the quantity of U.S. shipments used to calculate apparent U.S. consumption and domestic market share for 2018 only includes U.S. coaters' shipments and does not include converters' shipments, so as not to double count the volume of merchandise in the U.S. market. Comparable combined value data for 2018 cannot be calculated from the information on the record in these second five-year reviews. CR/PR at Table I-3.

[53] Domestic Interested Parties' Expedited Review Comments at 5; Domestic Interested Parties' Response at 4.

[54] Domestic Interested Parties' Response at 27 and Exhibit 4.

would have forbidden businesses from printing coupons or advertisements on receipts unless requested by the customer.[55] Finally, the domestic interested parties argue that demand for LWTP is "likely to be relatively inelastic" because the price of substitutes has no effect on the price of LWTP.[56]

2. Supply Conditions

In the original investigations, the Commission found the domestic industry consisted of two coaters and a substantially larger number of converters. Apparent U.S. consumption was higher than U.S. coaters' capacity at the time, but Appleton had opened a new coating facility in West Carrollton, Ohio in 2008 which represented a $125 million capital investment and would increase its LWTP coating capacity by *** short tons.[57] During the period of investigation, the domestic industry and subject imports (including imports from Germany) supplied virtually the entire U.S. market. The domestic industry supplied both jumbo rolls and slit rolls of LWTP, whereas subject imports from China were exclusively slit rolls and subject imports from Germany were exclusively jumbo rolls.[58]

In the first five-year reviews, the Commission found that there were three domestic coaters of LWTP: Appvion, Kanzaki, and Ricoh, and that their combined capacity for LWTP increased from 2008 to 2013. Even with the increase in coaters' capacity, however, the Commission found that apparent U.S. consumption of jumbo rolls of LWTP was higher than U.S. coaters' capacity. The Commission also found that there were two other significant events reported during the period of review that affected the domestic supply of jumbo rolls: the 15-year supply agreement that Appvion entered into with Domtar Corp. ("Domtar") to supply most of Appvion's uncoated base paper, and Appvion's subsequent discontinuation of its papermaking operations at its West Carrollton facility in February 2012.[59]

The Commission found that, while the domestic industry and subject imports (including imports from Germany) supplied virtually the entire U.S. LWTP market during the original investigations, there were variations in the market participants during the period of review. Specifically, with the imposition of the orders, subject imports from China virtually left the market. By contrast, through 2012, subject imports from Germany remained in the U.S. market at levels similar to those in the original investigations, and nonsubject imports increasingly entered the U.S. market during the period of review.[60]

In these second five-year reviews, the domestic producers' share of apparent U.S. consumption was lower in 2018, at *** percent, than in 2013, when it was *** percent. Subject imports' share was higher in 2018, at *** percent, than in 2013, when it was ***

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[55] Domestic Interested Parties' Response at 27 and Exhibit 18; CR/PR at Table I-2.

[56] Domestic Interested Parties' Expedited Review Comments at 5; Domestic Interested Parties' Response at 4.

[57] Original Determinations, Confidential Views, EDIS Doc. 699582 at 24 (Nov. 1, 2008).

[58] Original Determinations, USITC Pub. 4042 at 15-16.

[59] First Five-Year Review Determinations, USITC Pub. 4511 at 15-16.

[60] First Five-Year Review Determinations, USITC Pub. 4511 at 16.

percent. Nonsubject imports' share was higher in 2018, at *** percent, than in 2013, when it was *** percent.[61] The principal sources of nonsubject imports in 2018 were Germany, Korea, and Japan.[62]

U.S. coaters' production capacity was lower in 2018, at *** short tons, than in 2013, when it was *** short tons.[63] Apparent U.S. consumption in 2018 was higher than U.S. coaters' capacity.[64]

The domestic interested parties report that, since the first five-year reviews, there has been a significant amount of consolidation among domestic converters of LWTP.[65] In 2016, private equity firm Atlas Holdings LLC ("Atlas") purchased the Interactive Printer Solutions division of NCR and launched a new company called Iconex.[66] Iconex subsequently acquired RiteMade Paper Converters, Inc. ("RiteMade") and PM Company in 2017 and the receipt paper business of Cenveo Corp. ("Cenveo") in 2019.[67] Furthermore, in October 2017, Appvion filed for Chapter 11 bankruptcy protection and was sold to a lender group led by Franklin Advisers in June 2018.[68]

3. Substitutability and Other Conditions

In the original investigations, the Commission found that, while subject imports were generally physically interchangeable with the domestically produced products of the same type, subject imports of slit rolls from China and jumbo rolls from Germany were not interchangeable.[69] The Commission observed that majorities of purchasers found domestically converted slit rolls and subject imports from China comparable in all non-price related factors except delivery time and product range and found that price was an important factor in purchasing decisions for LWTP.[70] The Commission also observed that some purchasers required

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[61] CR/PR at Table I-5. The share of apparent U.S. consumption of imports from Germany was *** percent in 2013 and *** percent in 2018. *Id.*

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

[63] CR/PR at Table I-3. U.S. converters' reported production capacity was also lower in 2018, at *** short tons, than in 2013, when it was *** short tons. *Id.* We note, however, that, in the first five-year reviews, reporting U.S. converters accounted for 70 percent of total U.S. production of slit rolls of LWTP in 2013, whereas, in these second five-year reviews, the domestic interested parties supplied data in their response from one U.S. converter, which was estimated to account for *** percent of total U.S. production of slit rolls of LWTP in 2018. First Five-Year Review Determinations, USITC Pub. 4511 at 4; CR/PR at Table I-1.

[64] *Compare* CR/PR at Table I-3 *with* Table I-5.

[65] Domestic Interested Parties' Response at 23, 25-26.

[66] Domestic Interested Parties' Response at 23, 26; CR/PR at Table I-2.

[67] Domestic Interested Parties' Response at 23, 26; CR/PR at Table I-2.

[68] CR/PR at Table I-2.

[69] Original Determinations, USITC Pub. 4043 at 17.

[70] Original Determinations, USITC Pub. 4043 at 23.

certified rolls and that jumbo rolls of LWTP produced by domestic coaters and imported from Germany and slit rolls produced by several U.S. converters had received certification.[71]

In the first five-year reviews, the Commission found that jumbo rolls from Germany and slit rolls from China were generally physically interchangeable with domestically produced products of the same type.[72] The Commission observed that the majority of responding firms reported that LWTP was always or frequently interchangeable in the same forms and characteristics and that the majority of U.S. purchasers reported factors other than price were sometimes or never important in purchasers' decisions for the U.S. and Chinese products. It held that the general importance of price in purchasing decisions for LWTP had not changed since the time of the original investigations.[73]

Since the original investigations, the Commission found that there had been changes in the composition of chemicals used for coating thermal paper. The Commission found that some coaters were producing bisphenol A ("BPA")-free LWTP; Appvion reported that its LWTP had been BPA-free since 2006 and Kanzaki began offering BPA-free LWTP in 2013. Furthermore, many converters also shifted to producing only BPA-free LWTP. Finally, the Commission found that some producers were developing phenol-free LWTP, such as the introduction by Appvion in 2014 of LWTP that uses a Vitamin C formulation instead of phenols.[74] The Commission also found that major printer manufacturers such as IBM, Seiko, and Epson certify the use of specific types of LWTP with their machines. However, few of the responding purchasers (3 of 14 purchasers of jumbo rolls and 1 of 7 purchasers of slit rolls) required purchased paper to be certified by printer manufacturers.[75]

In these second five-year reviews, there is no new information on the record to suggest any changes since the prior proceedings regarding substitutability between the domestic like product and subject imports or the importance of price.[76] Accordingly, we again find that the domestic like product and subject imports are generally substitutable, and that price is an important factor in purchasing decisions.

Furthermore, in these second five-year reviews, all three responding purchasers indicated ***. One purchaser, ***, indicated that ***.[77] It claimed that *** and that ***.[78] Another purchaser, ***, added that ***.[79]

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[71] Original Determinations, USITC Pub. 4043 at 17.

[72] Original Determinations, USITC Pub. 4043 at 17.

[73] First Five-Year Review Determinations, USITC Pub. 4511 at 21.

[74] First Five-Year Review Determinations, USITC Pub. 4511 at 17-18.

[75] First Five-Year Review Determinations, USITC Pub. 4511 at 18.

[76] The domestic interested parties maintain that LWTP purchasing decisions are made primarily on the basis of price and that there have been no significant changes since the first five-year reviews in end uses and applications, the existence and availability of substitute products, or the level of competition among the domestic like product, subject merchandise from China, and LWTP from other countries. Domestic Interested Parties' Expedited Review Comments at 5; Domestic Interested Parties' Response at 5-6, 26.

[77] CR/PR at Appendix D.

[78] CR/PR at Appendix D.

C. Likely Volume of Subject Imports

1. The Prior Proceedings

In the original investigations, the Commission found that, notwithstanding the rapid increase of subject imports from China, the absolute quantities of such imports were not yet at a significant level.[80] However, in its threat analysis, the Commission found that substantially increased imports of subject merchandise from China into the United States were imminent due to the rapid increase in subject imports from China combined with the Chinese LWTP industry's substantial unused capacity. The Commission also recognized that the industry in China was increasingly export-oriented and that the United States was an increasingly important export market to the Chinese LWTP industry.[81]

The Commission found that the Chinese LWTP industry had substantial unused capacity. It observed that two producers of subject merchandise in China, which accounted for only approximately *** percent of Chinese LWTP production, had responded to the Commission's foreign producer questionnaire and projected that their unused capacity would exceed *** short tons in both 2008 and 2009.[82] The Commission found that the actual unused capacity in China was considerably higher than the reported figure but also found that the reported unused capacity figure was sufficient to permit a substantial increase in shipments.[83]

The Commission also found that the industry in China was increasingly export-oriented, with exports' share of total shipments rising from *** percent in 2005 to *** percent in 2006 and *** percent in 2007.[84] Furthermore, it held that the United States was an increasingly important export market for the Chinese LWTP industry. Although the reporting Chinese producers shipped *** subject merchandise to the United States in 2005, by 2007 the United States was their largest single market.[85] The Commission also found that the Chinese respondents' contention that growing home market demand for LWTP in China would absorb available production capacity was not corroborated by the data in the record, which indicated that between 2005 and 2007, home market shipments declined on both an absolute and relative basis for the reporting Chinese producers.[86]

In the first five-year reviews, the Commission found that, with the imposition of the orders, subject imports of LWTP from China fell dramatically although they remained present

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[79] CR/PR at Appendix D.

[80] Original Determinations, USITC Pub. 4043 at 22. In the original investigations, subject imports from China increased from *** short tons in 2005 to *** short tons in 2007. Original Determinations, Confidential Views, EDIS Doc. 699582 at 35 (Nov. 1, 2008).

[81] Original Determinations, USITC Pub. 4043 at 27-28.

[82] Original Determinations, Confidential Views, EDIS Doc. 699582 at 44 (Nov. 1, 2008).

[83] Original Determinations, USITC Pub. 4043 at 27.

[84] Original Determinations, Confidential Views, EDIS Doc. 699582 at 45 (Nov. 1, 2008).

[85] Original Determinations, Confidential Views, EDIS Doc. 699582 at 45 (Nov. 1, 2008).

[86] Original Determinations, USITC Pub. 4043 at 28.

each year during the period of review.[87] Subject imports from China did not exceed *** percent of apparent U.S. consumption from 2009 to 2013.[88]

The Commission found that available information in the first five-year reviews regarding the broader thermal paper (*i.e.*, coated base paper) industry in China confirmed that China had substantial thermal paper capacity, unused capacity, and export activity. It observed that there were reportedly at least 12 thermal paper manufacturers in China with a combined capacity of 473,989 short tons and production of 220,462 short tons in 2013 and that China reportedly exported 33,069 short tons of its 2013 thermal paper production while importing 22,046 short tons.[89]

Furthermore, the Commission found that available information confirmed that the Chinese industry continued to be export-oriented and the U.S. market continued to be an important focus. Citing Global Trade Atlas data, the Commission observed that China's exports of a basket category of paper products that include LWTP increased each year from 96,147 short tons in 2008 to 190,501 short tons in 2013, and the United States was the leading export market; China accounted for a 15 percent share of both global thermal paper production and consumption.[90]

Given the rapid increases in imports of the subject merchandise from China during the original investigations, the Chinese industry's substantial excess capacity and export orientation during the original investigation period, and the available information regarding capacity and exports in the first five-year reviews, the Commission concluded that if the orders were revoked the volume of subject imports of LWTP from China would likely be significant within a reasonably foreseeable time.[91]

2. The Current Reviews

In these expedited second five-year reviews, no Chinese producer reported data to the Commission on its LWTP operations for the period of review. Thus, the limited data in the record regarding the LWTP industry in China are derived from the original investigations, first five-year reviews, and other available industry sources.

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[87] First Five-Year Review Determinations, USITC Pub. 4511 at 18-19. Subject imports of LWTP from China were *** in 2009 and thereafter fluctuated from a low of *** in 2012 to a high of *** in 2011. First Five-Year Review Determinations, Confidential Views, EDIS Doc. 699560 at 28 (Jan. 1, 2015).

[88] First Five-Year Review Determinations, Confidential Views, EDIS Doc. 699560 at 28 (Jan. 1, 2015).

[89] First Five-Year Review Determinations, USITC Pub. 4511 at 19.

[90] First Five-Year Review Determinations, USITC Pub. 4511 at 20. The known markets accounting for the largest volume of Chinese exports of these paper products in 2013 were the United States (22,649 short tons), India (12,986 short tons), Malaysia (11,970 short tons), Pakistan (11,787 short tons), Vietnam (11,391 short tons), and Taiwan (10,049 short tons). *Id*.

[91] First Five-Year Review Determinations, USITC Pub. 4511 at 20.

The volume of subject imports was 891 short tons in 2014, 3,628 short tons in 2015, 2,956 short tons in 2016, 4,566 short tons in 2017, and 3,711 short tons in 2018.[92] The share of the quantity of apparent U.S. consumption accounted for by subject imports was *** percent in 2018, representing a higher market share for subject imports than in 2013 at the end of the period of review in the first five-year reviews.[93] Although low, these imports indicate that exporters have a continued and growing interest in the U.S. market and are maintaining their business relationships and channels of distribution, which would facilitate a rapid increase in imports, if the orders were revoked.

According to available information on the record, LWTP producers in China expanded their LWTP production capacity since the first five-year reviews. The domestic interested parties list six specific reports of thermal paper capacity expansions in China since the first five-year reviews.[94] They claim that Chinese thermal paper production increased from approximately 10,000 tons in 2003 to over 700,000 tons in 2018.[95]

Available information also indicates that, as in the original investigations and first reviews, the Chinese thermal paper industry continues to have significant excess capacity. Citing Laves Chemie Consulting, domestic interested parties claim that ***.[96]

The Chinese industry also continues to be export-oriented and focuses on the U.S. market.[97] Global Trade Atlas data for global exports of a basket category of paper products that includes LWTP show that China's 2018 share was 13.8 percent, and that China was the second largest global exporter of such products from 2014 to 2018, behind only Germany.[98] Furthermore, exports from China increased each year, from 199,647 short tons in 2014 to

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[92] CR/PR at Table I-4. Domestic interested parties claim that, based on official U.S. import statistics for the two applicable HTS numbers, only 402 short tons of subject imports entered the United States during January-October 2019. Domestic Interested Parties' Expedited Review Comments at 7; Domestic Interested Parties' Response at 10-11 and Exhibit 3.

[93] CR/PR at Table I-5.

[94] Domestic Interested Parties' Expedited Review Comments at 7; Domestic Interested Parties' Response at 12-13; CR/PR at Table I-6.

[95] Domestic Interested Parties' Expedited Review Comments at 7; Domestic Interested Parties' Response at 13 and Exhibit 7 (containing an article entitled "Demand for thermal paper grows rapidly," Sohu (Nov. 4, 2019) (Google Chrome translation) estimating that China's thermal paper production exceeds 700,000 tons (likely "metric" tons, given the Chinese origin of the article) and consists of 288 manufacturers, and citing to a Chinese industry market report stating that, in 2018, Chinese sales of thermal paper totaled 696,000 (metric) tons).

[96] Domestic Interested Parties' Expedited Review Comments at 8; Domestic Interested Parties' Response at 13-14 and Exhibit 4.

[97] Citing Laves Chemie Consulting, the domestic interested parties contend that, in 2017, ***. They also cite Laves Chemie Consulting for the statement that ***. Domestic Interested Parties' Expedited Review Comments at 8-9; Domestic Interested Parties' Response at 14-15 and Exhibit 4.

[98] CR/PR at Table I-8.

261,067 short tons in 2018.[99] The known markets accounting for the largest volume of Chinese exports of these products in 2018 were the United States (25,599 short tons), Vietnam (18,797 short tons), Malaysia (16,342 short tons), India (11,783 short tons), Taiwan (11,432 short tons), and Russia (10,946 short tons).[100]

Furthermore, the presence of nonsubject imports confirm that the U.S. market remains an attractive market for LWTP imports generally. After decreasing slightly in 2015, nonsubject import volume increased each year from 2016 to 2018.[101] Nonsubject imports' share of apparent U.S. consumption was *** percent in 2013 at the end of the period of review for the first five-year reviews, and substantially higher, at *** percent, in 2018.[102] Moreover, the U.S. producers' U.S. shipment average unit values ("AUVs") and the landed, duty-paid AUVs of nonsubject imports were generally higher than the landed, duty-paid AUVs of Chinese imports, further signifying the attractiveness of the U.S. market to Chinese imports.[103]

Given the rapid increases in imports of subject merchandise from China into the United States during the original investigations, the Chinese industry's substantial excess capacity and export orientation during the original investigations and first five-year reviews, the continued interest in the U.S. market demonstrated during the current review period, and the available information regarding the Chinese industry's production, capacity, excess capacity and export orientation in these reviews and the attractiveness of the U.S. market to LWTP exporters, we conclude that if the orders were revoked the volume of subject imports of LWTP from China would likely be significant within a reasonably foreseeable time.

D. Likely Price Effects

1. The Prior Proceedings

In the original investigations, the Commission found that price was an important factor in purchasing decisions for LWTP. Subject imports from China undersold the domestic like product in 26 of 28 quarterly comparisons, which the Commission found to be significant. There also were several instances of confirmed lost sales and revenues. Notwithstanding the pervasive underselling, the Commission found that the small volume of subject imports from China had not had significant price-suppressing or depressing effects on converters, the principal U.S. competition for such imports, and concluded that subject imports from China did not have significant price effects on the domestic industry as a whole during the period of investigation.[104] In its threat analysis, the Commission found that the pervasive underselling would likely continue and that the likely substantial increases in volume of subject imports

[99] CR/PR at Table I-8.
[100] CR/PR at Table I-7.
[101] CR/PR at Table I-4.
[102] CR/PR at Table I-5.
[103] CR/PR at Tables I-3 and I-4.
[104] Original Determinations, USITC Pub. 4043 at 23-24.

would begin to take sales from U.S. converters. The converters, facing increasing price competition from subject Chinese products, would in turn attempt to negotiate price concessions from the coaters. The Commission also recognized that such attempts were beginning to have price effects on U.S. coaters during the latter portion of the period of investigation and found that increased subject imports from China would likely have significant effects on coaters' prices.[105]

In the first five-year reviews, the Commission found that the general importance of price in purchasing decisions for LWTP had not changed since the time of the original investigations. While the Commission collected quarterly pricing data on four slit roll products, no U.S. importers reported pricing data for subject imports from China. The Commission found that the available information in the first five-year reviews indicated that prices for the domestically converted products generally increased from January 2008 to June 2014, except for the prices for product 8, which fell. This product (thermal paper in slit rolls, made free of BPA with a target basis weight of less than 49.9 grams) accounted for a large and increasing volume of U.S. produced LWTP slit rolls.[106]

Given the likely significant volume of subject imports from China, the Commission found that upon revocation subject imports would likely engage in significant underselling of the domestic like product. Additionally, the Commission found that the subject imports would be likely to enter the United States at prices that would have significant depressing or suppressing effects on the price of the domestic like product.[107]

2. The Current Reviews

In these expedited second five-year reviews, these is no new product-specific pricing information on the record. The information available indicates that since the imposition of the antidumping and countervailing duty orders on China in 2008, U.S. producers' AUVs for shipments of LWTP in the U.S. market were higher and have remained at higher levels,[108] while

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[105] Original Determinations, USITC Pub. 4043 at 28.

[106] First Five-Year Review Determinations, USITC Pub. 4511 at 21.

[107] First Five-Year Review Determinations, USITC Pub. 4511 at 22.

[108] While in 2018 the AUV for U.S. coaters' U.S. shipments was lower, at $*** per short ton, than in 2013, when it was $*** per short ton, it was *** the AUV of $*** per short ton in 2007, before the imposition of the antidumping and countervailing duty orders. Similarly, the cost of goods sold ("COGS") to net sales ratio for U.S. coaters was *** percent in 2018 compared to *** percent in 2013, but still *** the level of *** percent in 2007. CR/PR at Table I-3.

The AUV for U.S. converters' U.S. shipments was $*** per short ton in 2007, $*** per short ton in 2013, and $*** per short ton in 2018. CR/PR at Table I-3. U.S. converters' COGS to net sales ratio was *** percent in 2007, *** percent in 2013, and *** percent in 2018. CR/PR at Table I-3. The higher COGS to net sales ratio for U.S. converters in 2018 may have been partly due to ***. *See* CR/PR at Appendix D.

We recognize that a comparison of AUVs may be affected by product mix issues. However, there are no known sources of national or regional pricing data for LWTP. Domestic Interested Parties' Response at 25.

the volume of subject imports in 2018 was still below the volume of subject imports from China in 2007, before the imposition of the orders.[109]

Based on the information available, including the determinations in the original investigations and first five-year reviews, we find that imports of LWTP from China and the domestic like product are generally substitutable and price continues to be an important factor in purchasing decisions. If the antidumping and countervailing duty orders were revoked, the pervasive underselling at high margins observed in the original investigations would likely recur. The significant likely volume of low-priced subject imports from China would likely require the domestic industry either to cut prices or restrain price increases to compete with the subject imports or risk losing sales. Converters facing increased price competition from subject Chinese products would likely attempt to negotiate price concessions from U.S. coaters, thus affecting U.S. converters' prices.

Accordingly, given the likely significant volume of subject imports from China, we find that upon revocation subject imports would likely engage in significant underselling of the domestic like product. Additionally, the subject imports would be likely to enter the United States at prices that would have significant depressing or suppressing effects on the price of the domestic like product, or that would cause the subject imports to gain market share at the expense of domestic producers.

E. Likely Impact

1. The Prior Proceedings

In the original investigations, the Commission recognized that the domestic industry's market share had declined as subject imports increased and that the industry's overall financial performance declined from 2005 to 2007. However, the financial performance of coaters was considerably worse than that of converters, whose performance actually improved even though they competed most directly with the imports of slit rolls from China. The Commission concluded that the volume of subject imports from China was too small and their price effects on coaters not sufficient to have a significant impact during the period of investigation.[110] In its affirmative threat determination regarding subject imports from China, the Commission found that, in light of the consistently unprofitable performance of the domestic industry, the industry was vulnerable to the effects of additional subject imports. The likely volume and price effects would cause likely further declines in financial performance in the already unprofitable domestic industry.[111]

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[109] The volume of subject imports from China was *** short tons in 2007, before the imposition of the orders. Original Determinations, Confidential Views, EDIS Doc. 699582 at 35 (Nov. 1, 2008). The volume of subject imports in 2018 was 3,711 short tons. CR/PR at Table I-4.

[110] Original Determinations, USITC Pub. 4043 at 24-26.

[111] Original Determinations, USITC Pub. 4043 at 28-29.

In the first five-year reviews, the Commission found that, during the period of review, the domestic industry experienced improving performance in tandem with increases in apparent U.S. consumption. The domestic industry increased its capacity each year and increased its output overall during the period of review. The domestic industry's share of apparent U.S. consumption increased irregularly from 2009 to 2013. Employment-related indicators showed some changes during the period of review. Overall domestic industry financial performance improved over the period of review. The operating income margin of U.S. converters was positive every year. While also improving over the period of review, the financial performance of U.S. coaters was considerably lower than that of converters in every year, except 2013.[112]

Given the industry's performance, the Commission did not find that the domestic industry was in a vulnerable or weakened state as contemplated by the statute. Nonetheless, the Commission recognized that it experienced some declines in performance in the first half of 2014 as compared to the first half of 2013. It found that the industry was not in such a strong condition, nor were demand conditions expected to substantially improve, that the industry would be able to withstand significantly increased low-priced subject imports from China without likely sustaining significant adverse effects.[113]

The Commission also considered the role of factors other than subject imports, so as not to attribute injury from other factors to the subject imports. It observed that, while imports from sources other than China increased their market share since the original investigations, the domestic industry improved its financial performance during that time, particularly in 2013 when substantial volumes of imports from sources other than China entered the U.S. market. Moreover, the Commission observed that average unit values for such other imports were higher than or comparable to those for the domestic industry. Consequently, consideration of factors other than subject imports did not detract from the Commission's finding that revocation of the orders regarding subject imports of LWTP from China would likely have a significant adverse impact on the domestic industry.[114]

2. The Current Reviews

Because these are expedited reviews, the information available concerning the domestic industry's condition consists of 2018 data that the domestic interested parties provided in response to the notice of institution.

The data in the record indicate that the domestic industry's U.S. market share and total U.S. shipments each were lower in 2018 compared to 2013.[115] The industry's financial

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[112] First Five-Year Review Determinations, USITC Pub. 4511 at 24.

[113] First Five-Year Review Determinations, USITC Pub. 4511 at 24-25.

[114] First Five-Year Review Determinations, USITC Pub. 4511 at 25.

[115] The domestic industry's U.S. market share was *** percent in 2013 and *** percent in 2018. CR/PR at Table I-5. Its total U.S. shipments were *** short tons in 2013 and *** short tons in 2018. *Id.* The lower U.S. market share and U.S. shipments reflect lower coater production in 2018 (*** short tons compared to *** short tons in 2013). CR/PR at Table I-3. Despite lower production, coaters' capacity

performance, including its net sales, gross profits, operating profits, and operating income to net sales ratio, also were lower in 2018 compared to 2013, but remained at levels higher than in 2007.[116] While U.S. coaters similarly experienced improved financial performance after the orders were imposed, their performance was lower in 2018 compared to 2013, but remained at levels higher than in 2007.[117] The limited evidence in these expedited reviews is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury should the orders be revoked.[118] Nonetheless, we recognize that the domestic industry's financial performance indicators in 2018, as well as its market share and total U.S. shipments, were lower than in the last full year of the first five-year review period. Accordingly, as we found in the first five-year reviews, we find that the industry is not in such a strong condition, nor are demand conditions expected to substantially improve, that the industry could withstand significantly increased volumes of low-priced subject imports from China without likely sustaining significant adverse effects.

Thus, based on the record of these reviews, we find that, should the orders be revoked, subject import volumes from China would likely increase to significant levels and have likely significant adverse price effects in the reasonably foreseeable future. The likely significant increase in subject imports from China would likely cause the domestic industry to lose further market share. Additionally, likely significant underselling by subject imports from China would force the domestic industry to cut prices or forgo price increases for the domestic like product

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utilization was *** percent in 2013 and *** percent in 2018, reflecting the fact that their capacity was *** short tons in 2013 but only *** short tons in 2018. *Id.*

[116] The domestic industry's net sales were $355.9 million in 2007, $*** in 2013 (after the orders were imposed), and $*** in 2018, a level higher than in 2007. CR/PR at Table I-3. Similarly, its gross profits were $31.3 million in 2007, $*** in 2013, and $*** in 2018. *Id.* Its operating income was *** in 2007, $*** in 2013, and $*** in 2018. *Id.* Its operating income to net sales ratio was *** percent in 2007, *** percent in 2013, and *** percent in 2018. *Id.*

[117] U.S. coaters' net sales were $*** in 2007, $*** in 2013 (after the orders were imposed), and $*** in 2018, a level higher than in 2007. CR/PR at Table I-3. Their gross profits were *** in 2007, $*** in 2013, and $*** in 2018. Their operating income was *** in 2007, $*** in 2013, and $*** in 2018. Their operating income to net sales ratio was *** percent in 2007, *** percent in 2013, and *** percent in 2018. *Id.*

U.S. converters' financial condition in 2018 was substantially the same as their condition in 2007, before the orders were imposed, which may partly reflect ***. *See* CR/PR at Appendix D. Their net sales were $*** in 2007, $*** in 2013 (after the orders were imposed), and $*** in 2018, a level higher than in 2007. Their gross profits were $*** in 2007, $*** in 2013, and $*** in 2018, a level lower than in 2007. Their operating income was $*** in 2007, $*** in 2013, and $*** in 2018. *Id.* Their operating income to net sales ratio was *** percent in 2007, *** percent in 2013, and *** percent in 2018. *Id.*

[118] We recognize that the petitioning company and one of the domestic interested parties, Appvion, filed for Chapter 11 bankruptcy protection during the second five-year review period in 2017 and was sold to a lender group in 2018. CR/PR at Table I-2. However, with respect to Appvion alone, we note that it reported *** gross profits and operating income in 2018, as compared to the *** gross profits and operating income reported by U.S. coaters in 2007, before the orders were imposed. *Compare* CR/PR at Table I-3 *with* Appendix B.

or lose sales to the subject imports. Such increases in subject import volume at low prices would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry. This impact would likely cause declines in the domestic industry's financial performance.[119]

We have also considered the role of factors other than subject imports, so as not to attribute injury from other factors to the subject imports. We observe that, while imports from sources other than China increased their market share since the first five-year reviews, the domestic industry improved its financial performance since the orders were imposed and sustained its improved financial performance since the first five-year reviews. Moreover, we observe that average unit values for such other imports are comparable to those for U.S. coaters.[120] Consequently, consideration of factors other than subject imports do not detract from our finding that revocation of the orders regarding subject imports of LWTP from China will likely have a significant adverse impact on the domestic industry.

IV. Conclusion

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

[119] First Five-Year Review Determinations, USITC Pub. 4511 at 25.

[120] *Compare* CR/PR Table I-4 (showing landed, duty-paid AUVs of $2,020 per short ton and $1,976 per short ton in 2018 for Korea and Germany, the two largest sources of nonsubject imports, respectively) *with* Table I-3 (showing U.S. coaters' U.S. shipment AUV of $*** per short ton).

Information obtained in these reviews

Background

On December 2, 2019, the U.S. International Trade Commission ("Commission") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on lightweight thermal paper ("LW thermal paper") from China would likely lead to the continuation or recurrence of material injury to a domestic industry.[2] All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.[3] [4] The following tabulation presents information relating to the background and schedule of this proceeding:

Effective date	Action
December 1, 2019	Notice of initiation by Commerce (84 FR 65968, December 2, 2019)
December 2, 2019	Notice of institution by Commission (84 FR 66012, December 2, 2019)
March 6, 2020	Commission's vote on adequacy
March 23, 2020	Commerce's results of its expedited reviews
June 23, 2020	Commission's determinations and views

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

[2] 84 FR 66012, December 2, 2019. In accordance with section 751(c) of the Act, the U.S. Department of Commerce ("Commerce") published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. 84 FR 65968, December 2, 2019. 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 are presented in app. C.

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

Responses to the Commission's notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed jointly on behalf of Appvion Operations, Inc. ("Appvion")[5] and Kanzaki Specialty Papers Inc. ("Kanzaki"), domestic coaters of LW thermal paper (collectively referred to herein as "domestic interested parties"). No domestic converters responded to the notice of institution.

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.

[5] Formerly known as Appleton Papers, Inc., the petitioner in the original investigation. Domestic interested parties' response to the notice of institution, January 2, 2020, p. 1 n.1.

Table I-1

LW thermal paper: Summary of responses to the Commission's notice of institution

Type of interested party	Completed responses	
	Number of firms	Coverage
Domestic:		
U.S. producer	2	100%

Note: In their response to the notice of institution, domestic interested parties Appvion and Kanzaki estimated that they accounted for all U.S. coating of LW thermal paper during 2018. Domestic interested parties' response to the notice of institution, January 2, 2020, p. 1. The domestic interested parties also supplied data in their response from one U.S. converter, ***, which is estimated to account for *** percent of total U.S. conversion of LW thermal paper during 2018. Domestic interested parties' response to supplemental questions, January 24, 2020, p. 2. Although U.S. converter *** provided some of its data to responding U.S. coaters Appvion and Kanzaki, no U.S. converter filed a response to the notice of institution.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from domestic interested parties Appvion and Kanzaki. Appvion and Kanzaki request that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on LW thermal paper.[6]

The original investigations and subsequent reviews

The original investigations

The original investigations resulted from petitions filed on September 19, 2007, with Commerce and the Commission by Appleton Papers, Inc. ("Appleton").[7] On October 2, 2008, Commerce determined that imports of LW thermal paper from China were being sold at less than fair value ("LTFV") and subsidized by the Government of China.[8] The Commission determined on November 17, 2008 that the domestic industry was threatened with material

[6] Domestic interested parties' comments on adequacy, February 13, 2020, p. 2.

[7] The petitions also alleged sales of LW thermal paper at less-than-fair-value from Korea and Germany. In the preliminary phase of the original investigations, the Commission determined that subject imports from Korea were negligible, and terminated the investigation with respect to them. 72 FR 70343, December 11, 2007.

[8] 73 FR 57323, 57326 and 57329, October 2, 2008. Commerce also determined on October 2, 2008, that imports of LW thermal paper from Germany were being sold at LTFV. 73 FR 57326, October 2, 2008.

injury by reason of such imports of LW thermal paper from China.[9] The Commission also determined that the domestic industry was threatened with material injury by reason of LTFV imports of LW thermal paper from Germany.[10] On November 24, 2008, Commerce issued its antidumping and countervailing duty orders on subject imports of LW thermal paper from China with the final weighted-average dumping margins ranging from 19.77 to 115.29 percent and the net subsidy rates ranging from 0.57 percent (de minimis)[11] to 138.53 percent.[12]

The first five-year reviews

On January 23, 2014, the Commission determined that it would conduct full reviews of the antidumping duty orders on LW thermal paper from China and Germany and the countervailing duty order on the subject merchandise from China.[13] In February 2014, Commerce published its determination that revocation of the antidumping and countervailing duty orders on LW thermal paper from China would be likely to lead to continuation or

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[9] 73 FR 70367, November 20, 2008. The Commission also determined on November 17, 2008 that the domestic industry was threatened with material injury by reason of LTFV imports of LW thermal paper from Germany; however, Papierfabrik August Koehler AG and Koehler America, Inc., respectively an exporter and importer of LW thermal paper from Germany, appealed the Commission's determination to the Court of International Trade ("CIT"). The CIT affirmed the Commission's determination. On appeal, the United States Court of Appeals for the Federal Circuit vacated the judgment of the CIT. On July 1, 2011, the Commission instituted remand proceedings and again determined that a domestic industry was threatened with material injury by reason of LTFV imports from Germany. Certain Lightweight Thermal Paper from China and Germany, Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Remand), USITC Publication 4334, September 2011, p. 1.

[10] The Commission's determination on remand was subsequently affirmed by the CIT and the CAFC. Certain Lightweight Thermal Paper from China and Germany, Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Remand), USITC Publication 4334, September 2011, p. 1; 808 F. Supp. 2d 1350 (CIT Jan. 10, 2012); 493 Fed. Appx. 104 (Table) (Fed. Cir. Jan. 2, 2013).

[11] The net subsidy rate applicable to producer/exporter Shanghai Hanhong Paper Co., Ltd. was 0.57 percent (de minimis); however, the antidumping duty margin calculated for the firm was 115.29 percent. 73 FR 70958 and 70959, November 24, 2008.

[12] Commerce also issued its antidumping duty order on subject imports of LW thermal paper from Germany with the final weighted-average dumping margin of 6.50 percent on November 24, 2008. 73 FR 70958 and 70959, November 24, 2008.

[13] 79 FR 6218, February 3, 2014. The Commission found that the respondent interested party group response with respect to subject imports from China was inadequate. However, the Commission determined to conduct full reviews concerning the orders on LW thermal paper from China to promote administrative efficiency in light of its decision to conduct a full review with respect to Germany. Lightweight Thermal Paper from China and Germany, Inv. Nos. 701-TA-451 and 731-TA-1126-1127 (Review), USITC Publication 4511, January 2015 ("First review publication"), p. I-1.

recurrence of dumping and subsidization.[14] On January 16, 2015, the Commission notified Commerce of its determinations that revocation of the antidumping and countervailing duty orders on LW thermal paper from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.[15] Following affirmative determinations in the five-year reviews by Commerce and the Commission with respect to imports from China, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of LW thermal paper from China, effective January 30, 2015.[16]

Previous and related investigations

LW thermal paper has not been the subject of any prior related antidumping or countervailing duty investigations in the United States other than those concurrently filed with the petitions concerning LW thermal paper from China.

Commerce's five-year reviews

Commerce is conducting expedited reviews with respect to the orders on imports of LW thermal paper from China and intends to issue the final results of these reviews based on the facts available not later than March 31, 2020.[17] Commerce's Issues and Decision Memorandum, published concurrently with Commerce's final results, contains complete and up-to-date information regarding the background and history of the orders, including scope rulings, duty absorption, changed circumstances reviews, and anti-circumvention. A complete version of the Issues and Decision Memorandum can be accessed at http://enforcement.trade.gov/frn/. The Memorandum will also include any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping

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[14] 79 FR 9879, February 21, 2014; 79 FR 10477, February 25, 2014. Commerce published its determination that revocation of the antidumping duty order on certain LW thermal paper from Germany would be likely to lead to continuation or recurrence of dumping on June 4, 2014. 79 FR 32218, June 4, 2014.

[15] The Commission further determined that revocation of the antidumping duty order on LW thermal paper from Germany would not be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. 80 FR 3252, January 22, 2015.

[16] Following the Commission's negative determination in the five-year review with respect to imports from Germany, Commerce revoked the antidumping duty order on imports of LW thermal paper from Germany. 80 FR 5083, January 30, 2015.

[17] Letter from Alex Villanueva, Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, January 22, 2020.

and countervailing duty orders on imports of LW thermal paper from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

The product

Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:

> The merchandise covered by the orders is lightweight thermal paper {("LWTP")}. The scope of the orders includes certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m^2) (with a tolerance of ± 4.0 g/m^2) or less; irrespective of dimensions;[18] with or without a base coat[19] on one or both sides; with thermal active coating(s)[20] on one or both sides that is a mixture of the dye and the developer that react and form an image when heat is applied; with or without a top coat;[21] and without an adhesive backing. Certain LWTP is typically (but not exclusively) used in point-of-sale applications such as ATM receipts, credit card receipts, gas pump receipts, and retail store receipts. The merchandise subject to the orders may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3703.10.60, 4811.59.20, 4811.90.8000, 4811.90.8030, 4811.90.8040, 4811.90.8050, 4811.90.9000, 4811.90.9030, 4811.90.9035, 4811.90.9050, 4811.90.9080, 4811.90.9090, 4820.10.20, and 4823.40.00.[22] Although HTSUS

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[18] LWTP is typically produced in jumbo rolls that are slit to the specifications of the converting equipment and then converted into finished slit rolls. Both jumbo and converted rolls (as well as LWTP in any other form, presentation, or dimension) are covered by the scope of the order.

[19] A base coat, when applied, is typically made of clay and/or latex and like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

[20] A thermal active coating is typically made of sensitizer, dye, and co-reactant.

[21] A top coat, when applied, is typically made of polyvinyl acetone, polyvinyl alcohol, and/or like materials and is intended to provide environmental protection, an improved surface for press printing, and/or wear protection for the thermal print head.

[22] HTSUS subheading 4811.90.8000 was a classification used for LWTP until January 1, 2007. Effective that date, subheading 4811.90.8000 was replaced with 4811.90.8020 (for gift wrap, a nonsubject product) and 4811.90.8040 (for ''other'' including LWTP). HTSUS subheading 4811.90.9000 was a classification for LWTP until July 1, 2005. Effective that date, subheading 4811.90.9000 was replaced

subheadings are provided for convenience and customs purposes, the written description of the scope of the orders is dispositive.[23]

U.S. tariff treatment

LW thermal paper is currently imported under HTS statistical reporting numbers 4811.90.8030 and 4811.90.9030.[24] LW thermal paper produced in China and provided for in HTS subheadings 4811.90.80 and 4811.90.90 has a column 1-general duty rate of "free." The United States Trade Representative announced that LW thermal paper, among other products, that is the product of China would be subject to a 25 percent ad valorem additional duty as of September 24, 2018, under Section 301 of the Trade Act of 1974.[25] Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Description and uses[26]

Thermal paper, including out of scope thermal paper, is a type of specialty paper that is coated with a thermal active coating on one or both sides. The in scope product, LW thermal paper, is thermal paper with a basis weight of 70 g/m^2 or less used primarily in printers for point-of-sale ("POS") receipts at cash registers, ATMs, gas pumps, credit card machines, and other similar settings. Out of scope thermal paper, with a basis weight greater than 70 g/m^2, is used for other types of thermally printed products such as labels (e.g., shipping labels, deli labels) and ticket products (e.g., event tickets, lottery tickets, boarding passes).

The coating used on thermal papers is a mixture of chemicals that reacts to form an image when heat is applied. Thermal papers are specifically intended to be used in direct thermal printers with thermal print heads. Thermal print heads consist of arrays of tiny heating elements that alternately heat up and cool down during printing. As the paper passes between the print head and the platen roll, the alternating heating and cooling of the elements in the

with 4811.90.9010 (for tissue paper, a nonsubject product) and 4811.90.9090 (for ''other,'' including LWTP).

[23] 80 FR 5083, January 30, 2015.

[24] These tariff classifications may include thermal paper that is outside the scope of these reviews.

[25] 83 FR 28710, June 20, 2018.

[26] Unless otherwise noted, the discussion in this section is taken principally from First review publication, pp. I-13–I-14; Certain Lightweight Thermal Paper from China and Germany, Investigation Nos. 701-TA-451 and 731-TA-1126-1127 (Final), USITC Publication 4043, November 2008 ("Original publication"), pp. I-8–I-9.

head form images on the paper. Thermal printers function without consumables other than the paper (i.e., they do not require toner, liquid ink, or solid ink).

Thermal paper was first commercially introduced by Japanese firms for use in facsimile machines to replace telex machines, and those firms held a predominant position in thermal paper technology until the late 1980s. Since then, the use of thermal paper, both in scope and out of scope, has grown because of both cost and technical advantages of thermal printers relative to other types of printers. Thermal printer technology is relatively simple, quiet, fast, compact, energy efficient, and has low maintenance costs. Thermal printers are incorporated into POS machines such as cash registers, filling station pumps, credit card machines, and ATMs. LW thermal paper usage is frequently increased by coupons and advertising commonly used on POS receipts given at grocery stores and other retail venues.

An industry analysis segmented thermal paper usage into three broad categories by weight: POS and fax (average weight of 48–55 g/m^2), label (average weight of 75–80 g/m^2), and airline tickets (average weight of 120 g/m^2). Although in scope LW thermal paper is defined as any thermal paper having a basis weight of less than 70 g/m^2, the majority of LW thermal paper produced and purchased in the United States is less than 49.9 g/m^2. The caliper (i.e., thickness) of LW thermal paper is also an important specification. The standard caliper of 48 g/m^2 is 2.1 mils and that of 55 g/m^2 paper is 2.3 mils.

Manufacturing process[27]

In making thermal paper, jumbo rolls of base paper are either coated by the same integrated manufacturer of the base paper or sold to a coater that applies the coating. Once made into thermal paper, jumbo rolls are typically sold to converters that slit the large rolls into small rolls of paper suitable for particular printing processes. The manufacturing process is similar for domestic and foreign production. The three primary steps in the production of LW thermal paper are: (1) manufacturing the base paper, (2) coating, and (3) converting.

Manufacturing the base paper

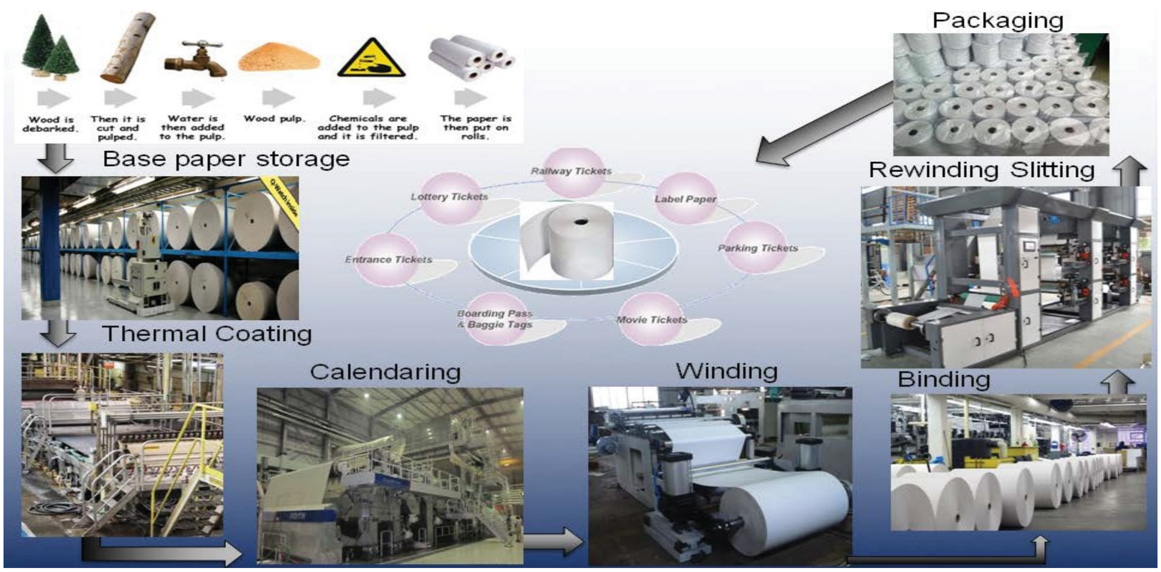
In a typical paper manufacturing operation, pulpwood is debarked and chipped into uniformly sized chips. Next, digesters cook the chips in a chemical solution to separate the cellulose fibers from lignin and other non-cellulosic substances. The resulting wood pulp is

[27] Unless otherwise noted, the discussion in this section is taken principally from First review publication, pp. I-15–I-19; Original publication, pp. I-9–I-12.

washed, bleached, and refined in preparation for papermaking operations. Most paper is made on fourdrinier paper machines[28] in which a diluted solution of wood pulp is pumped through a headbox[29] and onto a revolving mesh called the "wire." Water drains by gravity through the wire and/or by suction from the top as the wire advances, forming a web or sheet on the wire. Once formed, the web moves to the press section. The press section consists of closely spaced steel rollers which press water out of the web as it passes through. Exiting the press, the web of paper, which is now able to support itself, enters the dryer section.[30] The steam-heated cylinders of the dryer remove the remaining moisture from the paper as it laps over and under successive cylinders. High water hold-out (i.e., prevention of rapid absorption) and low porosity are reported to be important factors for the base paper used for LW thermal paper.

Figure I-1 presents a typical thermal paper production process.

Figure I-1
LW thermal paper: Illustration of production process



Source: First review publication, figure I-1 (citing http://bisonproduction.com/bisonlife/thermal-pos-paper-process/).

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[28] Named for two British brothers who supported development of the design, fourdriniers have a continuous conveyor made of a mesh screen (the "wire") that passes through a pulp slurry and then through rollers to form a paper web.

[29] The headbox extends across the wire and delivers the pulp to the wire through many small openings, orifices, and nozzles.

[30] Conventional dryers consist of several steam-heated cylinders (30 to 60 inches in diameter) arranged in two or more tiers. The wet paper typically passes over and under successive cylinders.

Coating

In the coating process, the coatings are first blended into an aqueous emulsion that will be applied to the base paper stock. The principal components of thermal coatings are color formers or dyes, developers, and sensitizers. Color formers define the printing color, usually black. Developers, in turn, enable the color formers to generate a color. Sensitizers enable the chemical reaction between the color former and developer to take place at a prescribed temperature. Other additives serve as binders, or offer degrees of water resistance, texture, stability, durability, and/or other attributes to the print image or paper.

Thermal paper may have a pre-coat, top coat, and/or back coat. The coatings are applied either in a continuous process in a separate part of the paper machine, or they are applied by an off-machine coater to a base paper unwound from reels.[31] The coating process is done by the same manufacturer as the base paper or by a separate manufacturer in a different location (as is the case in the United States). The process is similar in either case. Each layer of coating is typically dried. Water is applied to the back of the paper to minimize curl, and the sheet is dried once more. After coating, the paper is calendered[32] and passed through a pressurized nip (i.e., press) to control the smoothness and thickness of the sheet. The paper is delivered to a rewinder machine, which produces jumbo rolls by unwinding the reel, slitting the web to the appropriate widths, and rewinding the resulting narrow webs onto paperboard cores. Finally, the jumbo rolls are wrapped in preparation for shipment. Figure I-2 presents the typical composition of thermal paper.

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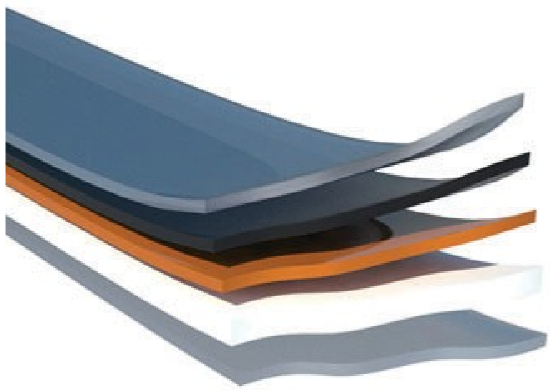
[31] Unlike an on-machine coater, an off-machine coater is one not physically attached to the back-end of a paper machine.

[32] Calenders are stacked, alternating hard (steel) and soft (plastic) rollers through which the paper is passed to control the density, smoothness, and finish of the paper.

Figure I-2
LW thermal paper: Composition of thermal paper



Source: The Ribbon Supply Co. webpage, http://www.ribbonsupply.com.au/FAQ/tabid/61/Default.aspx, retrieved February 10, 2020.

Bisphenol A ("BPA") was once widely used in the industry as a developer in LW thermal paper until toxicity concerns were raised by scientists. While it remains in use as a developer in thermal paper, some companies now produce BPA-free LW thermal paper. Many converters have also shifted to producing only BPA-free thermal paper. Other bisphenol formulations and phenolic-based chemicals are used as developers in LW thermal paper instead of BPA, but some producers are also transitioning to bisphenol-free and phenolic-free thermal paper.

Converting

The conversion process or "slitting" starts with jumbo rolls of LW thermal paper and results in small rolls of LW thermal paper packaged and ready for use in the end-users' equipment. Although the process and converting equipment may differ slightly among producers, the basic operations of the process are the same and include printing, slitting, and packaging.

The equipment used to fulfill an order depends on the size and volume of the rolls to be produced and other end-user requirements such as printing of messages or logos on the non-coated side. If printing is required, it is accomplished with single or multicolor web flexographic or web offset presses before the jumbo rolls are slit.

Set-up for the slitting process entails several steps. The jumbo roll is mounted on the upstream roll stand of a slitter-rewinder in the correct position to ensure proper unwinding, depending on whether the coated surface is wound in or out. As the roll is being mounted, a series of circular knives are set in the proper position across the width of the machine to slit the web of paper to the correct width for the rolls to be produced. Various other adjustments are made such as the placement of the "end of roll" warning stripe for the printer/inker. Paper is threaded into the slitter through a series of rollers and adjusted to remove all wrinkles, and the web engages the circular knives. The slit webs are aligned with a rewind arbor, which is loaded with cores. Either manually or mechanically depending on the slitter, the loose ends are reverse tucked around the cores to secure them. The rewind arbor is sandwiched between two bed rollers on the bottom and an upper roller, the top rider roll. In operation, the upper and lower rollers spin in opposite directions, and the top roller moves up as the diameter of the converted rolls increase. Once set-up is complete, the slitter starts unwinding paper to a pre-programmed length or roll diameter. Next, the rewind arbor is removed from the bed rollers and placed on glue rollers, where the tails of the completed rolls are secured with tape, glue, or pre-gummed tabs. Finished rolls are conveyed to a "break-apart," which separates the individual rolls. The individual rolls are flipped on their sides and passed through a hydraulic press that presses both core and paper flush. The rolls then proceed to a packing station, where they are packed in corrugated shipping containers and assembled on pallets.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from two firms, which accounted for all production of coated jumbo rolls of LW thermal paper in the United States during 2007 and 20 firms which accounted for approximately 62.1 percent of estimated U.S. conversion activities in 2007.[33] During the full first five-year reviews, the Commission received U.S. producer questionnaires from 3 firms which accounted for all production of coated jumbo rolls of LW thermal paper in the United States during 2013 and from 10 firms which accounted for approximately 70 percent of U.S. conversion of slit rolls of LW thermal paper in 2013.[34] In response to the Commission's notice of institution in these current reviews, domestic interested parties Appvion and Kanzaki stated they accounted for all production of coated jumbo rolls of LW thermal paper in the United

[33] Original publication, p. III-1.
[34] First review publication, p. I-26.

States during 2018.[35] Appvion and Kanzaki also provided a list of 20 firms that engaged in U.S. conversion of slit rolls of LW thermal paper in 2018.[36] No U.S. converter responded to the notice of institution.

Recent developments

Table I-2 presents events in the U.S. industry since the last five-year reviews.

Table I-2
LW thermal paper: Recent developments in the U.S. industry since January 1, 2014

Date			
Year	Month	Company	Action
2016	May	Iconex	Atlas Holdings launches operating company Iconex through acquisition of NCR Corporation's Interactive Printer Solutions division.
2017	October	Appvion	Appvion files for Chapter 11 bankruptcy protection.
2017	November	Iconex	Iconex completes acquisition of RiteMade Paper Converters, Inc. and PM Company, November 2, 2017.
2018	June	Appvion	Appvion completes sale to lender group led by Franklin Advisers.
2019	April	Iconex	Iconex announced the acquisition of the long-run label and receipt paper businesses of Cenveo, which are in Jefferson City, Tennessee, Joplin, Missouri, and Vernon, California. The acquisition includes the buildings and converting equipment at the Jefferson City and Joplin locations, as well as the converting equipment at the Vernon facility. Cenveo retains ownership of the balance of its facilities.
2019	August	Industry-wide	The California Senate rejects bill to restrict paper receipts.

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

Source: Iconex press release, "Atlas Holdings Launches Iconex Through Acquisition of NCR's Interactive Printer Solutions Division," May 27, 2016; Singh, Kanishka, "Paper Maker Appvion Files for Bankruptcy," Reuters, October 2, 2017; Iconex press release, "Iconex Completes Acquisitions of RiteMade and PM Company," November 2, 2017; Appvion press release, Appvion Completes Sale to Lender Led by Franklin Advisers, June 13, 2018; Iconex press release, "Iconex Acquires Long-run Label Assets of Cenveo, April 29, 2019; and Gutierrez, Melody, "Long paper receipts can stay for now, as California lawmakers reject ban," Los Angeles Times, August 30, 2019.

[35] Appvion and Kanzaki reported that, to the best of their knowledge, the third U.S. coater involved in the first five-year reviews, ***, does not produce in scope LW thermal paper. Domestic interested parties' response to supplemental questions, January 24, 2020, p. 1, Exhibit-Supp 1-2.

[36] Domestic interested parties' response to the notice of institution, January 2, 2020, p. 1 and exh. 10.

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.[37] 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 investigations and prior five-year reviews.

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

Table I-3
LW thermal paper: Trade and financial data submitted by U.S. producers, 2007, 2013, and 2018

Item	2007	2013	2018
U.S. coaters:			
Capacity (short tons)	***	***	***
Production (short tons)	***	***	***
Capacity utilization (percent)	***	***	***
Total U.S. shipments:			
Quantity (short tons)	***	***	***
Value ($1,000)	***	***	***
Unit value (dollars per short ton)	***	***	***
Net sales ($1,000)	***	***	***
COGS ($1,000)	***	***	***
COGS/net sales (percent)	***	***	***
Gross profit (loss) ($1,000)	***	***	***
SG&A expenses ($1,000)	***	***	***
Operating income (loss) ($1,000)	***	***	***
Operating income (loss)/net sales (percent)	***	***	***
U.S. converters:			
Capacity (short tons)	***	***	***
Production (short tons)	***	***	***
Capacity utilization (percent)	***	***	***
Total U.S. shipments:			
Quantity (short tons)	***	***	***
Value ($1,000)	***	***	***
Unit value (dollars per short ton)	***	***	***
Net sales ($1,000)	***	***	***
COGS ($1,000)	***	***	***
COGS/net sales (percent)	***	***	***
Gross profit (loss) ($1,000)	***	***	***
SG&A expenses ($1,000)	***	***	***
Operating income (loss) ($1,000)	***	***	***
Operating income (loss)/net sales (percent)	***	***	***

Table continued on next page.

Table I-3--Continued

LW thermal paper: Trade and financial data submitted by U.S. producers, 2007, 2013, and 2018

Item	2007	2013	2018
U.S. coaters and converters combined:			
Total U.S. shipments: Quantity (short tons)	162,075	***	***
Value ($1,000)	338,704	***	NA
Net sales ($1,000)	355,924	***	***
COGS ($1,000)	324,653	***	***
COGS/net sales (percent)	91.2	***	***
Gross profit (loss) ($1,000)	31,271	***	***
SG&A expenses ($1,000)	42,492	***	***
Operating income (loss) ($1,000)	***	***	***
Operating income (loss)/net sales (percent)	***	***	***

Note: With regard to the combined U.S. coaters and converters data presented for 2013, the Commission indicated in its report that the quantity of U.S. shipments presented for combined data for U.S. coaters and converters only includes U.S. coaters shipments, while value of U.S. shipments includes U.S. coaters' U.S. shipments plus the additional value added to both domestic and foreign origin jumbo rolls by U.S. converters. This treatment consolidates U.S. coaters and U.S. converters' shipments without double counting the volume of merchandise in the U.S. market. For consistency in this presentation, the quantity of U.S. shipments presented for combined data for U.S. coaters and converters for 2018 only includes U.S. coaters shipments; however, comparable combined value data for 2018 cannot be calculated from the information on the record in these reviews.

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

Source: For the years 2007 and 2013, data are compiled using data submitted in the Commission's original investigations and first five-year reviews. See app. C. For the year 2018, data are compiled using data submitted by domestic interested parties Appvion and Kanzaki, Domestic interested parties' response to the notice of institution, January 2, 2020, exhs. 9 and 17; Domestic interested parties' response to supplemental questions, January 24, 2020, p. 2 and exh. SUPP-3.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a related party for purposes of its injury determination if "appropriate circumstances" exist.[38]

In its original determinations and full first five-year reviews, the Commission defined a single domestic like product consisting of LW thermal paper coextensive with Commerce's scope and one domestic industry consisting of all converters and coaters of LW thermal paper consistent with Commerce's scope.[39]

U.S. imports and apparent U.S. consumption

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 10 firms, which accounted for all U.S. imports of LW thermal paper from China during 2007.[40] During the first five-year reviews, the Commission received U.S. importer questionnaires from 11 firms, which accounted for none of the U.S. imports from China during 2013.[41] Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 38 potential U.S. importers of LW thermal paper.[42]

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

[39] 84 FR 66012, December 2, 2019.

[40] These 10 firms also accounted for all U.S. imports of LW thermal paper from Germany during 2007. Original publication, p. IV-1.

[41] These 11 firms accounted for all or virtually all of the U.S. imports of LW thermal paper from Germany during 2013. Import data presented in the original investigations were based on questionnaire responses and import data presented in the first five-year reviews were based on questionnaire responses supplemented by official Commerce statistics for those importers that did not respond to the Commission's questionnaire. First review publication, pp. I-22 and IV-1.

[42] Domestic interested parties' response to the notice of institution, January 2, 2020, exh. 14.

U.S. imports

Table I-4 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports.

Table I-4
LW thermal paper: U.S. imports, 2014-18

Item	2014	2015	2016	2017	2018
	Quantity (short tons)				
China (subject)	891	3,628	2,956	4,566	3,711
Korea	49,789	54,533	49,039	50,547	62,558
Germany	11,032	6,680	47,577	64,044	72,370
Japan	31,908	32,929	35,502	42,029	37,617
All other imports	14,894	12,186	18,914	14,533	15,841
Subtotal, nonsubject	107,623	106,327	151,032	171,153	188,386
Total imports	108,514	109,955	153,988	175,719	192,098
	Landed, duty-paid value ($1,000)				
China (subject)	2,031	2,265	1,325	2,205	2,726
Korea	89,063	79,992	72,747	71,529	126,366
Germany	21,985	14,739	81,897	106,213	143,036
Japan	19,429	17,496	28,003	27,864	43,759
All other imports	32,323	25,928	31,073	34,022	40,794
Subtotal, nonsubject	162,801	138,155	213,720	239,627	353,956
Total imports	164,832	140,420	215,045	241,832	356,682
	Unit value (dollars per short ton)				
China (subject)	2,279	624	448	483	735
Korea	1,789	1,467	1,483	1,415	2,020
Germany	1,993	2,206	1,721	1,658	1,976
Japan	609	531	789	663	1,163
All other imports	2,170	2,128	1,643	2,341	2,575
Subtotal, nonsubject	1,513	1,299	1,415	1,400	1,879
Total imports	1,519	1,277	1,397	1,376	1,857

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

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

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 4811.90.8030 and 4811.90.9030.

Apparent U.S. consumption and market shares

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

Table I-5
LW thermal paper: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 2007, 2013, and 2018

Item	2007	2013	2018
	Quantity (short tons)		
U.S. producers' U.S. shipments	162,075	***	***
U.S. imports from—			
China (subject)	***	120	3,711
Germany (subject)	***	***	NA
Subtotal, subject sources	***	***	3,711
Germany (nonsubject)	NA	NA	72,370
All other	***	***	116,017
Total imports	93,712	***	192,098
Apparent U.S. consumption	255,787	220,787	***
	Value (1,000 dollars)		
U.S. producers' U.S. shipments	338,704	***	***
U.S. imports from—			
China (subject)	***	519	2,726
Germany (subject)	***	***	NA
Subtotal, subject sources	***	***	2,726
Germany (nonsubject)	NA	NA	143,036
All other	***	***	210,920
Total imports	151,518	***	356,682
Apparent U.S. consumption	490,222	584,565	***

Table continued on next page.

Table I-5--Continued
LW thermal paper: U.S. producers' U.S. shipments, U.S. imports, and apparent U.S. consumption, 2007, 2013, and 2018

Item	2007	2013	2018
	Share of consumption based on quantity (percent)		
U.S. producer's share	63.4	***	***
U.S. imports from.--			
China (subject)	***	***	***
Germany (subject)	***	***	NA
Subtotal, subject sources	***	***	***
Germany (nonsubject)	NA	NA	***
All other sources	***	***	***
Total imports	36.6	***	***
	Share of consumption based on value (percent)		
U.S. producer's share	69.1	***	***
U.S. imports from.--			
China (subject)	***	***	***
Germany (subject)	***	***	NA
Subtotal, subject sources	***	***	***
Germany (nonsubject)	NA	NA	***
All other sources	***	***	***
Total imports	30.9	***	***

Note: In the full first five-year reviews, both the domestic interested party and respondent interested parties noted that the 2013 official import statistics for nonsubject imports, and thus apparent consumption, appeared to be understated. First review publication, p. I-23.

Note: For the year 2018, the combined value is understated because it only includes the value of U.S. coaters U.S. shipments and does not include the incremental value added by U.S. converters.

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

Source: For the years 2007 and 2013, data are compiled using data for the combined coaters' and converters' market submitted in the Commission's original investigations and full first five-year reviews. See app. C. In the original investigations, U.S. imports from all sources were compiled from data submitted in response to Commission questionnaires. In the full first five-year reviews, U.S. imports were compiled from responses to Commission questionnaires and from official import statistics for all importing firms not responding to the Commission's questionnaire. For the year 2018, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution for U.S. coaters and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 4811.90.8030 and 4811.90.9030.

The industry in China

During the final phase of the original investigations, the Commission received foreign producer questionnaires from two firms: Shanghai Hanhong Paper Co., Ltd. ("Hanhong"), which claimed to account for approximately *** percent of Chinese production of certain LW thermal paper and *** percent of exports to the United States, and ***, which claimed to account for *** percent of Chinese production and *** percent of exports to the United States.[43] During the full first five-year reviews, the Commission issued foreign producer questionnaires to 31 Chinese firms believed to be producers of LW thermal paper but received no responses.[44]

Table I-6 presents events in the Chinese industry since the last five-year review.

Table I-6
LW thermal paper: Recent developments in the Chinese industry

Item / Firm	Recent events
***	***
***	***
***	***
***	***
***	***
***	***

Source: Domestic interested parties' response to the notice of institution, January 2, 2020, pp.12-13.

[43] In the original investigations, Chinese respondents argued that only two producers in China, ***, were capable of producing LW thermal paper that meets quality standards required by U.S. customers. Investigation Nos. 701-TA-451 and 731-TA-1126-1127 (Final): Certain Lightweight Thermal Paper from China and Germany, Confidential Report, INV-FF-130, October 20, 2008 ("Original confidential report"), pp. VII-2—VII-3.

[44] First review publication, p. IV-10.

Table I-7 presents export data for HS 4811.90, a category that includes LW thermal paper and out-of-scope products, from China (by export destination in descending order of quantity for 2018).

Table I-7

Other paper and paperboard: Exports from China, by destination, 2014-18

Item	Calendar year				
	2014	2015	2016	2017	2018
	Quantity (short tons)				
United States	25,362	35,031	35,009	36,596	25,599
Vietnam	9,919	14,406	14,214	16,489	18,797
Malaysia	8,389	9,088	18,077	18,084	16,342
India	15,811	18,502	25,383	19,010	11,783
Taiwan	7,079	8,000	6,619	7,016	11,432
Russia	5,350	4,237	6,736	7,312	10,946
Iran	10,166	7,149	9,484	10,296	10,825
Pakistan	12,705	12,426	10,014	9,560	10,338
Canada	4,963	4,511	6,338	6,806	9,182
South Africa	3,362	3,212	5,798	6,416	9,027
All other	96,541	98,284	109,346	111,090	126,798
Total	199,647	214,845	247,018	248,676	261,067

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 4811.90. These data are overstated as HS subheading 4811.90 contains products outside the scope of these reviews.

Antidumping or countervailing duty orders in third-country markets

There is no indication that LW thermal paper produced in China has been the subject of any import relief investigations in third-country markets. However, based on available information, and a search of the World Trade Organization's Document Online Search Facility, the European Union imposed antidumping duties on imports of thermal paper (certain lightweight)[45] from Korea in 2016 (provisional) and 2017 (definitive). The rate of the definitive antidumping duty was 10.3 percent.[46]

The global market

Table I-8 presents the largest global export sources of HS Code 4811.90, a category that includes LW thermal paper and out-of-scope products, for 2014-18.

Table I-8
LW thermal paper: Global exports by major sources, 2014-18

Exporter	2014	2015	2016	2017	2018
	Quantity (short tons)				
Germany	573,936	598,813	581,760	598,963	597,480
China	199,647	214,845	247,018	248,676	261,067
United States	189,877	194,177	170,670	175,581	168,405
France	67,407	70,501	72,200	82,728	110,006
Finland	58,822	58,541	59,710	60,302	66,237
Belgium	40,814	45,295	46,774	50,873	58,662
United Kingdom	42,417	40,877	58,232	58,471	58,433
Spain	48,815	49,712	51,269	52,815	56,855
Italy	46,621	48,906	46,940	44,074	55,093
Poland	43,917	42,455	50,215	48,875	49,431
All other	478,831	411,290	400,153	390,504	408,984
Total	1,791,107	1,775,410	1,784,941	1,811,861	1,890,654

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheading 4811.90. These data may be overstated as HS subheading 4811.90 may contain products outside the scope of these reviews.

[45] The product concerned is lightweight thermal paper weighing 65 g/m^2 or less; in rolls of a width of 20 cm or more, a weight of the roll (including the paper) of 50 kg or more and a diameter of the roll (including the paper) of 40 cm or more ('jumbo rolls'); with or without a base coat on one or both sides; coated with a thermo-sensitive substance (that is a mixture of dye and a developer that react and form an image when heat is applied) on one or both sides; and with or without a top coat

[46] European Union, Case AD629 – Thermal Paper (certain lightweight), available at http://trade.ec.europa.eu/tdi/case_details.cfm?id=2167, retrieved February 10, 2020.

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
84 FR 65968 December 2, 2019	*Initiation of Five-Year (Sunset) Reviews*	https://www.govinfo.gov/content/pkg/FR-2019-12-02/pdf/2019-26015.pdf
84 FR 66012 December 2, 2019	*Lightweight Thermal Paper from China; Institution of Five-Year Reviews*	https://www.govinfo.gov/content/pkg/FR-2019-12-02/pdf/2019-26015.pdf

APPENDIX B

COMPANY-SPECIFIC DATA

RESPONSE CHECKLIST FOR U.S. PRODUCERS

Item	Appvion	Kanzaki	Total
	Quantity=short tons; value=1,000 dollars		
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/company transfers:			
Quantity	***	***	***
Value	***	***	***
Net sales	***	***	***
COGS	***	***	***
Gross profit or (loss)	***	***	***
SG&A expenses	***	***	***
Operating income or (loss)	***	***	***
Changes in supply/demand	***	***	***
Note. —***			

APPENDIX C

SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

Table C-1
Thermal paper: Summary data concerning the U.S. coaters' market, 2005 07, January June 2007, and January June 2008

* * * * * * *

Table C-2
Thermal paper: Summary data concerning the U.S. converters' market, 2005 07, January June 2007, and January June 2008

* * * * * * *

Table C-3
Certain LW thermal paper: Summary data concerning the U.S. coaters' and U.S. converters' market, 2005-07, January-June 2007, and January-June 2008

(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-June					Jan.-June
	2005	2006	2007	2007	2008	2005-07	2005-06	2006-07	2007-08
U.S. consumption quantity:									
Amount	215,633	244,305	255,787	117,208	133,021	18.6	13.3	4.7	13.5
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	427,680	482,129	490,222	240,338	268,461	14.6	12.7	1.7	11.7
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China	***	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. imports from:									
China:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Germany:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All other sources:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
All sources:									
Quantity	70,882	85,460	93,712	45,419	47,688	32.2	20.6	9.7	5.0
Value	116,812	143,348	151,518	74,721	82,622	29.7	22.7	5.7	10.6
Unit value	$1,648	$1,677	$1,617	$1,645	$1,733	-1.9	1.8	-3.6	5.3
Ending inventory quantity	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-3--Continued
Certain LW thermal paper: Summary data concerning the U.S. coaters' and U.S. converters' market, 2005-07, January-June 2007, and January-June 2008

(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)

	Reported data					Period changes			
				January-June					Jan.-June
Item	2005	2006	2007	2007	2008	2005-07	2005-06	2006-07	2007-08
U.S. coaters' and converters':									
Capacity	271,889	286,234	306,169	145,423	158,638	12.6	5.3	7.0	9.1
Production quantity	161,405	182,607	179,771	82,950	98,405	11.4	13.1	-1.6	18.6
Capacity utilization (1)	59.4	63.8	58.7	57.0	62.0	-0.6	4.4	-5.1	5.0
U.S. shipments:									
Quantity	144,751	158,845	162,075	71,789	85,333	12.0	9.7	2.0	18.9
Value	310,868	338,781	338,704	165,617	185,839	9.0	9.0	-0.0	12.2
Unit value	$2,148	$2,133	$2,090	$2,307	$2,178	-2.7	-0.7	-2.0	-5.6
Export shipments:									
Quantity	17,937	20,013	20,387	9,178	9,340	13.7	11.6	1.9	1.8
Value	28,921	31,675	33,028	14,682	15,866	14.2	9.5	4.3	8.1
Unit value	$1,612	$1,583	$1,620	$1,600	$1,699	0.5	-1.8	2.4	6.2
Ending inventory quantity	8,644	12,823	9,739	14,273	12,715	12.7	48.3	-24.1	-10.9
Inventories/total shipments (1)	5.3	7.2	5.3	8.8	6.7	0.0	1.9	-1.8	-2.1
Production workers	942	959	949	961	945	0.8	1.8	-1.0	-1.6
Hours worked (1,000s)	1,888	1,936	1,904	984	1,018	0.9	2.5	-1.6	3.5
Wages paid ($1,000s)	38,455	40,841	40,192	19,555	20,581	4.5	6.2	-1.6	5.2
Hourly wages	$20.37	$21.10	$21.11	$19.88	$20.22	3.6	3.6	0.1	1.7
Productivity (tons/1,000 hours)	85.5	94.3	94.4	84.3	96.7	10.4	10.3	0.1	14.6
Unit labor costs	$238.25	$223.66	$223.57	$235.75	$209.15	-6.2	-6.1	-0.0	-11.3
Net sales:									
Quantity	157,343	172,525	174,528	77,502	91,212	10.9	9.6	1.2	17.7
Value	327,066	357,300	355,924	162,477	188,774	8.8	9.2	-0.4	16.2
Unit value	$2,079	$2,071	$2,039	$2,096	$2,070	-1.9	-0.4	-1.5	-1.3
Cost of goods sold (COGS) . .	288,156	316,837	324,653	146,662	173,885	12.7	10.0	2.5	18.6
Gross profit or (loss)	38,910	40,463	31,271	15,815	14,889	-19.6	4.0	-22.7	-5.9
SG&A expenses	39,944	40,556	42,492	19,409	21,349	6.4	1.5	4.8	10.0
Operating income or (loss) . . .	(1,034)	(93)	(11,221)	(3,594)	(6,460)	-985.2	91.0	-11965.6	-79.7
Capital expenditures	19,409	12,658	38,661	8,302	60,287	99.2	-34.8	205.4	626.2
Unit COGS	$1,831	$1,836	$1,860	$1,892	$1,906	1.6	0.3	1.3	0.7
Unit SG&A expenses	$254	$235	$243	$250	$234	-4.1	-7.4	3.6	-6.5
Unit operating income or (loss)	($7)	($1)	($64)	($46)	($71)	-878.3	91.8	-11827.1	-52.7
COGS/sales (1)	88.1	88.7	91.2	90.3	92.1	3.1	0.6	2.5	1.8
Operating income or (loss)/									
sales (1)	(0.3)	(0.0)	(3.2)	(2.2)	(3.4)	-2.8	0.3	-3.1	-1.2

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

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

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

Table C-1
LW thermal paper: Summary data concerning the U.S. market, 2008-13, January-June 2013, and January-June 2014
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short tons; Period changes=percent--exceptions noted)

	Reported data							
	Calendar year						January-June	
	2008	2009	2010	2011	2012	2013	2013	2014
U.S. consumption quantity:								
Amount	257,560	189,686	210,498	213,756	228,001	220,787	115,012	111,141
Producers' share (fn1)	***	***	***	***	***	***	***	***
Importers' share (fn1):								
China	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***
U.S. consumption value:								
Amount	635,536	432,024	455,143	492,168	544,130	584,565	291,218	277,810
Producers' share (fn1):								
Associated with U.S.-sourced jumbo rolls	***	***	***	***	***	***	***	***
Added value on imported jumbo rolls	***	***	***	***	***	***	***	***
Total U.S. producer U.S. shipment value	***	***	***	***	***	***	***	***
Importers' share (fn1):								
China	***	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***
U.S. imports from.--								
China:								
Quantity	16,016	86	145	150	59	120	99	57
Value	50,067	185	214	272	221	519	363	278
Unit value	$3,126	$2,162	$1,478	$1,811	$3,740	$4,313	$3,658	$4,829
Ending inventory quantity	***	***	***	***	***	***	***	***
Germany:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Subject sources:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
All other sources:								
Quantity	59,101	11,395	15,269	21,290	27,897	68,307	28,244	44,054
Value	149,835	23,368	33,143	46,819	63,648	152,014	63,591	91,949
Unit value	$2,535	$2,051	$2,171	$2,199	$2,282	$2,225	$2,251	$2,087
Ending inventory quantity	***	***	***	***	***	***	***	***
Total imports:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
U.S. coaters':								
Average capacity quantity	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***	***	***
U.S. shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***
Net Sales:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***

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Table C-1--Continued
LW thermal paper: Summary data concerning the U.S. market, 2008-13, January-June 2013, and January-June 2014
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short tons; Period changes=percent--exceptions noted)

	Period changes						
	Calendar year						Jan-June
	2008-13	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
U.S. consumption quantity:							
Amount	(14)	(26)	11	2	7	(3)	(3)
Producers' share (fn1)	***	***	***	***	***	***	***
Importers' share (fn1):							
China	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***
U.S. consumption value:							
Amount	(8)	(32)	5	8	11	7	(5)
Producers' share (fn1):							
Associated with U.S.-sourced jumbo rolls	***	***	***	***	***	***	***
Added value on imported jumbo rolls	***	***	***	***	***	***	***
Total U.S. producer U.S. shipment value	***	***	***	***	***	***	***
Importers' share (fn1):							
China	***	***	***	***	***	***	***
Germany	***	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***	***
All others sources	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***
U.S. imports from.--							
China:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Germany:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Subject sources:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
All other sources:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Total imports:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
U.S. coaters':							
Average capacity quantity	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***	***
U.S. shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Export shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***
Net Sales:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***
Gross profit of (loss)	[fn2]	***	***	[fn2]	***	***	***
SG&A expenses	***	***	***	***	***	***	***
Operating income or (loss)	[fn2]	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***
Unit operating income or (loss)	[fn2]	***	***	***	[fn2]	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***

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Table C-1--Continued
LW thermal paper: Summary data concerning the U.S. market, 2008-13, January-June 2013, and January-June 2014
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short tons; Period changes=percent--exceptions noted)

	Reported data							
	Calendar year						January-June	
	2008	2009	2010	2011	2012	2013	2013	2014
U.S. converters':								
Average capacity quantity	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***	***	***
U.S. shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***
Net Sales:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***
Combined U.S. coaters' and U.S. converters':								
U.S. shipments:								
Quantity	***	***	***	***	***	***	***	***
Value:								
Associated with U.S.-sourced jumbo rolls	***	***	***	***	***	***	***	***
Added value on imported jumbo rolls	***	***	***	***	***	***	***	***
Total U.S. producer U.S. shipment value	***	***	***	***	***	***	***	***
Export shipments:								
Quantity	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***	***
Net sales Value	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
LW thermal paper: Summary data concerning the U.S. market, 2008-13, January-June 2013, and January-June 2014
(Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short tons; Period changes=percent--exceptions noted)

	Period changes						
	Calendar year						Jan-June
	2008-13	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
U.S. converters':							
Average capacity quantity	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***	***
U.S. shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Export shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***
Inventories/total shipments (fn1)	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***
Productivity (short tons per 1,000 hours)	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***
Net Sales:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***
Combined U.S. coaters' and U.S. converters':							
U.S. shipments:							
Quantity	***	***	***	***	***	***	***
Value:							
Associated with U.S.-sourced jumbo rolls	***	***	***	***	***	***	***
Added value on imported jumbo rolls	***	***	***	***	***	***	***
Total U.S. producer U.S. shipment value	***	***	***	***	***	***	***
Export shipments:							
Quantity	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***	***	***
Net sales Value	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***
Gross profit of (loss)	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***
Operating income or (loss)	[fn2]	***	***	[fn2]	***	***	***
Capital expenditures	***	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***	***

fn1.--Report data are in percent and period changes are in percentage points.
fn2.--Undefined.

Note.--Between 2008 and 2009 (with the adoption of the "clean" HTS number) nonsubject import volumes were reduced by 2/3rds. In the original investigations, questionnaire data had been used with very few imports reported from "all other sources".

Source: Compiled from data submitted in response to Commssion questionnaires, and official U.S. import statistics under statistical reporting numbers 4811.90.8030, 4811.90.8040, 4811.90.9030, and 4811.90.9090 for all countries except for Germany. Import data for Germany is based on information received in response to Commission questionnaires.

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

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

1. Have there been any significant changes in the supply and demand conditions for lightweight thermal paper that have occurred in the United States or in the market for lightweight thermal paper in China since January 1, 2015?

Purchaser	Changes that have occurred
***	***
***	***
***	***

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

Purchaser	Anticipated changes
***	***
***	***