Diamond Sawblades and Parts Thereof from China

Investigation No. 731-TA-1092 (Review)

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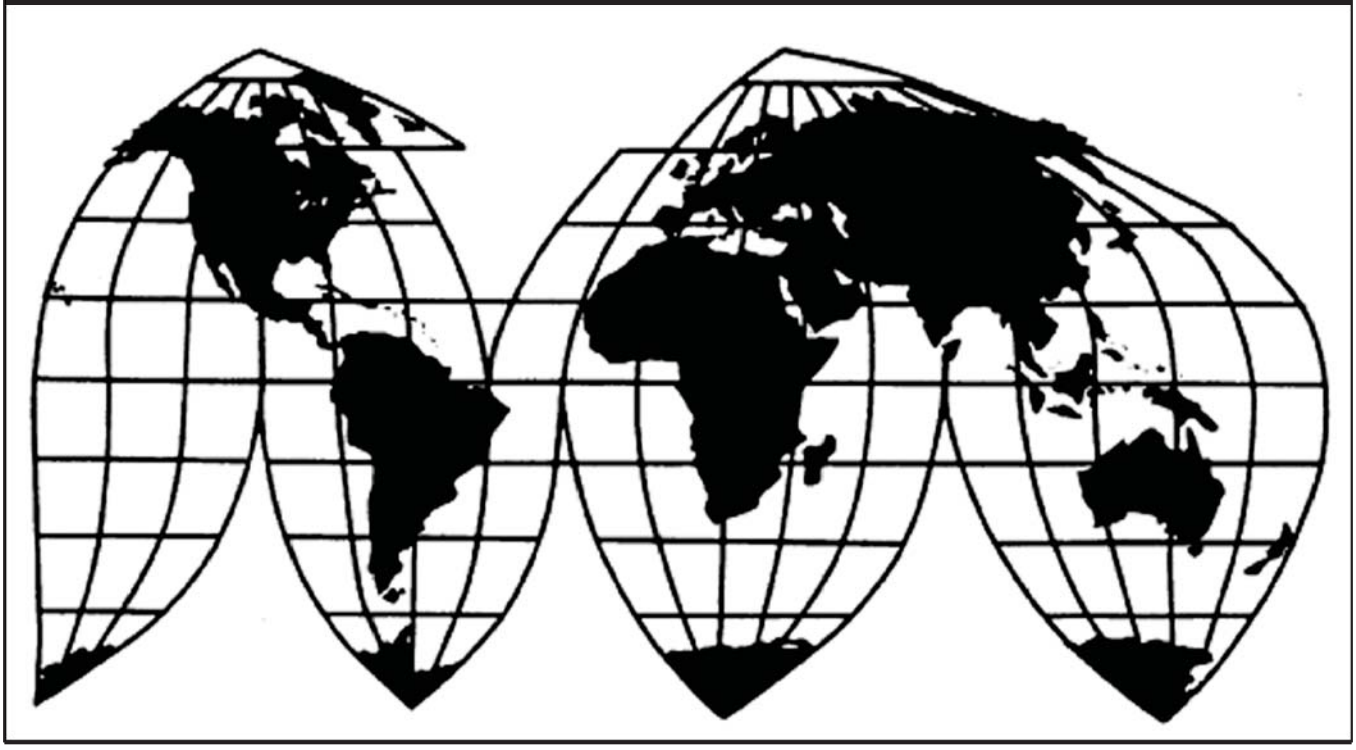
U.S. International Trade Commission



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UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1092 (Review)

Diamond Sawblades and Parts Thereof from China

DETERMINATION

On the basis of the record[1] developed in the subject five-year review, the United States International Trade Commission ("Commission") determines, pursuant to the Tariff Act of 1930, that revocation of the antidumping duty order on diamond sawblades and parts thereof 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.[2]

BACKGROUND

The Commission, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), instituted this review on November 4, 2014 (79 F.R. 65420) and determined on January 22, 2015 that it would conduct a full review (80 F.R. 5136, January 30, 2015). Notice of the scheduling of the Commission's review and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on January 30, 2015 (80 F.R. 5136). The hearing was held in Washington, DC, on June 23, 2015, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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

[2] Commissioner Kieff is recused from this review.

Views of the Commission[1]

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended ("the Tariff Act"), that revocation of the antidumping duty order on diamond sawblades and parts thereof ("diamond sawblades") 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 May 22, 2006, the Department of Commerce ("Commerce") determined that imports of diamond sawblades from China and Korea were being sold in the United States at less than fair value.[2] In July 2006, the Commission determined that a U.S. industry was not materially injured or threatened with material injury by reason of imports of diamond sawblades from China and Korea.[3]

Following an appeal of the negative determinations and on remand from the U.S. Court of International Trade ("CIT"), the Commission determined that a U.S. industry was threatened with material injury by reason of subject imports of diamond sawblades from China and Korea.[4] On January 13, 2009, the CIT affirmed the Commission's affirmative determinations on remand.[5] On January 22, 2009, the Commission notified Commerce of the Court's decision, stating that it was a decision not in harmony with the Commission's original negative determinations. On November 4, 2009, Commerce published orders that antidumping duties be imposed on imports of diamond sawblades from China and Korea, effective January 23, 2009.[6] Following affirmance of the CIT's judgment by the U.S. Court of Appeals for the Federal Circuit[7] and upon conclusion of all appellate proceedings in the action, the Commission published notice of its final determinations in the antidumping investigations of diamond sawblades from China and Korea.[8]

WTO Proceedings. Subsequent to the issuance of the orders, the government of Korea filed a complaint at the World Trade Organization ("WTO") concerning the use of Commerce's

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[1] Commissioner Kieff is recused from this review.

[2] 71 Fed. Reg. 29303 (May 22, 2006) (China); 71 Fed. Reg. 29310 (May 22, 2006) (Korea).

[3] *Diamond Sawblades and Parts Thereof From China and Korea*, Inv. Nos. 731-TA-1092-1093 (Final), USITC Pub. 3862 (July 2006) ("*Original Determination"*). Commissioners Pearson, Koplan, Okun, and Lane were in the majority, with Commissioners Aranoff and Hillman dissenting.

[4] *Diamond Sawblades and Parts Thereof From China and Korea*, Inv. Nos. 731-TA-1092-1093 (Final) (Remand), USITC Pub. 4007 (May 2008) ("*Remand Determination"*). Commissioners Aranoff, Williamson, and Pinkert were in the plurality with Commissioners Pearson, Okun, and Lane dissenting.

[5] *Diamond Sawblades Mfrs. Coalition v. United States*, Slip Op. 09–05 (Ct. Int'l Trade Jan. 13, 2009).

[6] 74 Fed. Reg. 57145 (Nov. 4, 2009).

[7] *Diamond Sawblades Mfrs. Coalition v. United States*, 612 F.3d 1348 (Fed. Cir. 2010).

[8] 75 Fed. Reg. 68618 (Nov. 8, 2010).

"zeroing" methodology in calculating the dumping margins for Korean respondents in a number of investigations, including the investigation of diamond sawblades from Korea.[9] The WTO Dispute Settlement Body ("DSB") determined that the use of the zeroing methodology was inconsistent with the United States' obligations under the WTO Agreements.[10] Pursuant to Section 129 of the Tariff Act of 1930, in order to implement the result of the WTO dispute settlement decision, Commerce began proceedings to recalculate the dumping margins for Korean companies without the use of the zeroing methodology.[11] As recalculated, all dumping margins in the investigation of diamond sawblades from Korea were *de minimis*.[12] Accordingly, Commerce revoked the order on diamond sawblades from Korea effective October 24, 2011.[13] Commerce's decision to revoke the antidumping duty order on diamond sawblades from Korea was the subject of appeals that were not pursued after 2013, and the order remains revoked.[14]

The government of China filed a separate complaint at the WTO concerning the use of Commerce's "zeroing" methodology in the investigation of diamond sawblades from China.[15] The complaint involved the margin calculations for only one Chinese company, the AT&M entity ("AT&M").[16] The DSB determined that the use of the zeroing methodology to calculate AT&M's less-than-fair-value margin was inconsistent with the United States' obligations under the WTO Agreements.[17] Commerce then began proceedings to recalculate the original dumping margin for AT&M without the use of the zeroing methodology, and as recalculated, AT&M's margin was *de minimis*.[18] Accordingly, effective as of March 13, 2013, Commerce revoked the

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[9] Panel Report, *United States – Use of Zeroing in Anti-Dumping Measures Involving Products from Korea*, WT/DS402/R (Jan. 18, 2011) at 1.

[10] *Id.*

[11] Notice of Implementation of Determination Under Section 129 of the Uruguay Round Agreements Act and Revocation of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof From the Republic of Korea, 76 Fed. Reg. 66892 (Oct. 28, 2011).

[12] *Id.*

[13] *Id.*

[14] *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 12–46 (Ct. Int'l Trade March 29, 2012); *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 11-137 (Ct. Int'l Trade Nov. 3, 2011). The CIT subsequently remanded several aspects of Commerce's calculations for further consideration. *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 13-130 (Ct. Int'l Trade Oct. 11, 2013).

[15] Panel Report, *United States – Anti-Dumping Measures on Certain Shrimp and Diamond Sawblades from China*, ¶¶ 2.4, 2.6, WT/DS422/R (June 8, 2012).

[16] AT&M is a group of affiliated companies treated as a single business unit for purposes of Commerce's calculations. The members of AT&M are Advanced Technology & Materials Co., Ltd.; Beijing Gang Yan Diamond Products Co.; HXF Saw Co., Ltd.; AT&M International Trading Co., Ltd.; and Cliff International Ltd. Confidential Report ("CR") at I-6, Public Report ("PR") at I-4-I-5.

[17] *See Certain Frozen Warmwater Shrimp From the People's Republic of China and Diamond Sawblades and Parts Thereof From the People's Republic of China*, 78 Fed. Reg. 18958 (March 28, 2013) (notice of implementation of determinations under section 129 of the Uruguay Round Agreements Act and partial revocation of the antidumping duty orders).

[18] *Id.* at 18959.

antidumping duty order as it applied to AT&M.[19] The Diamond Sawblades Manufacturing Coalition ("DSMC") challenged Commerce's recalculation of AT&M's margin as *de minimis*, and Commerce ultimately modified its decision on remand, reimposing the antidumping duty order as it applied to AT&M and assigning it the 164.09 percent PRC-wide entity rate.[20] The remand decision was upheld on appeal to the Federal Circuit in October 2014.[21] Consequently, imports from AT&M remain subject to the order.

Changed Circumstances Petition. On July 11, 2013, Husqvarna Construction Products North America, Inc. ("HCPNA" or "Husqvarna") filed a petition requesting that the Commission institute a changed circumstances review of its affirmative determination concerning diamond sawblades from China.[22] On August 9, 2013, the Commission published a *Federal Register* notice inviting comments from the public on whether sufficient changed circumstances existed to warrant the institution of a changed circumstances review of the Commission's affirmative determination concerning diamond sawblades from China.[23] After reviewing all comments received, the Commission determined not to institute a changed circumstances review.[24]

The Current Review. On December 2, 2013, the Commission instituted the current review to determine whether revocation of the antidumping duty order on diamond sawblades and parts thereof from China would likely lead to the continuation or recurrence of material injury to a domestic industry.[25] The Commission received three submissions in response to its notice of institution. The first submission was filed by DSMC;[26] the second submission was filed on behalf of HCPNA, a domestic producer of diamond sawblades and an importer of subject merchandise, and Husqvarna (Hebei) Co., Ltd. ("HH"), a Chinese producer of the subject merchandise (collectively "Husqvarna");[27] and the third submission was filed on behalf of Saint-

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[19] *Id.* at 18960.

[20] *See* Final Results of Redetermination Pursuant to Remand Order: Diamond Sawblades and Parts Thereof From the People's Republic of China (May 6, 2013) at 3 n.8 (determining "respectfully … under protest" that AT&M was not eligible for a separate specific rate distinct from the PRC-wide rate). 78 Fed. Reg. 65289 (Oct. 31, 2013) (referencing the remand determination).

[21] *Advanced Technology & Materials Co. Ltd. v. United States*, 938 F.Supp. 2d 1342 (Ct. Int'l Trade 2013, *aff'd, Advanced Technology & Materials Co. Ltd. v. United States*, 581 Fed. Appx. 900 (Fed. Cir. 2014).

[22] Letter from Cassidy Levy Kent (USA) LLP to Lisa R. Barton, re: Diamond Sawblades and Parts Thereof From China and Korea, Request for Commission Review Pursuant to Section 751(b)of the Tariff Act of 1930, 19 U.S.C. 1675(b) (July 11, 2013).

[23] 78 Fed. Reg. 48717-48718 (Aug. 9, 2013).

[24] 79 Fed. Reg. 35568 (June 23, 2014) ("Given the fact that the Commission was concurrently conducting a five-year review of the antidumping order on diamond sawblades and parts thereof from China, and was aware of the arguments that supported a full review of the order, the Commission determined that conducting a changed circumstances review was unwarranted because it would be duplicative of a full five-year review.").

[25] 78 Fed. Reg. 72116 (Dec. 2, 2013). Commerce initiated its five-year review of the order on the same day. 78 Fed. Reg. 72061 (Dec. 2, 2013).

[26] DSMC's Response to Notice of Institution, March 18, 2014.

[27] Husqvarna's Response to Notice of Institution, January 2, 2014.

Gobain Abrasives (Shanghai) Co. Ltd. ("SGA Shanghai"), a Chinese producer and exporter of the subject merchandise, and Saint-Gobain Abrasives-North America ("SGA North America"), a U.S. importer of the subject merchandise (collectively, "Saint-Gobain").[28] On May 20, 2014, the Commission determined that it would conduct a full review.[29] However, on November 4, 2014, as the result of a CIT decision, the Commission terminated the review that it had instituted on December 2, 2013.[30] In the same notice on November 4, 2014, the Commission instituted a new review of the antidumping duty order on diamond sawblades and parts thereof from China. Effective January 22, 2015, the Commission determined to conduct a full review. [31]

The Commission received prehearing and posthearing submissions from DSMC and its individual members, Diamond Products Ltd. ("Diamond Products") and Western Saw, Inc. ("Western"), domestic producers of diamond sawblades. The Commission also received prehearing and posthearing submissions filed on behalf of Husqvarna. Representatives of DSMC and Husqvarna appeared at the Commission's hearing accompanied by counsel.

U.S. industry data are based on the questionnaire responses of eight U.S. producers of finished diamond sawblades that are believed to have accounted for a large majority of domestic production of finished diamond sawblades in 2014, as well as the questionnaire response of the only U.S. producer of diamond sawblade cores. U.S. import data and related information are based on questionnaire responses of 26 U.S. importers of finished diamond sawblades and parts thereof that are believed to have accounted for 83 percent of total subject imports during 2014. U.S. importer information has been augmented with *** data. Foreign industry data and related information are based on the questionnaire responses of three producers of finished diamond sawblades and parts thereof, which account for approximately half the value of diamond sawblade exports from China to the United States and an unknown percentage of diamond sawblade capacity and production in China.[32]

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[28] Saint-Gobain's Response to Notice of Institution, January 2, 2014.

[29] Explanation of Commission Determination on Adequacy in Diamond Sawblades and Parts Thereof from China, Inv. No. 731-1092 (Review), EDIS Doc. No. 534443. The Commission determined that the domestic interested party group response was adequate because it accounted for a significant percentage of domestic diamond sawblade production in 2013. The Commission determined that the response of producers and importers of subject merchandise was inadequate because it accounted for only a small share of either production of subject merchandise in China or subject imports from China. Nevertheless, the Commission determined that circumstances warranted conducting a full review.

[30] Diamond Sawblades and Parts Thereof From China; Termination of Previously Instituted Five-Year Review and Institution of Five-Year Review, 79 Fed. Reg. 65420 (November 4, 2014).

[31] Diamond Sawblades and Parts Thereof From China; Determination To Conduct a Full Five-Year Review and Scheduling of the Review, 80 Fed. Reg. 5136 (January 30, 2015). The Commission relied upon its May 20, 2014 determination to conduct a full review to justify its new determination to conduct a full review, as the parties submitted letters adopting their previous responses with little change, and no new parties submitted responses.

[32] CR at I-17; PR at I-11.

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."[33] 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."[34] 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.[35]

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

> The products covered by the order are all finished circular sawblades, whether slotted or not, with a working part that is comprised of a diamond segment or segments, and parts thereof, regardless of specification or size, except as specifically excluded below. Within the scope of the order are semifinished diamond sawblades, including diamond sawblade cores and diamond sawblade segments. Diamond sawblade cores are circular steel plates, whether or not attached to non-steel plates, with slots. Diamond sawblade cores are manufactured principally, but not exclusively, from alloy steel. A diamond sawblade segment consists of a mixture of diamonds (whether natural or synthetic, and regardless of the quantity of diamonds) and metal powders (including, but not limited to, iron, cobalt, nickel, tungsten carbide) that are formed together into a solid shape (from generally, but not limited to, a heating and pressing process).
>
> Sawblades with diamonds directly attached to the core with a resin or electroplated bond, which thereby do not contain a diamond segment, are not included within the scope of the order. Diamond sawblades and/or sawblade cores with a thickness of less than 0.025 inches, or with

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[33] 19 U.S.C. § 1677(4)(A).

[34] 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).

[35] *See*, *e.g.*, *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

> a thickness greater than 1.1 inches, are excluded from the scope of the order. Circular steel plates that have a cutting edge of non-diamond material, such as external teeth that protrude from the outer diameter of the plate, whether or not finished, are excluded from the scope of the order. Diamond sawblade cores with a Rockwell C hardness of less than 25 are excluded from the scope of the order. Diamond sawblades and/or diamond segment(s) with diamonds that predominantly have a mesh size number greater than 240 (such as 250 or 260) are excluded from the scope of this order.[36]

Diamond sawblades are circular cutting tools composed of two fundamental components: an inner steel core and a diamond-impregnated outer ring segment that constitutes the cutting surface. The metal core is generally made of very high quality, treated, hardened alloy steel plate or sheet. The alloy steel plate or sheet is laser cut to the approximate diamond core diameter. The core has an arbor in its center and may have a drive pin hole to assist in securing the diamond sawblade to the saw. The edge of the core is either slotted to produce a segmented blade or not slotted to produce a continuous rim blade.[37]

The cutting edge of diamond crystals and metallic bonding may take different forms. This cutting edge is a mixture of diamond crystals and metal powders, known as a "bond matrix," to attach the diamonds to the core. The diamond crystals are typically synthetic diamonds which may vary in their grade of quality and, thus, cost. This diamond/metallic bond matrix is applied or attached to the core in the form of either small blocks called segments or a continuous band. Segments are essentially baked blocks of the diamond/metallic bond matrix that are either welded or soldered to the core.[38] The attached diamond/metallic bond is wider than the core to discourage blade binding and to permit the leading edge to penetrate the material without the core rubbing against it. The diamond segments are designed specifically to wear at a rate appropriate to the material being cut. Large particles from soft, abrasive materials wear down the matrix faster than the small particles removed from hard dense materials. Consequently, cutting softer, more abrasive materials requires a "tough to wear" (hard) bond; cutting less abrasive materials requires an "easy wear" (soft) bond. The cutting edge of the diamond segments is designed to expose additional diamond as the blade is consumed.[39]

There are three major methods of attaching the diamond cutting surfaces: laser-welding, soldering (or brazing), and sintering.[40] Laser-welding is the dominant method of

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[36] Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order, 80 Fed. Reg. 12797 (March 11, 2015).

[37] CR at I-24, PR at I-23.

[38] CR at I-24-I-25, PR at I-18.

[39] CR at I-24-I-26, PR at I-18.

[40] Sintered blades are produced by pressing the diamond/metal bonding mixture onto the core, and then heat-treating the entire blade. CR at I-38, PR at I-25.

attaching segments to cores in the United States. The remainder of U.S. production is accomplished using soldering; sintering is no longer used in U.S. production.[41] However, sintering is used by some producers outside the United States.[42]

These three methods of attaching segments to cores correlate somewhat to diamond sawblade diameter size. For blades that are 10 inches in diameter and under, sintering is used more than laser-welding and soldering.[43] For sawblades that are greater than 10 inches in diameter, laser-welding is the predominant production method, followed by soldering.[44]

Finished sawblades may be categorized by (1) the physical attributes of the finished blade; (2) the physical attributes of the diamond section; and (3) the method of joining the core to the diamond segments. These attributes and characteristics in turn affect the application, grade, and price of the finished sawblades.[45]

Diamond sawblades have numerous functions and applications for cutting concrete, asphalt, masonry (brick, block, pavers, etc.), tile, refractory, stone (marble, granite, and other rock), ceramics, and glass.[46] End users select diamond sawblade configurations based upon the material being cut. Finished diamond sawblades are produced for broad categories of end uses, including professional use and general use. Within each broad category, blades are engineered and sold by application, grade, and price.[47]

In the original investigations, the parties did not dispute the definition of the domestic like product and the Commission defined one domestic like product, encompassing all domestically produced diamond sawblades meeting the specifications stated in Commerce's scope definition.[48] In this review, the record does not indicate any material changes in pertinent facts concerning the characteristics and uses of diamond sawblades from the original investigations.[49] Moreover, the parties agree with the Commission's definition of the domestic

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[41] Tr. at 131 (Noeth). Sintering accounted for *** percent of U.S. producers' commercial U.S. shipments at the time of the original investigations. CR at I-33 n.74, PR at I-23 n.74.

[42] CR at I-33, PR at I-25.

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

[44] CR/PR at Table I-5. Advantages of laser-welded diamond sawblades include substantial automation of the production process, strong welding adhesion between the segment and the alloy steel core, and greater stability under high temperature. CR at I-36, PR at I-24. Sintered blades are more commonly produced in smaller sizes for less specialized applications. Larger sized diamond sawblades (over 14 inches) typically are not produced using the sintering production method because the heat treatment process weakens the core and the integrity of the product. CR at I-39-I-40, PR at I-26.

[45] CR at I-26, PR at I-18.

[46] CR at I-28, PR at I-20.

[47] CR at I-29, PR at I-19.

[48] Original Determination, USITC Pub. 3862 at 6; *see* Remand Determination, USITC Pub. 4007 at 3 (adopting the original views of the Commission with regard to, *inter alia*, the definition of the domestic like product).

[49] *See generally* CR at I-30-I-31, PR at I-21-I-22.

like product in the original investigations.[50] Consequently, we define the domestic like product to consist of all domestically produced diamond sawblades meeting the specifications of the scope definition.

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."[51] 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.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.[52] Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.[53]

1. The Original Investigations

In the original investigations, the Commission considered whether certain manufacturers of finished diamond sawblades, whose manufacturing operations apparently consisted solely of assembling cores and segments, engaged in sufficient production-related

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[50] DSMC's Prehearing Brief at 12; Husqvarna's Prehearing Brief at 4.

[51] 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.

[52] *See Torrington Co v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.,* 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

[53] The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:
(1) the percentage of domestic production attributable to the importing producer;
(2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);
(3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;
(4) the ratio of import shipments to U.S. production for the imported product; and
(5) whether the primary interest of the importing producer lies in domestic production or importation.
Changzou Trina Solar Energy Co. v. USITC, Slip. Op. 15-84 at 27 (Ct. Int'l. Trade Aug. 7, 2015); see *also Torrington Co. v. United States*, 790 F. Supp. at 1168.

activities to be considered part of the domestic industry.[54] The Commission found that assembly operations constituted sufficient production-related activities to render the firms that conducted them domestic producers.[55] This issue is not disputed in this review.

The Commission also examined whether appropriate circumstances existed to exclude seven U.S. producers from the domestic industry as related parties.[56] Price and product range were the primary reasons the companies reported for their decision to import subject merchandise.[57] In its analysis of these companies, the Commission examined their ratios of subject imports to their U.S shipments on a value basis and their ratios of imports to production on a quantity basis.[58] The Commission determined that appropriate circumstances existed to exclude three companies (***) from the domestic industry under the related parties provision.[59]

2. The Current Review

DSMC argues that the Commission should exclude Husqvarna, General Tool, and Saint-Gobain from the domestic industry as related parties.[60] Husqvarna argues that it and General Tool should not be excluded from the domestic industry.[61]

Five firms qualify as related parties by virtue of their imports of subject merchandise and/or their corporate relationships.[62] We find that several purchasers of subject merchandise are not related parties.[63]

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[54] Original Determination, USITC Pub. 3862 at 6; *see* Remand Determination, USITC Pub. 4007 at 3 (adopting the original views of the Commission with regard to, *inter alia*, the definition of the domestic industry).

[55] Original Determination, USITC Pub. 3862 at 6-11.

[56] Original Determination, USITC Pub. 3862 at 12. Petitioners argued that Husqvarna, General Tool, Saint-Gobain, and SH should all be excluded from the domestic industry as these firms' interests were not aligned with the domestic industry, but rather with importation. They also argued that unlike domestic producers that import subject product to fill out their product lines, these firms were related to or owned by producers of subject merchandise. *Id.*

[57] Original Determination, USITC Pub. 3862 at 13.

[58] Original Determination, USITC Pub. 3862 at 12-17.

[59] Original Determination, USITC Pub. 3862 at 13-16.

[60] DSMC's Posthearing Brief, Ex. 1 at 66-73.

[61] Husqvarna's Prehearing Brief at 5. Husqvarna takes no position regarding Saint-Gobain.

[62] These firms are Husqvarna, General Tool, Saint-Gobain, Diamond Products, and ***. We discuss the first four firms below. *** imported *** units of diamond sawblades in 2014. CR/PR at Table III-7. We find that appropriate circumstances do not exist to exclude *** from the domestic industry based on this insignificant volume of imports.

[63] A domestic producer that does not import subject merchandise may nonetheless be deemed a related party if it controls large volumes of subject imports. The Commission has found such control to exist when the domestic producer was responsible for a predominant proportion of an importer's purchases and those purchases were substantial. *See, e.g.,* Original Determination, USITC Pub. 3862 at 17. Domestic producers *** and *** both purchased imported diamond sawblades from China from a (Continued…)

As an initial matter, in this review we have relied primarily on value measures for subject import volume, apparent consumption, and domestic shipments, as the Commission did in its original and remand determinations.[64]

Husqvarna. Husqvarna is a related party because it imports subject merchandise.[65] Husqvarna reported that it imported ***. Husqvarna stated that it ***.[66] Husqvarna, *** U.S. diamond sawblade producer over the entire period of review and the *** in 2014,[67] *** the value of its U.S. shipments of diamond sawblades from $***.[68] It opposes continuation of the order.[69] On a value basis, its ratio of imports to shipments of domestically produced diamond sawblades was ***.[70] Because Husqvarna is now the *** domestic producer, its ratio of imports to shipments of domestic product on a value basis remains low, and its U.S. shipments, production, and capital investments *** from 2012 to 2014, we find that appropriate circumstances *** Husqvarna as a related party.

General Tool. General Tool is a related party because it imports subject merchandise.[71] It reported that it ***. It imported ***.[72] General Tool, *** U.S. diamond sawblade producer,[73] *** the value of its imports of diamond sawblades from China from $*** in 2012 to $*** in 2013 and $*** in 2014.[74] The value of its U.S. shipments of domestically produced diamond sawblades remained relatively *** at $*** to $*** during the period.[75] Its domestic production

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(…Continued)
number of importers (***), and therefore we do not find them to be related parties because they do not control large volumes of subject imports from a single importer. *** U.S. Producer Questionnaire Response at II-19; *** U.S. Producer Questionnaire Response at II-19.

[64] Original Determination, USITC Pub. 3862 at 12 n.60; Remand Determination, USITC Pub. 4007 at 6 n.34. We rely primarily on value-based indicators as the best measure for the product here that includes a large grouping of items differing greatly in size, characteristics, applications, and price. We are mindful of limitations in the use of value measures rather than quantity measures, such as the difficulty in determining whether changes in value totals are caused by changes in product mix or price. Therefore, we have also considered quantity data where appropriate.

[65] CR /PR at Table III-7. Husqvarna is also a related party through common ownership to Chinese diamond sawblade producer and exporter HH. CR/PR at III-2-III-3, PR at III-2.

[66] CR at III-11-III-12, PR at III-7.

[67] CR/PR at Table I-6; CR/PR at Table III-7. Husqvarna accounted for *** percent of U.S. production of finished diamond sawblades during the period reviewed. CR/PR at Table I-6.

[68] CR/PR at Table III-7.

[69] CR/PR at Table I-6. Its ratio of operating income to net sales was *** percent in 2012, *** percent in 2013, and *** percent in 2014, whereas the domestic industry's average was *** percent in 2012, *** percent in 2013, and *** percent in 2014. CR/PR at Table III-11.

[70] The ratio of its imports to production, by quantity, was ***. CR/PR at Table III-7.

[71] CR/PR at Table III-7. General Tool is also a ***. CR/PR at Table I-6 n.2.

[72] CR at III-11, PR at III-7.

[73] General Tool accounted for *** percent of U.S. production of finished diamond sawblades during the period reviewed. CR/PR at Table I-6.

[74] CR/PR at Table III-7. General Tool's imports of *** from China *** from 2012 to 2013 (from *** units to *** units) and then *** in 2014 to *** units.

[75] CR/PR at Table III-7.

*** from *** units in 2012 to *** units in 2013, before *** slightly to *** units in 2014.[76] On a value basis, its ratio of imports to shipments of domestically produced finished diamond sawblades was *** percent in 2013, *** percent in 2013, and *** percent in 2014.[77] The ratio of its imports to production by quantity was *** percent in 2012, *** percent in 2013, and *** percent in 2014.[78] It ***.[79] The *** ratios of subject imports to domestic production/shipments, whether computed on a volume or value basis, suggest that General Tool's principal interest is in ***. We therefore find appropriate circumstances *** General Tool as a related party.

Saint-Gobain. Saint-Gobain is a related party as an importer of subject imports.[80] Saint-Gobain ***.[81] It was subsequently exclusively ***. Saint-Gobain, *** U.S. diamond sawblade producer during the period of review,[82] *** the value of its imports of diamond sawblades from China from $*** in 2012 to $*** in 2013 and $*** in 2014, while the value of its domestic shipments of domestically produced diamond sawblades *** from $*** in 2012 to $*** in 2013 and $*** in 2014.[83] On a value basis, its ratio of imports to shipments of domestic product was *** percent in 2013.[84] The ratio of its imports to production, by quantity, was *** percent in 2013.[85] It ***.[86] The record indicates that this firm's principal interest was in domestic production in 2012 and 2013, when it was producing diamond sawblades domestically, as its ratio of imports to shipments of domestic product on both a value and quantity basis were low. Accordingly, we find that appropriate circumstances *** Saint-Gobain as a related party.

Diamond Products. Diamond Products, *** U.S. diamond sawblade producer over the period of review as a whole,[87] is a related party because it imported subject merchandise.[88] Diamond Products reported that it imported sawblades ***.[89] It *** the value of its imports of diamond sawblades from China from $*** in 2012 to $*** in 2014 while its U.S. shipments of

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[76] CR/PR at Table III-7.

[77] CR/PR at Table III-7.

[78] CR/PR at Table III-7.

[79] CR/PR at Table I-6. General Tool did not submit usable financial information during this review.

[80] CR/PR at Table III-7. Additionally, Saint-Gobain is ***. CR/PR at Table I-6 n.6.

[81] CR at III-12, PR at III-7.

[82] Saint-Gobain accounted for *** percent of U.S. production of finished diamond sawblades during the period reviewed. CR/PR at Table I-6.

[83] CR/PR at Table III-7.

[84] CR/PR at Table III-7.

[85] CR/PR at Table III-7.

[86] CR/PR at Table I-6. Saint-Gobain did not submit usable financial or employment-related information during this review.

[87] Diamond Products accounted for *** percent of U.S. production of finished diamond sawblades during the period reviewed. CR/PR at Table I-6.

[88] CR/PR at Table III-7.

[89] CR at III-11, PR at III-7.

domestically produced diamond sawblades *** from $*** in 2012 to $*** in 2014.[90] On a value basis, its ratio of imports to shipments of domestic product was ***.[91] [92] It supports continuation of the order. The record indicates that this firm's principal interest is in domestic production. We therefore find that appropriate circumstances *** Diamond Products as a related party.

For the reasons discussed above, we find appropriate circumstances to exclude *** from the domestic industry. We find appropriate circumstances do not exist to exclude *** from the domestic industry. We accordingly define the domestic industry to include all domestic producers of diamond sawblades other than ***.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order "would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time."[93]

The SAA states that "under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports."[94] Thus, the likelihood standard is prospective in nature.[95] The U.S. Court of International Trade has found that

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[90] CR/PR at Table III-7.

[91] CR/PR at Table III-7. The ratio of its imports to production by quantity was ***. CR/PR at Table III-7.

[92] Its ratio of operating income to net sales was *** percent in 2012, *** percent in 2013, and *** percent in 2014, whereas the domestic industry's average was *** percent in 2012, *** percent in 2013, and *** percent in 2014. CR/PR at Table III-11.

[93] 19 U.S.C. § 1675a(a).

[94] 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.

[95] While the SAA states that "a separate determination regarding current material injury is not necessary," it indicates that "the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked." SAA at 884.

"likely," as used in the five-year review provisions of the Act, means "probable," and the Commission applies that standard in five-year reviews.[96]

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."[97] 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."[98]

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."[99] It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).[100] 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.[101]

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

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[96] *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'").

[97] 19 U.S.C. § 1675a(a)(5).

[98] 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*.

[99] 19 U.S.C. § 1675a(a)(1).

[100] 19 U.S.C. § 1675a(a)(1). Commerce has made no duty absorption findings. CR at I-16 n.38, PR at I-11 n.38.

[101] 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

or relative to production or consumption in the United States.[102] 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.[103]

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.[104]

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.[105] 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.[106]

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[102] 19 U.S.C. § 1675a(a)(2).

[103] 19 U.S.C. § 1675a(a)(2)(A-D).

[104] *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.

[105] 19 U.S.C. § 1675a(a)(4).

[106] 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.

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."[107]

1. Original Investigations

Physical Characteristics, End Uses and Channels of Distribution. In the Remand Determination, the Commission found several conditions of competition that were pertinent to its analysis.[108] The Commission found that finished diamond sawblades used by contractors involved in nonresidential construction projects, such as road construction and repair and other large construction projects, were often greater than 14 inches in diameter. By contrast, the Commission observed that finished diamond sawblades with diameters of 14 inches or less were typically used by general contractors and "do-it-yourself" ("DIY") end users who are typically engaged in smaller-scale projects.[109] The record demonstrated an overlap in usage by "professional" contractors and DIY end users, notably in the mid-range diameter category.[110] Moreover, the Commission found that size was only one of the factors that determined a blade's end use. Other physical attributes were also pertinent, including whether the blade was segmented or continuous rim, the physical characteristics of the diamond section, and the method used for joining the diamond segments to the core of the blade.[111] In 2005, the overwhelming majority of U.S. commercial shipments of both U.S.-produced diamond sawblades and cumulated subject imports were laser-welded, segmented blades.[112] Ultimately, the Commission found that although the physical characteristics of a diamond sawblade had some bearing on its end use, the record did not support respondents' arguments that the U.S. diamond sawblades market was highly segmented.[113] The Commission found that there was an overlap in uses in most size ranges, but especially in the mid-range sizes, and that the domestic like product and subject imports competed against each other, as both were present in every size category and were both sold mainly to distributors and ultimately used thereafter largely by the same types of end users in a wide range of applications.[114]

Demand Conditions. In its Remand Determination, the Commission observed that demand for finished diamond sawblades is derived from activity in both the residential and

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[107] 19 U.S.C. § 1675a(a)(4).

[108] Remand Determination, USITC Pub. 4007 at 4. In its Remand Determination, the Commission cumulated subject imports from China and Korea for purposes of its injury analysis.

[109] Remand Determination, USITC Pub. 4007 at 4-5.

[110] Remand Determination, USITC Pub. 4007 at 5.

[111] Remand Determination, USITC Pub. 4007 at 5-6.

[112] Remand Determination, USITC Pub. 4007 at 6.

[113] Remand Determination, USITC Pub. 4007 at 8.

[114] Remand Determination, USITC Pub. 4007 at 8.

nonresidential construction markets.[115] The record indicated that apparent U.S. consumption by value of finished diamond sawblades and parts increased significantly during the period of investigation ("POI"), which encompassed calendar years 2003 to 2005.[116] The increase was driven largely by increased activity in the construction sector as well as an increase in the number of U.S. big-box hardware stores, identified as a proxy for measuring DIY/general purpose demand for diamond sawblades.[117] Even though demand had grown significantly during the POI, the record indicated that this significant growth was unlikely to continue in the imminent future, as the majority of responding market participants expected U.S. demand for finished diamond sawblades to remain the same or decrease in the future.[118]

Supply Conditions. In its Remand Determination, the Commission observed that U.S. producers accounted for the largest share of apparent U.S. consumption on a value basis, although their share declined steadily during the POI.[119] Diamond Products and Husqvarna accounted for the majority of the quantity of domestically produced finished diamond sawblades, while Western accounted for *** domestically produced cores.[120] By value, the market share held by subject imports from China increased from 7.5 percent in 2003 to 14.3 percent in 2005, while the share held by nonsubject imports declined irregularly from 10.3 percent to 8.1 percent during this same period.[121]

Other Considerations. Despite disagreement by the parties regarding the degree of overlap of competition between domestically produced diamond sawblades and cumulated subject imports, the Commission stated that it was clear from the record that there was competition in each size category throughout the POI.[122] The Commission found that a majority or near-majority of U.S. commercial shipments by value of U.S.-, Chinese-, and Korean-produced finished diamond sawblades were concentrated in the 14-inch and smaller size range throughout the POI.[123] The Commission also found that subject imports of finished diamond sawblades from China and Korea were present in increasing volumes in the larger-diameter size ranges throughout the POI, indicating that foreign producers in China and Korea had the ability to produce and sell the larger-diameter finished diamond sawblades typically used in the nonresidential construction market.[124] In addition to size considerations, the record demonstrated that, in 2005, laser-welded, segmented blades constituted the overwhelming

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[115] Remand Determination, USITC Pub. 4007 at 8.

[116] Remand Determination, USITC Pub. 4007 at 8. Apparent U.S. consumption of finished diamond sawblades increased both on a value basis and a quantity basis.

[117] Remand Determination, USITC Pub. 4007 at 9.

[118] Remand Determination, USITC Pub. 4007 at 9.

[119] Remand Determination, USITC Pub. 4007 at 9. The Commission found that U.S. producers had the ability to increase shipments of diamond sawblades during the POI in response to changes in demand due largely to excess capacity, available inventories, and efficient production capabilities.

[120] Remand Determination, USITC Pub. 4007 at 9.

[121] Remand Determination, USITC Pub. 4007 at 10.

[122] Remand Determination, USITC Pub. 4007 at 11.

[123] Remand Determination, USITC Pub. 4007 at 11.

[124] Remand Determination, USITC Pub. 4007 at 11.

majority by value of U.S. commercial shipments of both U.S.-produced finished diamond sawblades and of imports from China and Korea.[125] Finally, the majority of U.S. producer, importer, and purchaser questionnaire responses indicated that U.S.-produced finished diamond sawblades and finished sawblades imported from China and Korea were always or frequently interchangeable.[126]

2. The Current Review

The following conditions of competition inform our determinations in this review.

a. Demand Conditions

The factors driving demand for diamond sawblades in the U.S. market have not changed significantly since the original investigations. U.S. demand for finished diamond sawblades is derived from the demand for U.S. construction activity, particularly home improvement and large scale transportation, road, and office construction.[127]

Most market participants reported that U.S. demand for finished diamond sawblades has increased or fluctuated since 2006 and that they expect comparable demand trends in the future.[128] DSMC asserts that U.S. construction activity plummeted in 2008 as a result of the financial crisis and, although construction activity has increased somewhat since 2013, it is still far below pre-recession levels.[129] DSMC argues that non-residential construction is projected to increase, although 2015 levels have been moderate, and that residential construction has remained relatively flat in the first half of 2015.[130] Husqvarna forecasts continued growth and strong demand for diamond sawblades over the next few years.[131] Domestic producers project that future U.S. demand for diamond sawblades will increase or remain stable, while most importers and purchasers project likely increases in demand.[132]

Apparent U.S. consumption of finished diamond sawblades, by value, increased irregularly by 3.2 percent from $150.2 million in 2012 to $154.9 million in 2014.[133]

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[125] Remand Determination, USITC Pub. 4007 at 12.
[126] Remand Determination, USITC Pub. 4007 at 12.
[127] CR at II-16, PR at II-12.
[128] CR/PR at Table II-6.
[129] DSMC's Prehearing Brief at 34-35.
[130] DSMC's Prehearing Brief at 35.
[131] Tr. at 157 (Noeth).
[132] CR/PR at Table II-6.
[133] CR/PR at Table C-1. Apparent U.S. consumption, by quantity, increased irregularly by *** percent from *** units in 2012 to *** units in 2014.

b. Supply Conditions

During the period of review, the domestic industry held the largest share of the U.S. market on a value basis. Diamond Products and Husqvarna, the two largest producers, collectively accounted for over *** percent of U.S. production of finished diamond sawblades during the period of review.[134] Numerous domestic producers, including Diamond Products and Husqvarna, import virtually all of their smaller diameter diamond sawblades from China or nonsubject countries.[135] Western accounted for all domestic production of diamond sawblade cores during the period of review.[136]

The U.S. industry has undergone consolidation since the conclusion of the original investigations. Two firms, ***,[137] ceased domestic production. Three firms also reported acquisitions and consolidations since the original investigations. ***.[138] In 2009, Hilti became a domestic producer through its acquisition of Diamond B (a petitioner in the original investigations), which it renamed "Hilti U.S. Manufacturing, Inc." in 2014.[139] In 2007, Husqvarna acquired Soff-Cut, a U.S. producer of concrete saws.[140]

The record indicates that U.S. producers have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S. produced diamond sawblades to the U.S. market.[141] The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the existence of inventories.[142] While domestic producers' capacity declined by *** percentage points overall during the period of review, their total reported capacity utilization for the production of finished diamond sawblades was *** percent in 2012 and *** percent in 2014.[143] U.S. producers' inventories as a share of total

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[134] CR/PR at Table I-6.

[135] CR/PR at Table III-7. A witness from Diamond Products testified that:

> We excelled in the market segment {four inch and seven inch blades} until the 1990's, when imports began showing up at extremely low and continuously falling prices. By the mid-90's, Chinese imports had more or less pushed us out of the smaller diameter sawblade business. These sales were no longer profitable for us, and we were forced to begin importing these blades just to stay competitive. Tr. at 17 (Jedick).

[136] CR/PR at Table I-6.

[137] *** ceased domestic production in April 2008. In 2005, *** accounted for *** percent of U.S. production of finished diamond sawblades. ***. CR at III-1 n.3, PR at III-1 n.3.

[138] CR at III-1-III-2, PR at III-1-III-2. *** provided a questionnaire response in the original investigations and accounted for *** percent of domestic finished diamond sawblade production in 2005. CR at III-1 n.4, PR at III-1 n.4.

[139] CR at III-2, PR at III-2.

[140] CR at III-2, PR at III-2.

[141] CR at II-10, PR at II-8.

[142] CR at II-10, PR at II-8.

[143] CR/PR at Table C-1 (alt. 1).

shipments increased from *** percent in 2012 to *** percent in 2014, although ending inventory quantities remained relatively flat over the period, decreasing by only *** percent.[144]

Despite their ability to increase shipments in response to rising demand, U.S. producers' share of the value of apparent U.S. consumption declined from a period high of *** percent in 2012 to a period low of *** percent in 2014.[145] At the same time, the value of imports of finished diamond sawblades from China as a share of the value of apparent U.S. consumption also declined from *** percent in 2012 to *** percent in 2014.[146] The value of nonsubject imports as a share of domestic consumption increased from *** percent in 2012 to *** percent in 2014.[147] Korea was the largest source of nonsubject imports during the period of review, but imports from countries other than Korea were primarily responsible for the growth in nonsubject imports of finished diamond sawblades in the U.S. market during the period of review.[148]

C. Substitutability

The parties disagree as to the degree of substitutability between U.S.-produced diamond sawblades and subject imports. DSMC argues that domestic and subject producers of diamond sawblades sell essentially the same products and compete directly within each size category.[149] In contrast, Husqvarna contends that the U.S. diamond sawblades market is highly segmented. It maintains that there are thousands of sizes and product variations and that there are significant differences between the types of products that U.S. producers sell and the types that are imported from China. Further, it notes differences in channels of distribution and end user categories into which domestic and subject diamond sawblades are sold.[150]

As discussed above, in the original investigations the Commission rejected many of the same arguments Husqvarna asserts in this review regarding segmentation of the U.S. market for diamond sawblades.[151] In this review, market participants acknowledged that there are many variations of diamond sawblades within the scope of the order and that

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[144] CR/PR at Table C-1 (alt. 1). Ending inventory quantities were *** units in 2014.

[145] CR/PR at Table C-4 (alt. 1). In the original POI, U.S. producers' share of apparent U.S. consumption (by value) was 61.9 percent in 2003, 54.3 percent in 2004, and 51.9 percent in 2005. CR/PR at Table 1-1a.

[146] CR/PR at Table C-4 (alt. 1). In the original POI, the share of such imports from China increased from 7.5 percent in 2003 to 14.3 percent in 2005. CR/PR at Table 1-1a.

[147] CR/PR at Table C-4 (alt. 1). In the original POI, the share of nonsubject imports (which did not include imports from Korea) declined irregularly from 10.3 percent in 2003 to 8.1 percent in 2005. CR/PR at Table 1-1a.

[148] CR at IV-2-IV-4, PR at IV-1-IV-2; CR/PR at Table C-1 (alt. 1). Korea was the largest nonsubject source of diamond sawblades. CR at IV-2-IV-4, PR at IV-3.

[149] DSMC's Prehearing Brief at 24-31.

[150] Husqvarna's Prehearing Brief at 7-12.

[151] Remand Determination, USITC Pub. 4007 at 10-12.

interchangeability may be limited between blades of different specifications.[152] The record shows that the size and physical characteristics of a finished diamond sawblade have some bearing on its ultimate end use, with larger-diameter blades typically being used for large-scale, nonresidential construction projects and smaller-diameter blades typically being used in the general contractor/DIY market. Nevertheless, the record in this review establishes that even under the discipline of the order, subject imports and domestically produced finished diamond sawblades competed in each size category during the period of review, except in the under 7-inch category.[153] Competition was particularly pronounced in the mid-range size category (10-inch to 14-inch), with domestic producers' shipments equaling $18.0 million in 2014 and shipments of imports from China equaling $15.2 million in 2014.[154] Domestically produced diamond sawblades were also present in the 7-inch to 10-inch category; domestic industry shipments in that category totaled $2.7 million in 2014, while shipments of imports from China totaled $3.9 million.[155]

Husqvarna argues that there is little competition between domestically produced diamond sawblades and subject imports with diameters less than 12 inches because it accounted for *** percent of the value of U.S. shipments in that category and *** percent of those shipments were its patent protected "Soff-Cut" blades, which it claims are high-quality, high-performance premium blades that do not compete with lower-quality imports from China.[156] Record evidence demonstrates, however, that other U.S. producers offer their own versions of blades that compete directly with Soff-Cut blades.[157] Moreover, ***, and Chinese manufacturers/importers offer sawblades to fit on Soff-Cut saws.[158] Finally, the large majority

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[152] Most purchasers reported that different types of finished diamond sawblades (*e.g.*, segmented vs. continuous rim blades, laser welded vs. soldered/brazed and sintered blades, blades of different diameters, and blades of different grades), were at least sometimes interchangeable. CR/PR at Table II-12; CR/PR at Table II-11. Retailers reported less competition between diamond sawblade blades purchased by concrete drillers/cutters and DIY users than between blades purchased by concrete drillers/cutters and general contractors. CR at II-27, PR at II-20.

[153] CR/PR at Tables I-12 and I-13. Domestic producers have acknowledged that they have not produced meaningful quantities of finished diamond sawblades in the under 7-inch size range since the mid-1990s, which is confirmed by the value of their commercial shipments in this category, which totaled only $419,000 in 2014. Tr. at 17 (Jedick); CR/PR at Table I-12. Shipments of diamond sawblades in this category are predominantly sintered blades, which the domestic industry does not produce. CR/PR at Tables I-12 through I-16 and F-1 through F-6.

[154] CR/PR at Tables I-12 and I-13. These shipments accounted for 26.5 percent of U.S. producers' U.S. commercial shipments by value and 38.8 percent of U.S. commercial shipments of subject imports by value. CR/PR at Tables F-4 and F-5.

[155] CR/PR at Tables I-12 and I-13. These shipments accounted for 4.0 percent of U.S. producers' U.S. commercial shipments by value and 9.3 percent of U.S. commercial shipments of subject imports by value. CR/PR at Tables F-4 and F-5.

[156] Husqvarna's Final Comments at 4-5.

[157] CR at I-54-I-55 n.102, PR at I-37 n.102; DSMC's Posthearing Brief at Exhibit 13, Attachment B.

[158] ***; DSMC's Posthearing Brief at Exhibit 13, Attachments E-N.

of Husqvarna's U.S. sales are of non-Soff-Cut products.[159] Accordingly, we do not find that Husqvarna's Soff-Cut product significantly limits competition between domestically produced diamond sawblades and subject imports in the U.S. market.

Although proportionally more domestically produced diamond sawblades are sold in the largest diameters (20-inch and greater), subject imports in this size category have increased approximately fourfold by value since the original investigation period. In 2005, commercial U.S. shipments of imports from China in that category totaled $***, or *** percent of total U.S. commercial shipments of subject imports.[160] Even under the discipline of the order, U.S. commercial shipments of subject imports in that category increased to $*** in 2014, or *** percent of total U.S. commercial shipments of subject imports.[161] ***.[162] Moreover, there are numerous producers/exporters in China that failed to respond to the Commission's questionnaires that advertise production of large diameter diamond sawblades ready to be exported to the U.S. market.[163] This trend of increasing imports indicates that producers of the subject merchandise in China have the ability to produce and sell the larger-diameter finished diamond sawblades that are typically used in the nonresidential professional construction market. Thus, while Husqvarna contends that servicing needs, quick turnaround times, and customization requirements make it impossible for subject imports to supply the professional-use market more than minimally,[164] the record in this review demonstrates otherwise.

In addition to size, other considerations, such as whether the blade has a segmented or continuous rim and the way the diamonds are joined with the core, determine the ultimate end use of the blade. As discussed above, segmented, laser-welded blades are better suited for use in more extreme environments, such as those in the nonresidential construction market. In 2014, segmented, laser-welded blades accounted for *** percent of U.S. commercial shipment values of domestically produced finished diamond sawblades and *** percent of U.S. commercial shipment values of subject imports.[165] There is thus an overlap of competition between the domestic like product and the subject imports notwithstanding the somewhat differing concentration across blade types from these two sources.

With respect to distribution channels, U.S. producers and importers sold finished diamond sawblades to distributors more than any other channel.[166] There was also

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[159] CR at I-54, PR at I-37;***.

[160] Original Determination, USITC Pub. 3862 at Tables E-1 and E-2.

[161] CR/PR at Tables I-13 and F-5.

[162] ***. Wuhan Wanbang, a Chinese producer and supplier of professional blades to ***, failed to provide a response to the Commission's questionnaire in this review. Evidence on the record shows that Wuhan Weibang ***, none of which responded to the Commission's questionnaires. DSMC's Posthearing Brief at Exhibit 12.

[163] DSMC's Prehearing Brief at 25-27.

[164] Husqvarna's Posthearing Brief at 2-3.

[165] CR/PR at Table F-1.

[166] CR/PR at Table II-1. By value, distributors accounted for 47.2 percent of U.S. producers' U.S. commercial shipments in 2014 and 73.2 percent of U.S. importers' U.S. commercial shipments from China.

considerable overlap between domestically produced diamond sawblades and subject imports in the retail and original equipment manufacturer ("OEM") channels.[167]

The majority of U.S. producer, importer, and purchaser responses to the Commission's questionnaires indicated that domestically produced finished diamond sawblades and subject imports were always or frequently interchangeable.[168] Moreover, most purchasers reported that U.S. and Chinese sawblades were comparable for all factors other than price, including availability across different sizes, delivery terms, delivery time, product consistency, product range, quality, reliability of supply, and transportation costs.[169] Accordingly, domestically produced diamond sawblades and subject imports from China are generally substitutable with respect to blades of similar specifications and size.

Moreover, price is an important factor in purchasing decisions for diamond sawblades. Price was listed by 79 percent of responding purchasers as a very important factor in purchasing decisions,[170] and price was also listed by the large majority of purchasers as one of the top three factors they consider in making their purchasing decisions.[171]

In conclusion, it is true that there are some distinctions between the domestic like product and subject imports. Most notably, subject imports are more concentrated in smaller size blades and domestic production is more concentrated in larger size blades. Nevertheless, the record continues to support the conclusion that there is considerable overlap in the mid-range sizes of diamond sawblades, that the volume of subject imports in the largest sizes has grown since the original investigations, and that domestically produced diamond sawblades and subject imports compete in the same channels of distribution and across almost all product sizes. These comparisons are for the market as it exists under the discipline of the order and demonstrates the Chinese industry's ability to compete throughout the various parts of the U.S. market; if the order were revoked, the overlap in competition would likely increase as the volume of subject imports increases (as discussed below).

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[167] CR/PR at Table II-2. By value, U.S. producers' U.S. commercial shipments equaled $*** to retailers and $*** to OEMs in 2014. U.S. importers' U.S. commercial shipments of subject imports equaled $*** to retailers and $*** to OEMs in 2014. CR/PR at Table II-2. Domestically produced diamond sawblades were largely absent from national "big box" retail stores (*e.g.*, Home Depot and Lowes), whereas *** of subject merchandise was shipped to these retailers. CR/PR at Table II-2. We observe that a large majority of the subject merchandise shipped to big box retailers was sintered 7-inch or less blades. CR/PR at Table F-5. Domestic producers shipped a much higher percentage of finished diamond sawblades to professional construction firms in 2014, although as noted above, shipments of subject merchandise to this customer category greatly increased from 2005. CR/PR at Tables F-4, F-5; Original Determination, USITC Pub. 3862 at Table E-2.

[168] CR/PR at Table II-17.

[169] CR/PR at Table II-16.

[170] CR/PR at Table II-13. Nineteen of 24 responding purchasers rated price as very important in their purchasing decisions. Availability, quality, reliability of supply, and delivery times were also rated as very important by the large majority of purchasers.

[171] CR/PR at Table II-9. Quality/performance was the only factor cited more frequently by purchasers than price.

C. Likely Volume of Subject Imports

1. Original Investigations

In its Remand Determination, the Commission found that cumulated subject import volumes increased significantly, both on an absolute basis and relative to apparent U.S. consumption.[172] U.S. shipments of cumulated subject imports from China and Korea of finished diamond sawblades increased by 67.9 percent by value during the period and by 85.7 percent by quantity.[173] As a share of apparent U.S. consumption, cumulated subject imports increased from 27.7 percent in 2003 to 40.0 percent in 2005 by value and from 61.2 percent to 75.1 percent by quantity. At the same time, domestic producers' share of apparent U.S. consumption fell.[174]

In the context of its threat determination, the Commission found that the volume of cumulated subject imports was likely to continue to increase given that subject producers (1) had increased production capacity over the period; (2) were export-focused; (3) had declining home market sales; (4) had increasing levels of excess capacity; and (5) were in need of new markets.[175] The Commission also found that attractive prices in the U.S. market would provide further incentives for cumulated subject imports to enter the U.S. market.[176] The record indicated that no portion of the market, as defined by size or end-user category, was sheltered from competition with cumulated subject imports, as import sales were "increasing in each size range, including the larger sizes in which professional customers that may require post-sale customer service dominate, and through many channels of distribution."[177]

2. The Current Review

Even under the discipline of the order, the volume and market share of subject imports in the U.S. market have remained significant.[178] Subject import volume by value ranged between $35.5 million and $44.6 million over the period of review; during the original POI, it ranged between $13.9 million and $30.8 million.[179] Similarly, subject imports' share of

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[172] Remand Determination, USITC Pub. 4007 at 12-13.

[173] Remand Determination, USITC Pub. 4007 at 12-13.

[174] Remand Determination, USITC Pub. 4007 at 13.

[175] Remand Determination, USITC Pub. 4007 at 21-22.

[176] Remand Determination, USITC Pub. 4007 at 21-22.

[177] Remand Determination, USITC Pub. 4007 at 22-23.

[178] CR/PR at Table C-1 (alt. 1). As discussed in the Conditions of Competition section above, we find that there is substantial competition between subject imports and the domestic like product across all sizes and within each end-user market, except for finished diamond sawblades less than seven inches.

[179] CR/PR at Table 1-1a. Subject import volume by quantity ranged between 4.7 million units and 6.7 million units over the period of review, and between 1.1 million units and 2.8 million units during the original POI. *Id.*

apparent U.S. consumption was higher over the period of review (ranging between 22.9 percent and 29.7 percent by value) than during the original POI (ranging between 7.5 percent and 14.3 percent by value).[180]

The record indicates that subject producers in China have both the means and the incentive to increase shipments of subject merchandise to the U.S. market significantly within a reasonably foreseeable time if the antidumping duty order is revoked. We initially note that the Commission received only three responses to its foreign producers' questionnaires. These three companies represented approximately half of Chinese exports of diamond sawblades to the United States in 2014, but it is unknown what share of Chinese capacity or production they account for.[181] However, even the limited available data set supports our findings. The available data show that subject industry in China has substantial capacity and substantial excess capacity. Questionnaire data indicate that subject diamond sawblade producers' annual production capacity was *** units during the period of review, while production of diamond sawblades fell irregularly from *** units in 2012 to *** units in 2014.[182] Consequently, the Chinese industry's capacity utilization declined over the period from *** percent in 2012 to *** percent in 2014. There were approximately *** units of unused capacity in 2014.[183] This unused capacity equaled more than *** of apparent U.S. consumption of finished diamond sawblades in 2014.[184]

The subject industry in China is export oriented. According to questionnaire data, total exports as a percentage of Chinese producers' total shipments by value increased from *** percent in 2012 to *** percent in 2014; by quantity they increased irregularly from *** percent in 2012 to *** percent in 2014.[185] Available public information from the Global Trade Atlas (for a broader product category) indicates that the Chinese industry was the largest exporter of sawblades (by value) in the world in 2014 by a wide margin.[186] Moreover, other Global Trade Atlas data indicate that China's overall exports of diamond and cubic boron nitride sawblades and parts thereof rose by 96.6 percent in value during the period of review and that exports to almost all non-U.S. markets increased substantially, while exports of such sawblades from China

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[180] CR/PR at Table 1-1a. Market share by quantity ranged between 51.5 percent and 78.8 percent over the period of review, and between 23.7 percent and 41.1 percent during the original POI. *Id.*

[181] CR at IV-12, PR at IV-6.

[182] CR/PR at Table IV-10.

[183] CR/PR at Table IV-10. Chinese producers' end-of-period inventories were *** units in 2014. CR/PR at Table IV-10.

[184] Computed using CR/PR at Table IV-10 and Table C-1 (alt. 1).

[185] CR/PR at Table IV-10.

[186] CR/PR at Table IV-14. The Global Trade Atlas export data include data for circular sawblades with working parts of diamond or materials other than steel (*i.e.*, primarily carbide or tungsten carbide tipped circular sawblades), and therefore include exports of out-of-scope diamond sawblades. Exports of these products from China increased from $385.5 million in 2012 to $618.1 million in 2014, whereas exports from the European Union, the next largest exporter, increased irregularly from $101.8 million in 2012 to $105.2 million in 2014. CR/PR at Table IV-14.

to the United States, which were subject to the discipline of the order, increased by only 4.8 percent during this period.[187]

We find that producers in China would likely continue to direct significant volumes of diamond sawblades to the U.S. market should the antidumping duty order be revoked.[188] Between 2006 and 2008, when the Commission's original negative determination was on appeal and before the current antidumping duty order was put in place, imports from China increased by more than 30 percent.[189] Imports from China declined in 2009, coincident with the recession, but increased again in 2010. It was only after the U.S. Court of Appeals for the Federal Circuit affirmed the Commission's affirmative threat determination in late 2010 that subject imports from China began to decline.[190] Even under the discipline of the order, the volume and market share of subject imports from China were higher in 2014 than in 2005, prior to imposition of the order, indicating that subject producers continue to find the U.S. market attractive and have ready access to U.S. distribution networks.[191]

As discussed above, the available data for the industry in China show substantial excess capacity and a high focus on exports. Other evidence confirms the attractiveness of the U.S. market to Chinese producers of diamond sawblades. According to Global Trade Atlas data, the United States was the largest importing market for circular sawblades in the world in 2014, accounting for 35.1 percent of global imports.[192] Moreover, the average unit values ("AUVs") of Chinese producers' export shipments to the United States have remained consistently higher than their AUVs for export shipments to the European Union, Asia, and other markets.[193] We also note that the questionnaire response from ***, indicates that revocation of the order ***.[194]

Given subject producers' capacity, unused capacity, and overall export orientation, the size and relative attractiveness of the U.S market, and the continued presence of significant volumes of subject imports from China in the U.S. market during the period of review, we

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[187] CR/PR at Table IV-15; CR at IV-21, PR at IV-9.

[188] In 2014, 58.3 percent of the value of U.S. commercial shipments from China consisted of blades greater than 7 inches in diameter, a size range in which we have found there is significant competition with domestically produced blades. CR/PR at Table F-5. The share of U.S. commercial shipments from China in the over 20 inches category, the category representing the largest share of U.S. producers' commercial shipments during the period of review, increased from 1.5 percent during the original POI to 6.4 percent in 2014. *Compare* Original Determination, USITC Pub. 3862 at Table E-2 *with* CR/PR at Table F-5.

[189] DSMC's Posthearing Brief, Ex. 1, at 59-60.

[190] DSMC's Posthearing Brief, Ex. 1, at 59-60.

[191] CR/PR at Table 1-1a.

[192] CR/PR at Table IV-18. These data include out-of-scope diamond sawblades.

[193] CR/PR at IV-10. In 2014, the AUV of Chinese producers' export shipments to the United States was $***; it was $*** to the European Union, $*** to Asia, and $*** to all other markets.

[194] *** U.S. Importers' Questionnaire Response at II-17; *** U.S. Purchasers' Questionnaire Response at III-33; CR at D-17, PR at D-1.

conclude that subject import volumes would likely be significant, both in absolute terms and relative to U.S. consumption, upon revocation of the order.[195]

D. Likely Price Effects

1. Original Investigations

In its Remand Determination, the Commission found that despite the significant increase in apparent U.S. consumption over the POI, cumulated subject imports from China and Korea significantly undersold the domestic like product and prices for the domestic like product declined.[196] Specifically, subject imports from China undersold the domestic like product in 112 out of 115 price comparisons at margins ranging from 17.8 percent to 86.4 percent.[197] The Commission rejected respondents' argument that the Commission should discount the significant underselling due to attenuated competition.[198] Rather, the Commission found that despite rising demand, the pervasive underselling by cumulated subject imports caused prices for the domestic like product to decline by significant margins for sales to both branded and other distributors, as well as to professional construction firms.[199]

In the context of its threat determination, the Commission found that subject imports would enter the U.S. market at prices likely to have a significant depressing or suppressing effect on prices for the domestic like product.[200] The Commission stated that "underselling is likely to continue, as the record reflects that U.S. prices declined broadly across the seven {pricing products} and three distribution channels for which pricing information was sought during the POI" and that "no evidence has been offered to indicate that this underselling will decrease significantly."[201]

2. The Current Review

As discussed above, domestically produced diamond sawblades and subject imports from China are generally substitutable with respect to blades of similar specifications and sizes,[202] and price is an important factor in purchasing decisions.[203] In the event of revocation, it

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[195] We have also considered the fact that ***. CR at IV-12, PR at IV-6. The record also does not indicate import barriers for diamond sawblades in other markets.

[196] Remand Determination, USITC Pub. 4007 at 14-15.

[197] Remand Determination, USITC Pub. 4007 at 14-15.

[198] Remand Determination, USITC Pub. 4007 at 14-15.

[199] Remand Determination, USITC Pub. 4007 at 16.

[200] Remand Determination, USITC Pub. 4007 at 23.

[201] Remand Determination, USITC Pub. 4007 at 23.

[202] The majority of U.S. producers, U.S. importers and U.S. purchasers reported that the domestic like product and subject imports are always or frequently interchangeable. CR/PR at Table II-17.

[203] CR/PR at Table II-13.

is likely that subject imports would compete aggressively on the basis of price in almost all segments of the market.

The Commission requested pricing data for five diamond sawblades products in this review.[204] Five U.S. producers and seven importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products, for all quarters, or for all customer groupings. U.S. producers and importers were asked to report separately sales to branded distributors, other distributors, and professional construction firms. There were no reported sales of products one through three to professional contractors and no reported sales of subject imports to professional contractors for any of the pricing products. Pricing data accounted for approximately 7.2 percent of the value of U.S. producers' shipments of finished diamond sawblades and 6.8 percent of U.S. shipments of subject imports from China in 2014.[205]

The pricing data show that there was significant underselling by subject imports during the period of review even under the discipline of the order. Subject imports undersold the domestic like product in 69 out of 74 quarterly comparisons, with an average margin of underselling of 38.4 percent.[206] There were *** units involved in underselling comparisons, but only *** units involved in overselling comparisons.[207] We view the pricing product data with caution given the limited coverage as well as possible variations within each of the pricing products.[208] Nevertheless, the pricing data are consistent with the reports from a majority of

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[204] The pricing products were as follows: **Product 1** – 4" diameter laser-welded blades for dry cutting, 0.080" segment thickness, blade with diamond impact strength within a TI/TTI range of 72-75 and diamond concentration in a range of 12-15 percent by volume of the segments or alternatively 0.55-0.65 carats/ccm; **Product 2** – 12" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more; **Product 3** – 14" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more; **Product 4** – 14" diameter laser-welded blades for dry cutting, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more; and **Product 5** – 14" diameter laser-welded blades for wet cutting cured concrete, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 74-77 and diamond concentration in a range of 33-35 percent by volume of the segments or alternatively 1.45-1.55 carats/ccm, for use in saws of 35 hp or more. CR at V-6-V-7, PR at V-4-V-5.

[205] CR at V-7, PR at V-5.

[206] CR/PR at Table V-9.

[207] CR/PR at Table V-9.

[208] Differences in the diamond sawblades that are covered by the same pricing product definitions may include differences in sintering technology, the number of segments on the blades, the height and diamond depth on segments, diamond grit size, differences in core quality and structure, differences in metal powder used in the segments, and the presence of slots and gullets. CR at V-8, PR at V-5. Nevertheless, the variations in pricing products were mitigated by their common specifications (Continued…)

purchasers that domestically produced finished diamond sawblades were "inferior" in price (*i.e.*, higher-priced) compared to the subject imports.[209]

We have also examined price movements during the period of review. Despite the overall increase in apparent U.S. consumption during the period of review, prices generally decreased from 2012 to 2014. Domestically produced diamond sawblade prices decreased for all product-customer combinations for which price data were reported, and subject import prices also decreased for seven of the nine product-customer combinations.[210] For Pricing Product 4, which had the largest volumes of comparable domestically produced diamond sawblades and subject imports, there was a correlation between low and declining subject import prices and increasing shipments of subject imports.[211]

(…Continued)
of diameter, segment height and thickness, diamond impact strength, and diamond concentration. CR at V-9, PR at V-6.

[209] CR/PR at Table II-16. Husqvarna argues that the Commission's pricing data confirm that competition between subject imports and the domestic like product is attenuated. It argues that the large price differences between the subject imports and the domestic like product are indicative of the lack of competition between the two and that subject import pricing has had no discernible effect on U.S. prices. Husqvarna's Final Comments at 6-8. We observe that respondents in the original investigations made the same argument and that the Commission rejected it. Remand Determination, USITC Pub. 4007 at 15. Based on the record in this review, we continue to reject that argument. As discussed above, we find the existence of substantial competition between subject imports and the domestic like product within many blade sizes and within many of the same end-use markets. Moreover, a witness from Atlantic Concrete Cutting, a professional concrete cutting company that purchases and uses diamond sawblades in all sizes, testified that "subject imports are completely interchangeable with the American-made blades in terms of size and grades, and the only real difference was price." Tr. at 27 (Walker). He testified further that imports of subject merchandise aggressively pushed their volumes into the market by lowering their prices. *Id.* at 28. Although he would prefer to buy domestically produced diamond sawblades, he testified that subject import pricing was so low that he "couldn't afford not to consider them if we wanted to remain competitive." *Id.* He testified that he would switch from domestically produced diamond sawblades to subject imports based on a price differential of at least 20 percent, and that from 2010 to 2014 his sourcing of subject merchandise went from 0 percent to ***. *Id.* at 28, 125; *** Purchaser's Questionnaire Response at II-1(b).

[210] CR at V-28, PR at V-15.

[211] For Product 4, the price of Chinese product sold to other distributors fell from $56.01 per sawblade in the first quarter of 2013 to $36.62 per sawblade in the second quarter of 2013, with a corresponding increase in the quantity of sales from 460 units in the first quarter of 2013 to 4,913 units in the second quarter. CR/PR at Table V-6. The large increase in the sales quantity was largely the result of *** starting in the second quarter of 2013. CR at V-32, PR at V-17. At the same time, the price for domestically produced diamond sawblades fell from $*** to $***, with a slight increase in sales quantities. For the rest of the period of review, prices for Chinese product remained at or below the reduced price level of the second quarter of 2013, and their sales quantities increased. CR/PR at Table V-6. By contrast, after the second quarter of 2013, sales quantities for domestically produced diamond sawblades remained relatively flat, while prices increased slightly. CR/PR at Table V-6.

Given the importance of price in purchasing decisions and the interchangeability of the products, suppliers of subject merchandise will seek to increase their sales in the U.S. market by offering diamond sawblades at low prices. Underselling is likely to be sufficiently pervasive to have significant effects on the domestic industry's market share and/or prices.[212] Thus, absent the discipline of the order, there would likely be increasingly pervasive and significant underselling. With increasing volumes of subject merchandise offered at low prices, the domestic industry would likely be forced to cut prices or restrain price increases when its costs increase in order to retain sales, or lose market share. Consequently, increasing volumes of subject imports are likely to have a significant effect on prices for the domestic like product.

E. Likely Impact[213]

1. Original Investigations

In its Remand Determination, the Commission observed that several indicators of the domestic industry's performance trended downward during the POI.[214] It found that the domestic industry had remained profitable, however, and that the industry's performance by the end of the POI, while weakening, did not warrant a finding of current material injury by reason of cumulated subject imports. Nevertheless, the Commission noted that given the high demand for diamond sawblades during the POI, one would normally expect the domestic industry's performance to have improved rather than stabilized or (in some instances) declined.[215]

The Commission found that the domestic industry was threatened with material injury by reason of the subject imports.[216] The Commission observed that the industry's ability to maintain profitability was attributable in large part to the high and increasing demand for

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[212] Domestic producers testified that pricing pressure in one size range of diamond sawblades affects prices in all other ranges, and in particular that pricing pressure by subject imports in the 10-inch to 14-inch size range where competition is the strongest, can push down prices for larger diameter diamond sawblades. Tr. at 72 (Jedick); Tr. at 73 (Baron) ("if we're selling a customer a 12 inch blade at a lower price, they're looking for the same discount for the 14, 16, 18, 20, 26, for pretty much everything we have to sell them. So yes, if you sell a product for a low price, they kind of want the same discount across the board.").

[213] The statute instructs that "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy" in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). Commerce conducted an expedited five-year review of the order, and it found that revocation of the antidumping duty order on diamond sawblades from China would be likely to lead to continuation or recurrence of dumped weighted-average margins up to 164.09 percent. 80 Fed. Reg. 12798 (March 11, 2015); *Memorandum from Christian Marsh to Paul Piquado: Issues and Decision Memorandum for the Final Results of Expedited First Sunset Review of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof from the People's Republic of China* (March 4, 2015).

[214] Remand Determination, USITC Pub. 4007 at 17-18.

[215] Remand Determination, USITC Pub. 4007 at 17-18.

[216] Remand Determination, USITC Pub. 4007 at 20.

diamond sawblades during the POI. Despite this, the industry's operating income and operating margin declined during the POI as prices fell and costs rose.[217] The Commission observed that demand was likely to flatten and low-priced subject imports were likely to continue to increase in the imminent future, with the increasing volumes of subject imports likely causing prices to decline further absent antidumping relief.[218] The Commission found that these import increases and price declines would likely accelerate the loss of operating income, with operating income ratios likely becoming losses.[219] These losses would have negative effects on employment and return on assets, leading to material injury to the domestic industry in the imminent future.[220]

2. The Current Review

Over the period of review, most indicators of the domestic industry's condition declined.[221] Capacity and production both fluctuated, but declined overall.[222] Capacity utilization fluctuated, increasing by *** percentage points overall between 2012 and 2014.[223] Despite an increase in apparent U.S. consumption of 6.4 percent during the period, U.S. shipments, both by value and quantity, declined from 2012 to 2014.[224] The ratio of inventories to total shipments increased over the period.[225] The domestic industry's market share, both by value and quantity, declined over the period.[226]

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[217] Remand Determination, USITC Pub. 4007 at 22.

[218] Remand Determination, USITC Pub. 4007 at 22-23.

[219] Remand Determination, USITC Pub. 4007 at 22-23.

[220] Remand Determination, USITC Pub. 4007 at 22-23.

[221] In light of the significant share of the market accounted for by finished diamond sawblades, we have focused our analysis on data for finished diamonds sawblades, but have also considered data for cores and segments.

[222] Capacity totaled *** units in 2012, *** units in 2013, and *** units in 2014. CR/PR at Table C-1 (alt. 1). Production totaled *** units in 2012, *** units in 2013, and *** units in 2014. CR/PR at Table C-1 (alt. 1).

[223] Capacity utilization was *** percent in 2012, *** percent in 2013, and *** percent in 2014. CR/PR at Table C-1 (alt. 1).

[224] Total U.S. shipments by value were $*** in 2012, $*** in 2013, and $*** in 2014. Total U.S. shipments by quantity were *** units in 2012, *** units in 2013, and *** units in 2014. CR/PR at Table C-1 (alt. 1).

[225] The ratio of inventories to total shipments was *** percent in 2012, *** percent in 2013, and *** percent in 2014. CR/PR at Table C-1 (alt. 1).

[226] U.S. producers' share of the value of apparent U.S. consumption was *** percent in 2012, *** percent in 2013, and *** percent in 2014. U.S. producers' share of the quantity of apparent U.S. consumption was *** percent in 2012 and 2013, and *** percent in 2014. CR/PR at Table C-1 (alt. 1).

Employment indicators were mixed over the period of review. The number of production and related workers increased slightly overall during the period,[227] as did their hours worked[228] and their wages paid,[229] although hourly wages[230] and productivity declined.[231]

The domestic industry's net sales declined over the period of review both by value and quantity.[232] U.S. producers' cost of goods sold ("COGS") as a ratio to net sales increased irregularly from 2012 to 2014.[233] The domestic industry's operating income, gross income, and net income all declined during the period of review.[234] Its operating income margin fluctuated, but declined overall by *** percentage points during the period.[235] Capital expenditures fluctuated, but increased slightly overall.[236]

We observe further that virtually all of the performance and financial factors for Western, the sole domestic producer of diamond sawblade cores, deteriorated during the period of review. In particular, Western's production,[237] capacity utilization,[238] commercial shipments,[239] market share,[240] operating income,[241] operating margins,[242] and capital expenditures[243] all fell from 2012 to 2014.

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[227] The average number of production and related workers was *** in 2012, *** in 2013, and *** in 2014. CR/PR at Table C-1 (alt. 1).

[228] Total hours worked was *** hours in 2012, *** hours in 2013, and *** hours in 2014. CR/PR at Table C-1 (alt. 1).

[229] Wages paid totaled $*** in 2012 and in 2013, and $*** in 2014. CR/PR at Table C-1 (alt. 1).

[230] Hourly wages totaled $*** in 2012, $*** in 2013, and $*** in 2014. CR/PR at Table C-1 (alt. 1).

[231] Productivity, as measured by units per one thousand hours, totaled *** in 2012, *** in 2013, and *** in 2014. CR/PR at Table C-1 (alt. 1).

[232] Total net sales by value were $72.4 million in 2012, $70.3 million in 2013, and $68.0 million in 2014. Total net sales by quantity were 384,689 units in 2012, 383,276 units in 2013, and 370,892 units in 2014. CR/PR at Table C-1 (alt. 1).

[233] COGS as a ratio of sales was 59.9 percent in 2012, 58.5 percent in 2013, and 61.2 percent in 2014. CR/PR at Table C-1 (alt. 1).

[234] The domestic industry's operating income was $10.2 million in 2012, $10.8 million in 2013, and $7.1 million in 2014. CR/PR at Table C-1 (alt. 1). The domestic industry's gross income was $29.0 million in 2012, $29.2 million in 2013, and $26.4 million in 2014. CR/PR at Table C-1 (alt. 1). The domestic industry's net income was $5.9 million in 2012, $6.4 million in 2013, and $1.1 million in 2014. CR/PR at Table C-1 (alt. 1).

[235] The operating margin was 14.1 percent in 2012, 15.3 percent in 2013, and 10.4 percent in 2014. CR/PR at Table C-1 (alt. 1). Three out of seven domestic producers (***), representing over *** percent of U.S. production, operated at a loss in 2014. CR/PR at Table I-6 & Table III-11.

[236] Capital expenditures totaled $622,000 in 2012, $1.3 million in 2013, and $680,000 in 2014. CR/PR at Table C-1 (alt. 1).

[237] Production fell from *** units in 2012 to *** units in 2014. CR/PR at Table C-2.

[238] Capacity utilization fell from *** percent in 2012 to *** percent in 2014. CR/PR at Table C-2.

[239] Commercial U.S. shipments by value fell from $*** in 2012 to $*** in 2014. Commercial U.S. shipments by quantity fell from *** units in 2012 to *** units in 2014. CR/PR at Table C-2.

We have found that the likely additional volumes of subject imports would likely be priced in a manner that would undersell the domestic like product. Consequently, the domestic industry would need to respond either by forgoing sales and ceding market share or by lowering or restraining its prices. Under either circumstance, the domestic industry's revenues and financial performance would likely decline as a result of declines in the industry's production, shipments, market share, and/or prices. Declines in these indicators would also likely lead to declines in employment indicators. Although we observe that the domestic industry was profitable during the period of review, we also observe that the downward trends in the industry's performance and financial factors during the period could make it more susceptible to intensified subject import competition.[244]

We have also considered the role of nonsubject imports in the U.S. market. The volume and market share of nonsubject imports increased during the period of review.[245] The AUVs of nonsubject imports were higher than the AUVs of subject imports, but below the AUVs of domestically produced diamond sawblades.[246] As discussed above, we have ascertained that the domestic industry would likely lose volume to the subject imports and that these imports would likely have adverse effects in the diamond sawblade product ranges where they are directly competing with domestically produced sawblades should the antidumping duty order be revoked. This is likely harm to the domestic industry that is distinct from any effect that may be caused by the nonsubject imports.

We have found that the volume of cumulated subject imports from China would likely be significant upon revocation of the order and that these significant volumes will likely have adverse price effects on the domestic industry. The domestic industry's revenue and financial performance would likely decline as it is forced either to reduce prices or to cede market share to the increased volume of low-priced subject imports. Accordingly, in light of the likely significant volumes and likely adverse price effects, we find that revocation of the antidumping

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(…Continued)

[240] Market share, as measured by value, fell from *** percent in 2012 to *** percent in 2014. CR/PR at Table C-2.

[241] Operating income fell from $*** in 2012 to $*** in 2014. CR/PR at Table C-2.

[242] The operating margin fell from *** percent in 2012 to *** percent in 2014. CR/PR at Table C-2.

[243] Capital expenditures fell from $*** in 2012 to $*** in 2014. CR/PR at Table C-2.

[244] Although most market participants project that U.S. demand for diamond sawblades will increase, increases in apparent U.S. consumption during the period of review were insufficient to prevent declines in the domestic industry's production, shipments, and operating performance. CR/PR at Table II-6.

[245] CR/PR at Table C-1 (alt.1). We note that the data indicate some similarities between nonsubject imports and subject imports with respect to shares of total shipments by customer type, blade diameter, and type of blade in 2014. *Compare* Table F-5 *with* Table F-8. This would indicate that the higher AUVs of nonsubject imports as compared to subject imports are not solely a matter of product mix.

[246] CR/PR at Table C-1 (alt.1).

duty order diamond sawblades from China would likely have a significant adverse impact on the domestic industry.

F. Conclusion

For the reasons stated above, we determine that revocation of the antidumping duty order on diamond sawblades 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.

PART I: INTRODUCTION

BACKGROUND

On December 2, 2013, the U.S. International Trade Commission ("Commission" or "USITC") gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"),[1] that it had instituted a review to determine whether revocation of the antidumping duty order on diamond sawblades and parts thereof[2] from China would likely lead to the continuation or recurrence of material injury to a domestic industry.[3] [4] On May 20, 2014, the Commission determined that it would conduct a full review pursuant to section 751(c)(5) of the Act.[5] However, on November 4, 2014, as the result of a Court of International Trade ("CIT") decision, the Commission terminated the review that it had instituted on December 2, 2013.[6] In the same notice on November 4, 2014, the Commission instituted a new review of the antidumping duty order on diamond sawblades and parts thereof. Effective January 22, 2015, the Commission determined to conduct a full review pursuant to section 751(c)(5) of the Act. [7]

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

[2] For the purposes of this report, diamond sawblade parts will be identified as "diamond sawblade cores" and "diamond sawblade segments." Once the segments have been attached to the cores, the products will be identified as "finished diamond sawblades."

[3] *Diamond Sawblades and Parts Thereof From China; Institution of a Five-Year Review*, 78 FR 72116, December 2, 2013. The notice was published one month prior to the fifth anniversary of the effective date of the original order. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

[4] 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 duty order concurrently with the Commission's notice of institution. *Initiation of Five-Year (''Sunset'') Review*, 78 FR 72062, December 2, 2013.

[5] USITC, *Explanation of Commission Determination on Adequacy in Diamond Sawblades and Parts Thereof from China, Inv. No. 731-1092 (Review))*, May 20, 2014. The Commission determined that the domestic interested party group response—which supported continuation of the antidumping duty order—was adequate and they accounted for a significant percentage of domestic diamond sawblade production in 2013. The response of producers and importers of subject merchandise accounted for only a small share of either production of subject merchandise in China or subject imports from China. The Commission determined the response to be inadequate. Nevertheless, the Commission determined that circumstances warranted conducting a full review.

[6] *Diamond Sawblades and Parts Thereof From China; Termination of Previously Instituted Five-Year Review and Institution of Five-Year Review*, 79 FR 65420, November 4, 2014.

[7] *Diamond Sawblades and Parts Thereof From China; Determination To Conduct a Full Five-Year Review and Scheduling of the Review*, 80 FR 5136, January 30, 2015. The Commission used its determination to conduct a full review from May 20, 2014 to justify its new determination to conduct a full review, as no new parties submitted responses and the previous responses from parties remained little changed.

The following tabulation presents information relating to the background and schedule of this proceeding:[8]

Effective date	Action
July 5, 2006	Commission's final phase negative determination on diamond sawblades and parts thereof from China and Korea (71 FR 39128, July 11, 2006)
March 24, 2008	Commission's notice of remand proceedings (73 FR 16911, March 31, 2008)
January 23, 2009	Commerce's notice of court decision not in harmony with final determination of the antidumping duty investigations (74 FR 6570, February 10, 2009)
January 23, 2009	Commerce's antidumping duty order on diamond sawblades and parts thereof from China and Korea (74 FR 57145, November 4, 2009)
November 2, 2010	Commission's affirmative determination on diamond sawblades and parts thereof from China and Korea (75 FR 68618, November 8, 2010)
October 24, 2011	Commerce's revocation of the antidumping duty order on diamond sawblades and parts thereof from Korea (76 FR 66892, October 28, 2011)
December 1, 2013	Commerce's initiation of five-year review (78 FR 72061, December 2, 2013)
December 2, 2013	Commission's institution of five-year review (78 FR 72116, December 2, 2013)
October 3, 2014	Commerce's notice of rescission of sunset review (79 FR 63080, October 22, 2014)
November 4, 2014	Commission's termination of previously instituted five-year review and institution of five-year review (79 FR 65420, November 4, 2014)
November 4, 2014	Commerce's initiation of five-year review (79 FR 65186, November 3, 2014)
January 22, 2015	Commission's scheduling of full five-year review (80 FR 5136, January 30, 2015)
March 11, 2015	Commerce's final results of expedited five-year review of the antidumping duty order (80 FR 12797, March 11, 2015)
June 23, 2015	Commission's hearing
August 7, 2015	Commission's vote
September 2, 2015	Commission's determination and views

The original investigations

The original investigations resulted from petitions filed by Diamond Sawblades Manufacturers' Coalitions ("DSMC") and its individual members: Blackhawk Diamond, Inc. (Fullerton, California),[9] Diamond B, Inc. (Santa Fe Springs, California), Diamond Products (Elyria, Ohio), Dixie Diamond (Lilburn, Georgia), Hoffman Diamond (Punxsutawney, Pennsylvania), Hyde Manufacturing (Southbridge, Massachusetts), Sanders Saws (Honey Brook, Pennsylvania), Terra Diamond (Salt Lake City, Utah) and Western Saw, Inc. (Oxnard, California), on May 3, 2005, alleging that an industry in the United States was materially injured and threatened with material injury by reason of less-than-fair-value ("LTFV") imports of diamond sawblades and

[8] The Commission's notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy are referenced in appendix A and also may be found at the Commission's web site (internet address *www.usitc.gov*). Commissioners' votes on whether to conduct expedited or full reviews may also be found at the web site. Appendix B presents the witnesses appearing at the Commission's hearing.

[9] Blackhawk Diamond ceased operations in January 2006.

parts thereof ("diamond sawblades") from China and Korea. In May 2006, Commerce determined that imports of diamond sawblades and parts thereof from both China and Korea were being sold at LTFV.[10] In June 2006, Commerce published notice of an amended final determination by Commerce that imports of diamond sawblades and parts thereof from China were being sold at LTFV.[11]

In July 2006, the Commission determined that a U.S. industry was not materially injured or threatened with material injury by reason of imports of diamond sawblades and parts thereof from China and Korea.[12]

Following an appeal of the negative determinations and on remand from the CIT, the Commission determined that a U.S. industry was threatened with material injury by reason of subject imports of diamond sawblades and parts thereof from China and Korea.[13] On January 13, 2009, the CIT affirmed the Commission's affirmative determinations on remand.[14] On January 22, 2009, the Commission notified Commerce of the Court's decision, stating that it was a decision ''not in harmony with'' with the Commission's original negative determinations. On November 4, 2009, Commerce published orders imposing antidumping duties on imports of diamond sawblades and parts thereof from China and Korea, effective January 23, 2009.[15] Following affirmance of the CIT's judgment by the U.S. Court of Appeals for the Federal Circuit ("Federal Circuit") and upon conclusion of all appellate proceedings in the action, the Commission published notice of its final determinations in the antidumping investigations of diamond sawblades from China and Korea.[16]

Subsequent to the issuance of the orders, the Government of Korea filed a complaint at the World Trade Organization ("WTO") concerning the use of Commerce's "zeroing" methodology to calculate the dumping margins for Korean respondents in a number of

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[10] *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, May 22, 2006; *Notice of Final Determination of Sales at Less Than Fair Value and Final Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the Republic of Korea*, 71 FR 29310, May 22, 2006.

[11] *Notice of Amended Final Determination of Sales at Less Than Fair Value: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 36854, June 22, 2006.

[12] *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final)*, USITC Publication 3862, July 2006, ("*Original Determination"*). Commissioners Pearson, Koplan, Okun, and Lane were in the majority with Commissioners Aranoff and Hillman dissenting.

[13] *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final) (Remand)*, USITC Publication 4007, May 2008, ("*Remand Determination"*). Commissioners Aranoff, Williamson, and Pinkert made affirmative determinations with Commissioners Pearson, Okun, and Lane dissenting.

[14] *Diamond Sawblades Mfrs. Coalition v. United States*, Slip Op. 09–05 (Ct. Int'l Trade 2009).

[15] *Diamond Sawblades and Parts Thereof from the People's Republic of China and the Republic of Korea: Antidumping Duty Orders,* 74 FR 57145, November 4, 2009.

[16] *Diamond Sawblades and Parts Thereof from China and Korea: Determination*, 75 FR 68618, November 8, 2010.

investigations, including the investigation of diamond sawblades from Korea.[17] The WTO determined that the use of the zeroing methodology was inconsistent with the United States' obligations under the WTO Agreements.[18] Pursuant to Section 129 of the Tariff Act of 1930, in order to implement the result of the WTO dispute settlement decision, Commerce began proceedings to recalculate the dumping margins for Korean companies without the use of the zeroing methodology.[19] As recalculated, margins for producers/exporters of subject merchandise from Korea in the diamond sawblades investigation were zero.[20] Accordingly, Commerce revoked the order on diamonds sawblades from Korea effective as of October 24, 2011.[21] Commerce's decision to revoke the order on imports from Korea was the subject of appeals that were subsequently not continued.[22]

Also subsequent to the issuance of the orders on diamond sawblades, the Government of China filed a complaint at the WTO concerning the use of Commerce's "zeroing" methodology in the investigation of diamond sawblades from China.[23] The complaint involved the margin calculations for only one Chinese company, the AT&M entity ("AT&M").[24] The WTO determined that the use of the zeroing methodology to calculate AT&M's less-than-fair-value margin was inconsistent with the United States' obligations under the WTO Agreements.[25] Commerce then began proceedings under Section 129 of the Uruguay Round Agreements Act[26] to recalculate the original dumping margin for AT&M without the use of the zeroing

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[17] Panel Report, *United States – Use of Zeroing in Anti-Dumping Measures Involving Products from Korea*, WT/DS402/R, January 18, 2011, p. 1.

[18] *Ibid.*

[19] *Notice of Implementation of Determination Under Section 129 of the Uruguay Round Agreements Act and Revocation of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof From the Republic of Korea*, 76 FR 66892, October 28, 2011.

[20] *Ibid.*

[21] *Ibid.*

[22] *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 12–46 (Ct. Int'l Trade March 29, 2012); *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 11-137 (Ct. Int'l Trade November 3, 2011). The CIT remanded several aspects of Commerce's calculations for further consideration. *Diamond Sawblades Mfrs. Coalition v. United States*, Consol. Ct. No. 06-00248, Slip Op. 13-130 (Ct. Int'l Trade October 11, 2013).

[23] Panel Report, *United States – Anti-Dumping Measures on Certain Shrimp and Diamond Sawblades from China*, ¶¶ 2.4, 2.6, WT/DS422/R, June 8, 2012.

[24] AT&M is a group of affiliated companies treated as a single business unit for purposes of Commerce's calculations. The members of AT&M are: Advanced Technology & Materials Co., Ltd.; Beijing Gang Yan Diamond Products Co.; HXF Saw Co., Ltd.; AT&M International Trading Co., Ltd.; and Cliff International Ltd.

[25] *See Certain Frozen Warmwater Shrimp from the People's Republic of China and Diamond Sawblades and Parts Thereof from the People's Republic of China*, 78 FR 18958, March 28, 2013, notice of implementation of determinations under section 129 of the Uruguay Round Agreements Act and partial revocation of the antidumping duty orders.

[26] 19 U.S.C. 3538(b).

methodology, and as recalculated, AT&M's margin was zero.[27] Accordingly, effective March 13, 2013, Commerce revoked the antidumping duty order as it applied to AT&M.[28] Liquidation of certain imports of diamond sawblades from China were then enjoined by a March 28, 2013 order issued by the U.S. Court of International Trade. DSMC argued that AT&M was not entitled to a separate rate but instead should have received the PRC-wide rate. Commerce ultimately agreed, assigning to AT&M the 164.09 percent PRC-wide entity rate.[29] Commerce's decision to assign AT&M a PRC-wide entity rate was upheld on appeal to the Federal Circuit in October 2014.[30] In an administrative review of entries for the period November 1, 2009 through October 31, 2010, Commerce assigned a PRC-wide rate of 82.12 percent to AT&M in a remand determination issued on April 10, 2015.[31]

In an administrative review of entries of diamond sawblades from China for the period November 1, 2010 through October 31, 2011, Commerce assigned the AT&M entity the margin applicable to the PRC-wide entity of 82.05 percent.[32]

Commerce notified the CIT that it intends to issue liquidation instructions regarding the entries of diamond sawblades from China.[33] Commerce is also seeking a voluntary remand to reconsider its decision to revoke the order with respect to AT&M.[34]

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[27] *Ibid.* at 18959.

[28] *Ibid.* at 18960.

[29] *See Final Results of Redetermination Pursuant to Remand Order: Diamond Sawblades and Parts Thereof From the People's Republic of China* (May 6, 2013) at 3 n.8 (determining "respectfully … under protest" that AT&M is not eligible for a separate specific rate distinct from the PRC-wide rate). Commerce calculated in the most recently completed administrative review of the antidumping duty order on diamond sawblades from China a zero duty deposit rate for AT&M. *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2010-2011*; 78 FR 36166, June 17, 2013.

[30] *Advanced Technology & Materials Co. Ltd. v. United States*, 938 F.Supp. 2d 1342 (Ct. Int'l Trade 2013, *aff'd, Advanced Technology & Materials Co. Ltd. v. United States*, 581 Fed. Appx. 900 (Fed. Cir. 2014).

[31] *See Final Results of Redetermination Pursuant to Court Remand*, *Diamond Sawblades Manufacturers' Coalition v. United States*, No. 13-00078; Slip Op. 14-50 (Ct. Int'l Trade April 10, 2015). *See also* DSMC's posthearing brief, p. 105 and Exhibit 54.

[32] Final Remand Redetermination, Diamond Sawblades Manufacturers Coalition v. United States, Court No. 13-000241, Slip Op. 14-112, retrieved on July 24, 2015, http://enforcement.trade.gov/remands/index.html.

[33] Defendant's Notice Concerning The Status of Previously Enjoined Entries (June 24, 2015), CIT Ct. No. 09-511 Doc. 179.

[34] Defendant's Motion for Remand (April 17, 2015), CIT Ct. No. 13-168 Doc. 50.

RELATED INVESTIGATIONS

Diamond sawblades and parts thereof have not been the subject of any prior antidumping or countervailing duty investigations in the United States.

SUMMARY DATA

Table I-1a presents a summary of data for finished diamond sawblades from the original investigations and the current full five-year reviews, followed by a tabulation presenting historical data[35] for the intervening years 2006-11. Table I-1b presents a summary of data for diamond sawblade cores from the original investigations and the current full five-year reviews, followed by a tabulation presenting historical data[36] for the intervening years 2006-11.[37]

Table I-1a
Finished diamond sawblades: Comparative data from the original investigations and current review, 2003-05 and 2012-14

Item	Original investigations			First review		
	2003	2004	2005	2012	2013	2014
	Quantity (units)					
U.S. consumption quantity	4,464,299	6,065,126	6,756,839	8,554,105	8,214,959	9,103,835
	Share of quantity (percent)					
Share of U.S. consumption:						
U.S. producers' share	12.2	9.1	8.0	4.8	4.8	4.2
U.S. importers' share:						
China	23.7	32.3	41.1	78.8	67.0	51.5
Korea	37.5	35.3	34.0	10.8	13.1	13.8
All other sources	26.6	23.3	16.9	5.6	15.1	30.6
Non-China sources	64.1	58.6	50.9	16.3	28.2	44.3
Total imports	87.8	90.9	92.0	95.2	95.2	95.8

Table continued on next page.

[35] Not all U.S. producers and importers provided the requested historical data. Data presented are only for firms that reported data for each year during 2006-11.

[36] Not all importers provided the requested historical data. Data presented are only for firms that reported data for each year during 2006-11.

[37] Comparative data for diamond sawblade segments are not presented because of the small commercial sales market for this product. For a discussion of the size of the commercial market for diamond sawblade segments, see p. III-1, fn. 1 of this report.

Table I-1a--*Continued*
Finished diamond sawblades: Comparative data from the original investigations and current review, 2003-05 and 2012-14

Item	Original investigations			First review		
	2003	2004	2005	2012	2013	2014
	Value (1,000 dollars)					
U.S. consumption	184,719	205,592	214,939	150,150	142,819	154,989
	Share of value (percent)					
Share of U.S. consumption:						
U.S. producers' share	61.9	54.3	51.9	51.1	49.6	44.1
U.S. importers' share:						
China	7.5	11.0	14.3	29.7	23.8	22.9
Korea	20.3	23.7	25.7	10.5	13.3	12.8
All other sources	10.3	10.9	8.1	8.8	13.3	20.2
Non-China sources	30.6	34.6	33.8	19.2	26.6	32.9
Total imports	38.1	45.7	48.1	48.9	50.4	55.9
	Quantity (units); value (1,000 dollars); and unit value (dollars per unit)					
U.S. importers' U.S. shipments of imports from						
China:						
Quantity	1,057,497	1,960,114	2,772,961	6,744,474	5,503,757	4,683,946
Value	13,850	22,565	30,769	44,577	33,964	35,466
Unit value	$13.10	$11.51	$11.10	$6.61	$6.17	$7.57
Korea:						
Quantity	1,673,469	2,139,437	2,298,931	920,779	1,078,534	1,252,064
Value	37,406	48,821	55,308	15,692	18,986	19,766
Unit value	$22.35	$22.82	$24.06	$17.04	$17.60	$15.79
All other sources:						
Quantity	1,186,710	1,412,611	1,144,473	477,519	1,238,178	2,783,617
Value	19,090	22,473	17,356	13,169	18,975	31,290
Unit value	$16.09	$15.91	$15.17	$27.58	$15.32	$11.24
Non-China sources:						
Quantity	2,860,179	3,552,048	3,443,404	1,398,298	2,316,712	4,035,681
Value	56,496	71,294	72,664	28,861	37,961	51,056
Unit value	$19.75	$20.07	$21.10	$20.64	$16.39	$12.65
All countries:						
Quantity	3,917,676	5,512,162	6,216,365	8,142,772	7,820,469	8,719,627
Value	70,346	93,589	103,433	73,438	71,925	86,522
Unit value	$17.96	$17.03	$16.64	$9.02	$9.20	$9.92

Table continued on next page.

Table I-1a--*Continued*
Finished diamond sawblades: Comparative data from the original investigations and current review, 2003-05 and 2012-14

Item	Original investigations			First review		
	2003	2004	2005	2012	2013	2014
	Quantity (units); value (1,000 dollars); and unit value (dollars per unit)					
U.S. industry:						
Capacity (quantity)	949,241	968,584	1,005,141	584,800	635,877	532,347
Production (quantity)	593,461	598,197	589,526	417,048	426,620	393,953
Capacity utilization (percent)	62.5	61.8	58.7	71.3	67.1	74.0
U.S. shipments:						
Quantity	546,623	552,964	537,474	411,333	394,490	384,208
Value	114,373	111,733	111,505	76,712	70,894	68,376
Unit value	$209.24	$202.06	$207.46	$186.50	$179.71	$177.97
Ending inventory	139,573	146,389	164,632	146,012	153,964	145,681
Inventories/total shipments	24.4	25.3	29.2	33.2	36.8	36.1
Production workers	482	477	480	262	263	276
Hours worked (1,000)	980	954	926	515	541	543
Wages paid (1,000 dollars)	14,607	14,505	15,112	8,726	8,773	9,120
Hourly wages	$14.90	$15.20	$16.32	$16.94	$16.22	$16.80
Productivity (units per 1,000 hours)	552.5	574.4	595.7	809.8	788.6	725.5
Financial data:						
Net sales:						
Quantity	570,620	581,124	568,262	384,689	383,276	370,892
Value	117,409	115,144	114,618	72,422	70,302	68,014
Unit value	$205.76	$198.14	$201.70	188.26	183.42	183.38
Cost of goods sold	70,071	69,861	70,012	43,407	41,097	41,602
Gross profit or (loss)	47,338	45,282	44,607	29,015	29,205	26,412
SG&A expense	34,650	33,046	32,543	18,835	18,439	19,339
Operating income or (loss)	12,688	12,236	12,064	10,180	10,766	7,073
Unit COGS	$122.80	$120.22	$123.20	$112.84	$107.23	$112.17
Unit operating income	$22.24	$21.06	$21.23	$26.46	$28.09	$19.07
COGS/ sales (percent)	59.7	60.7	61.1	59.9	58.5	61.2
Operating income or (loss)/sales (percent)	10.8	10.6	10.5	14.1	15.3	10.4

Note.—For 2012-14, import data are provided rather than shipments of imports.

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

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Table I-1b
Diamond sawblade cores: Comparative data from the original investigations and current review, 2003-05 and 2012-14

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STATUTORY CRITERIA AND ORGANIZATION OF THE REPORT

Statutory criteria

Section 751(c) of the Act requires Commerce and the Commission to conduct a review no later than five years after the issuance of an antidumping or countervailing duty order or the suspension of an investigation to determine whether revocation of the order or termination of the suspended investigation "would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury."

Section 752(a) of the Act provides that in making its determination of likelihood of continuation or recurrence of material injury--

> *(1) IN GENERAL.-- . . . the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account--*
>
> *(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,*
>
> *(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,*
>
> *(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and*
>
> *(D) in an antidumping proceeding . . ., (Commerce's findings) regarding duty absorption . . ..*
>
> *(2) VOLUME.--In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including--*
>
> *(A) any likely increase in production capacity or existing unused production capacity in the exporting country,*
>
> *(B) existing inventories of the subject merchandise, or likely increases in inventories,*
>
> *(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and*
>
> *(D) 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.*

(3) PRICE.--In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether--

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and

(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

(4) IMPACT ON THE INDUSTRY.--In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to–

(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

(C) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.

The Commission shall evaluate all such relevant economic factors . . . within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.

Section 752(a)(6) of the Act states further that in making its determination, "the Commission may consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved, the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement."

Organization of report

Information obtained during the course of the review that relates to the statutory criteria is presented throughout this report. A summary of trade and financial data for diamond sawblades and parts thereof as collected in the review is presented in appendix C. U.S. industry data are based on the questionnaire responses of eight U.S. producers of finished diamond sawblades, producers that are believed to have accounted for a large majority of domestic production of finished diamond sawblades in 2014, and of the only U.S. producer of diamond sawblade cores. U.S. import data and related information are based on questionnaire responses of 26 U.S. importers of finished diamond sawblades and parts thereof. U.S. importers' questionnaire data accounted for approximately 89.4 percent of the quantity of U.S. imports from China in 2014, and 82.8 percent of the value; approximately 78.7 percent of the quantity

of U.S. imports from Korea in 2014 and 76.2 percent of the value; and, approximately 94.0 percent of the quantity of U.S. imports from all other sources in 2014 and 94.4 percent of the value. U.S. importer information is augmented with *** data. Foreign industry data and related information are based on the questionnaire responses of three producers of finished diamond sawblades and parts thereof, responses accounting for approximately half of the value of exports from China to the United States. Responses by U.S. producers, importers, purchasers, and foreign producers of diamond sawblades and parts thereof to a series of questions concerning the significance of the existing antidumping and countervailing duty orders and the likely effects of revocation of such orders are presented in appendix D. Appendix E presents the results of Commerce's administrative reviews, appendix F presents U.S. producers' and importers' shares of shipments data, and appendix G presents additional pricing data, including sales to related parties.

COMMERCE'S REVIEWS

Administrative reviews[38]

Commerce has completed four administrative reviews of the outstanding antidumping duty order on diamond sawblades and parts thereof from China. Commerce rescinded two new shipper reviews in January 2011 and April 2011—therefore both shippers were covered by the country-wide margin rate of 164.09 percent.[39] The final results of the administrative reviews are shown in table I-2.

[38] Commerce has not issued any duty absorption findings with respect to diamond sawblades and parts thereof from China. *Source: Memorandum from Christian Marsh to Paul Piquado: Issues and Decision Memorandum for the Final Results of Expedited First Sunset Review of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof from the People's Republic of China* (March 4, 2015), p. 5.

[39] *Diamond Sawblades and Parts Thereof From the People's Republic of China (PRC): Rescission of Antidumping Duty New-Shipper Review*, 76 FR 4634, January 26, 2011; *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Rescission of Antidumping Duty New Shipper Review*, 76 FR 20317, April 12, 2011.

Table I-2
Diamond sawblades and parts thereof: Final results of administrative reviews of the antidumping duty order for China

Date results published	Date(s) of amended final results published	Period of review	Number of producers or exporters[1]	Margin (percent)
February 15, 2013 (78 FR 11143)		01/23/2009 – 10/31/2010	5	0.15
			27	9.55
			PRC-wide rate	164.09
June 17, 2013 (78 FR 36166)	July 18, 2013 (78 FR 42930)	11/01/2010 – 10/31/2011	20	0.00[2]
			PRC-wide rate	164.09[2]
June 24, 2014 (79 FR 35723)		11/01/2011 – 10/31/2012	1	4.65
			19	4.83
			1	5.06
			PRC-wide rate	164.09
June 8, 2015, 2015 (80 FR 32344)		11/01/2012 – 10/31/2013	1	1.51
			24	2.34
			1	3.35
			PRC-wide rate	82.05

[1] Appendix E lists the names of individual producers/exporters.
[2] The U.S. Department of Commerce made "ministerial error" and therefore for 20 firms the margins were determined to have a 0.00 percent margin; rates for other separate-rate recipients and the PRC-wide entity rate remained the same as in the prior final administrative review.

Source: Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2009–2010, 78 FR 11143, February 15, 2013; *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2010–2011*, 78 FR 36166, June 17, 2013; *Diamond Sawblades and Parts Thereof From the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review; 2010–2011*, 78 FR 42930, July 18, 2013; *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011–2012*, 79 FR 35723, June 24, 2014; and *Diamond Sawblades and Parts Thereof From the People's Republic of China; Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 32344, June 8, 2015.

Before the antidumping duty order on Korea was revoked, Commerce completed two administrative reviews of the antidumping duty order on diamond sawblades and parts thereof from Korea (table I-3).[40]

Table I-3
Diamond sawblades and parts thereof: Final results of administrative reviews of the antidumping duty order for Korea

Date results published	Date(s) of amended final results published	Period of review	Manufacturer/Exporter	Margin (percent)
February 20, 2013 (78 FR 11818)		01/23/2009 – 10/31/2010	Ehwa Diamond Industrial Co., Ltd.	11.90
			Hyosung Diamond Industrial Co., Ltd, Western Diamond Tools Inc., and Hyosung D&P Co., Ltd.	120.90
			Shinhan Diamond Industrial Co., Ltd. and SH Trading, Inc.	3.76
June 18, 2013 (78 FR 36524)	August 1, 2013 (78 FR 46569)	11/01/2010 – 10/23/2011[1]	Ehwa Diamond Industrial Co., Ltd.	0.00[1]
			Hyosung Diamond Industrial Co., Ltd, Western Diamond Tools Inc., and Hyosung D&P Co., Ltd.	120.09
			Shinhan Diamond Industrial Co., Ltd. and SH Trading, Inc. (collectively Shinhan)	0.00

[1] Effective October 24, 2011, Commerce revoked the antidumping duty order on diamond sawblades and parts thereof from Korea.

Source: Diamond Sawblades and Parts Thereof From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, 2009–2010, 78 FR 11818, February 20, 2013; *Diamond Sawblades and Parts Thereof From the Republic of Korea: Final Results of Antidumping Duty Administrative Review, 2010–2011*, 78 FR 36524, June 18, 2013; and *Diamond Sawblades and Parts Thereof From the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2010–2011: Amended Final Results*, 78 FR 46569, August 1, 2013.

Changed circumstances reviews

Commerce has conducted two changed circumstances reviews with respect to diamond sawblades from China. In October 2011, Commerce determined that Hebei Husqvarna JV—a joint venture of Husqvarna Holding AB and Hebei Jikai of China formed in September 2006—

[40] For previously reviewed or investigated companies not included in an administrative review, the cash deposit rate continues to be the company-specific rate published for the most recent period.

was not a successor-in-interest of Hebei Jikai.[41] Therefore, exports by Hebei Husqvarna JV of subject diamond sawblades would be subject to the PRC-wide antidumping duty order rate of 164.09 percent. Subject merchandise both produced and exported by Hebei Jikai would be subject to a LTFV investigation rate of 48.5 percent. The second review was related to the same companies. In August 2013, Commerce determined that Husqvarna (Hebei) Co., Ltd., was the successor-in-interest to Hebei Husqvarna Jikai Diamond Tools Co., Ltd.[42] Therefore, Commerce ruled that the company should receive the cash deposit rate previously assigned to Hebei Husqvarna Jikai Diamond Tools Co., Ltd. in the most recently completed review.

Scope inquiry reviews

Commerce made determinations in several scope rulings. During the course of its original antidumping duty investigations, Commerce determined that the scope of these investigations includes both (1) concave and convex cores, and finished diamond sawblades produced from such cores, and (2) diamond 1A1R grinding wheels and granite contour diamond sawblades.[43] Commerce also affirmed that the Rockwell C hardness threshold contained in the scope of the investigation applies only to cores, and not to finished diamond sawblades. The term ''sawblade'' is defined as those products that meet the 1A1R specification, where the segment thickness is larger than the thickness of the core. In February 2012, Commerce ruled that certain rescue/demolition blades produced by Gang Yan Diamond Products, Inc., were not within the scope of the antidumping duty order.[44]

[41] *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results and Termination, in Part, of the Antidumping Duty Changed Circumstances Review*, 76 FR 64898, October 19, 2011.

[42] *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Changed Circumstances Review*, 78 FR 48414, August 8, 2013.

[43] *Diamond Sawblades and Parts Thereof from the People's Republic of China and the Republic of Korea: Antidumping Duty Orders*, 74 FR 57145, November 4, 2009.

[44] *Notice of Scope Rulings*, 77 FR 9893, February 21, 2012.

Five-year review

In November 2014, Commerce initiated the current sunset review.[45] In March 2015, Commerce determined that revocation of the antidumping duty on diamond sawblades and parts thereof from China would likely lead to continuation or recurrence of dumping at weighted-average margins up to 164.09 percent.[46] Table I-4 presents the dumping margins calculated by Commerce in its original investigations and first review.

Table I-4
Diamond sawblades and parts thereof: Commerce's original and first five-year dumping margins for producers/exporters in China

Producer/exporter	Original margin (percent)	Five-year review margin (percent)
Advanced Technology & Materials Co., Ltd.	2.82	[1]
Bosun Tools Group Co., Ltd.	35.51	[1]
Hebei Jikai Industrial Group Co., Ltd.	48.50	[1]
Weihai Xiangguang Mechanical Industrial Co., Ltd.	21.43	[1]
Non-Selected Separate Rate Respondents	21.43	[1]
PRC-Wide Rate	164.09	164.09

[1] Commerce reported the final results of its sunset review as follows: "Pursuant to sections 752(c) of the Act, the Department determines that revocation of the antidumping duty order on diamond sawblades from the PRC would be likely to lead to continuation or recurrence of dumping at weighted-average margins up to 164.09 percent."

Source: Memorandum from Christian Marsh to Paul Piquado: Issues and Decision Memorandum for the Final Results of Expedited First Sunset Review of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof from the People's Republic of China (March 4, 2015). *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 80 FR 12797, March 11, 2015.

[45] *Initiation of Five-Year (''Sunset'') Review*, 79 FR 65186, November 3, 2014.

[46] *Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*, 80 FR 12797, March 11, 2015.

THE SUBJECT MERCHANDISE

Commerce's scope

Commerce has defined the scope of this review as follows:

> *The products covered by the order are all finished circular sawblades, whether slotted or not, with a working part that is comprised of a diamond segment or segments, and parts thereof, regardless of specification or size, except as specifically excluded below. Within the scope of the order are semifinished diamond sawblades, including diamond sawblade cores and diamond sawblade segments. Diamond sawblade cores are circular steel plates, whether or not attached to non-steel plates, with slots. Diamond sawblade cores are manufactured principally, but not exclusively, from alloy steel. A diamond sawblade segment consists of a mixture of diamonds (whether natural or synthetic, and regardless of the quantity of diamonds) and metal powders (including, but not limited to, iron, cobalt, nickel, tungsten carbide) that are formed together into a solid shape (from generally, but not limited to, a heating and pressing process).*
>
> *Sawblades with diamonds directly attached to the core with a resin or electroplated bond, which thereby do not contain a diamond segment, are not included within the scope of the order. Diamond sawblades and/or sawblade cores with a thickness of less than 0.025 inches, or with a thickness greater than 1.1 inches, are excluded from the scope of the order. Circular steel plates that have a cutting edge of non-diamond material, such as external teeth that protrude from the outer diameter of the plate, whether or not finished, are excluded from the scope of the order. Diamond sawblade cores with a Rockwell C hardness of less than 25 are excluded from the scope of the order. Diamond sawblades and/or diamond segment(s) with diamonds that predominantly have a mesh size number greater than 240 (such as 250 or 260) are excluded from the scope of the order.*[47]

Tariff treatment

The subject diamond sawblades and diamond sawblade cores are classifiable in the Harmonized Tariff Schedule of the United States ("HTS") under subheading 8202.39.00, circular saw blades (including slitting or slotting saw blades), and parts, other than with a working part of steel, with a general tariff rate of "free." Since the original investigations, the statistical reporting numbers have changed. From 2003 (the initial year in the data collection period in the final phase of the original investigations), through 2010, diamond sawblades and parts thereof

[47] *Memorandum from Christian Marsh to Paul Piquado: Issues and Decision Memorandum for the Final Results of Expedited First Sunset Review of the Antidumping Duty Order on Diamond Sawblades and Parts Thereof from the People's Republic of China* (March 4, 2015).

were statistically reported under HTS 8202.39.0000 (*i.e.*, circular sawblades other than with a working part of steel and parts). From the beginning of 2011 through 2014, diamond sawblades and parts were reported under HTS 8202.39.0010 (*i.e.*, circular sawblades with diamond working parts).[48] Beginning in 2015, the diamond sawblades are reported under HTS 8202.39.0010 (i.e., circular sawblades with diamond working parts), and HTS 8202.39.0040 (*i.e.*, diamond sawblade cores). Diamond sawblades included in certain sets of tools and packaged for retail sale are classified in HTS heading 8206.00.00, covering tools classifiable in two or more of headings 8202 to 8205, put up in sets for retail sale. The tariff rate is that of the article in the set with the highest rate of duty.

Segments for diamond sawblades are classified under HTS subheading 6804.21.00, other millstones, grindstones, grinding wheels and the like of agglomerated synthetic or natural diamond, with a tariff rate of "free."[49] Effective January 1, 2015, HTS statistical reporting number 6804.21.0010 (i.e., segments for circular sawblades, consisting of diamond agglomerated with metal) was created, thus capturing U.S. import data on diamond sawblade segments.

THE PRODUCT

Description and applications[50]

Diamond sawblade components

Diamond sawblades are circular cutting tools composed of two fundamental components: an inner steel core and a cutting edge of diamond crystals and metallic bonding material. The metal core generally is made of very high quality, treated, hardened alloy steel plate or sheet. The alloy steel plate or sheet is laser cut to the approximate diamond core diameter. The core has an arbor (i.e., a hole for the sawing machine's spindle) in its center and may have a drive pin hole to assist in securing the diamond sawblade to the saw. The core may have slots, or "gullets," cut into the core's edge resulting in a segmented blade. The area of the blade between the slots is called the landing. Slot designs are available in a variety of forms, including straight, keyhole, wide, laser, V-slots, angled slots, or customer specified. The different-shaped gullets improve water and air flow around the periphery of the core and assist in dissipating heat and slurry. A core without slots will resulted in a blade called a continuous rim blade.

The cutting edge of diamond crystals and metallic bonding may take different forms. This cutting edge is a mixture of diamond crystals, usually synthetic, and metal powders, known

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[48] Several large importers, including ***, reported that they only entered finished diamond sawblades under HTS 8202.39.0010. Email from ***, May 6, 2015.

[49] Customs and Border Protection, Customs Ruling Letter HQ 952587, January 26, 1993.

[50] Except as noted, information in this section taken from *Diamond Sawblades and Parts Thereof from China and Korea, Invs. Nos. 731-TA-1092-1093 (Final)*, USITC Publication 3862, July 2006, pp. I-6-12.

as a “bond matrix,” to attach the diamonds to the core. The diamond crystals are typically synthetic diamonds of various grades of quality and thus cost. ***[51] Low quality diamonds are weaker crystals with an irregular shape that results in crystal breakage and thus faster wear and lower cutting rates. There are medium quality crystals with better crystal strength and shape resulting in better performance. Then high quality crystals that are strong, have more uniform shapes, and withstand high temperatures. The metal bond/matrix is made of metal powders of cobalt, iron, tungsten, carbide, copper, and other materials.

This diamond/metallic bond matrix is applied or attached to the core in the form of form either small blocks called segments or continuous band. Segments are essentially baked blocks of the diamond/metallic bond matrix that are either welded or soldered to the core. As segment for laser welding has two layers, one with diamond crystals in the metallic bond/matrix, and one of the metallic bond/matrix without diamonds. Segments are produced in different heights. The area with the diamonds is called the diamond depth and the area without the diamonds is called the backer pad. This pad layer allows for a clean weld of the segment to the core without diamond crystals inferring with the bonding of metal to metal. Segments that are soldered to a core may not have a backer pad. The continuous band of the matrix is attached by baking that layer onto the core.

The attached diamond/metallic bond is wider than the core to permit the leading edge to penetrate the material without the core rubbing against it and to discourage blade binding. The diamond segments are designed specifically to wear at a rate appropriate to the material being cut. Large particles of soft, abrasive materials wear down the matrix faster than the small particles removed from hard dense materials. Consequently, softer, more abrasive materials require a “tough to wear” (hard) bond; less abrasive materials require an “easy wear” (soft) bond. The cutting edge of the diamond segments is designed to expose additional diamond as the blade is consumed.

Finished diamond sawblades

Diamond sawblades typically range in size from 4 inches to 70 inches in diameter. Many diamond sawblades in the 10-to-14 inch diameter category are considered “mid-range” sized blades. Diamond sawblades greater than 20 inches typically referred to as larger blades. Finished sawblades may be categorized by (1) the physical attributes of the finished blade; (2) the physical attributes of the diamond section; and (3) the method of joining the core to the diamond segments. These attributes and characteristics in turn affect the application, the grade, and price of the finished sawblades. The principal physical characteristics of the blade are whether the cutting surfaces are “segmented rim” or “continuous rim” (figure I-1).

[51] ***.

Figure I-1
Diamond sawblades: Typical cutting surfaces (continuous rim, segmented rim) and segments

Source: Dimas, found at http://dimasusa.com and Shanghai Deda Industry and Trading Co., Ltd, found at http://dedadiamond.en.alibaba.com/.

The principal characteristics of a diamond section are the strength of the bonding matrix and the concentration of diamonds. The bonding matrix has several functions, including: (1) dispersing and supporting the diamonds; (2) controlling wear while allowing diamonds to protrude; (3) keeping diamonds in the bond matrix so there is no diamond "pull-out"; (4) acting as a heat sink; and (5) distributing impact and load when the diamonds strike the cutting surface. Both the concentration, quality, and size of diamonds in the sawblade segments and the composition of the bond matrix determine the application, grade, and the price, because more diamonds in a stronger bond matrix translates into better cutting qualities, and hence a higher grade rating, ability to cut harder materials, and higher price in part because of higher material costs.

The method of attachment of the diamond segments to the sawblade core is also a key characteristic of finished diamond sawblades. Segments are either sintered, soldered/brazed, or laser welded onto the core. For sintered blades, a mixture of diamonds and matrix bond of metal powders is baked onto the sawblade core. Diamond sawblades with segments that are soldered/brazed to the core are blades that must be used in a "wet" cutting process, with a fluid lubricating and cooling the blade during cutting. If such a blade is used in a "dry" cutting process, heat generated by the cutting action will melt the solder used to attach the segments to the core. Diamond sawblades that have segments laser welded to the core are stronger, have few failure rates, and are more reliable than sintered sawblades.

Diamond sawblades are marketed by a quality or grade level within a given diameter size and application purpose. Factors that affect quality and therefore price include: (1) diamond quality; (2) diamond concentration; (3) type of sintering process used to produce segments; (4) number of segments on the blade; (5) segment height and diamond depth; (6) diamond grit size; (7) steel core quality and structure; (9) metal powder used to produce the segment; and (9) the presence of slots or gullets.[52] Manufacturers and sellers of blades will also use colors (paint or decals) to designate the quality levels of the blade.

[52] Husqvarna's posthearing brief, Part II, pp. 1-2 and p. 6.

Applications

Diamond sawblades have numerous functions and applications for cutting concrete, asphalt, masonry (brick, block, pavers, etc.), tile, refractory, stone (marble, granite, and other rock), ceramics, and glass. Diamond sawblades also are used to groove road, highway, and airport runway surfaces to give them antiskid characteristics. End users select different diamond sawblades based upon the material being cut. For example, a blade for cutting soft, abrasive material must have a strong bonding matrix to resist erosion of the blade, while a blade for cutting hard material must have a weaker bond matrix to expose more diamonds for cutting.

Diamond sawblades, as noted above, are used to cut concrete, asphalt, masonry (brick, block, pavers, etc.), tile, refractory, stone (marble, granite, and other rock), ceramics, and glass. However, diamond sawblades typically are not used to cut metal.[53]

In selecting a diamond sawblade, end-users may consider the material to be cut, the cutting method—"dry" where the blade is cooled by air or "wet" where the blade is cooled by water—the equipment being used, the depth of cut required, and the size of the job.[54] As discussed above, a blade for cutting soft, abrasive material must have a strong bonding matrix to resist erosion of the blade, while a blade for cutting hard material must have a weaker bond matrix to expose more diamonds for cutting. Also, a high horsepower saw may require stronger bonds and a higher diamond concentration, and a lower horsepower saw may require softer bonds and lower diamond concentration.[55] Based on these considerations, the end-user will choose a diamond sawblade with the desired diameter of the blade; grade quality level; segment width, depth, and style; and slot configuration.

Geographic location can be a factor in many applications because regional stone aggregates used in construction and roads vary throughout the United States.[56] For example, the basic aggregates along much of the coast of the U.S. Mid-Atlantic, the Northeast, and northern California are medium hard and include granite, slate, traprock, basalt, and quartzite. In contrast, in Illinois, Indiana, Michigan, Ohio, and Wisconsin, the aggregates include pit gravel, limestone, and dolomite.[57]

Diamond sawblade applications are diverse and not easy to categorize. Some U.S. diamond sawblade producers catalog their diamond sawblades by the types of material to be cut, and may list the relevant cutting equipment to be used with the blade. In contrast, Husqvarna lists major applications centered around its sawing machinery and related diamond sawblades.[58] These application categories are: (1) wall sawing; (2) flat sawing; (3) early entry

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[53] Ibid.

[54] Diamond Vantage, *Product Catalog, 11th Edition*, 2014. http://home.diamondvantage.com/user_images/dv_listpricing.pdf (accessed July 1, 2015).

[55] Diamond Products, *2015 Master Catalog*, 2015, p. 169.

[56] Hearing transcript, p. 130 (Noeth).

[57] Diamond Products Limited, "Aggregate Map U.S. & Canada," *2015 Master Catalog*, p. 8.

[58] Husqvarna, *Product catalogue 2014, Construction Products*, undated, p. 5.

(*continued*...)

saws; (5) handheld power cutting; (6) diamond tools for angle grinders; and (7) masonry and tile.[59]

Wall sawing involves cutting doors, windows, or ventilation apertures in buildings. These are electrically or hydraulically-powered saws mounted on a track system attached to the wall to move vertically or horizontally. Diamond sawblades used in these saws are used to cut steel reinforced concrete and brick. These blades can range in diameter from 18 inches to 72 inches.[60]

Flat sawing pertains to cutting floors, driveways, parking lots, roads, runways, old and new concrete, and asphalt.[61] For large jobs such as airports, highways, and other projects, the sawing machine is self-propelled and is powered by a diesel engine. The diamond sawblade diameter may reach 72 inches with a depth of cut of 32 inches.[62] For medium to smaller jobs, the machine is likely to be manually-guided and powered by a gasoline engine, with sawblades that may reach 26 inches.[63] For small jobs, such as small road repair, trenches for pipe laying, expansion joints in concrete floors, the sawblade may range in diameter from 14 inches to 20 inches.[64]

Early entry saws are for cutting joint lines in green concrete (i.e., finished concrete that is 6 to 12 hours old) to prevent concrete stresses that would result in random cracking of the concrete as it dries.[65] Early entry sawing is performed on green concrete ranging from residential and light commercial sites to commercial and industrial paving sites to highways, runways, and large commercial sites. In cutting green concrete, the diamond sawblade rotates through a slot in a metal plate, called a skid plate, that prevents the concrete from ripping out

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(…*continued*)
http://www.husqvarna.com/files/Construction/ss/marketing/Catalouge%202014/HCP_Catalogue_2014_INT.pdf (accessed July 23, 2015). Substantive Response of Husqvarna, January 2, 2014, p. 11-12.

[59] Husqvarna's diamond sawblades for most if not all of these applications, including size ranges and prices, are shown in Husqvarna's posthearing brief, Exhibit 3.

[60] Diamond Products, *2015 Master Catalog*, 2015, pp. 26–27.

[61] Husqvarna, *Product catalogue 2014, Construction Products*, undated, p. 67.
http://www.husqvarna.com/files/Construction/ss/marketing/Catalouge%202014/HCP_Catalogue_2014_INT.pdf (accessed July 23, 2015).

[62] Diamond Products, *2015 Master Catalog*, 2015, p. 215.

[63] Diamond Products, *2015 Master Catalog*, 2015, p. 196.

[64] Diamond Products, *2015 Master Catalog*, 2015, p. 190.

[65] Husqvarna has a patented system for cutting control joints in green concrete called Soff-Cut. Husqvarna acquired the technology when it purchased Soff-Cut, Corona, California, a leading U.S. producer of the early-entry technology on diamond sawblades, in June 2007. Husqvarna's posthearing brief, Exhibit 4, "Husqvarna's 2014 Construction Products Catalog," pp. 290–291. Husqvarna, "Husqvarna acquires Soff-Cut, a US producer of concrete saws," June 5, 2007. http://news.cision.com/husqvarna-ab/r/husqvarna-acquires-soff-cut--a-us-producer-of-concrete-saws,c282122 (accessed June 22, 2015). However, DSMC contends that many of Husqvarna's patents have expired. DSMC's posthearing brief, Exhibit 13.

position on the up-cutting rotation. Early entry blades typically range in diameter from 6 inches to 14 inches.[66] Two or three blades may be ganged together to cut very wide joints.

Handheld power cutting covers cutting of floors and walls, building blocks, cast concrete pipe, and grooves for expansion joints and crack repair. These are typically handheld circular saws and are either gasoline, hydraulic, pneumatic, or electric powered. The blade diameter typically ranges from 12 inches to 18 inches.[67]

Angle grinders are hand held power tools, usually electrically powered. This category includes right angle grinders, side grinders, and tuck point grinders. Angle grinders with diamond sawblades are used in small jobs such as for fast cutting of general purpose concrete or asphalt.[68] They are also used for repairing cracks in concrete. Angle grinders and specially made tuck point grinders are used in removing old mortar from brick walls that are then repointed with new mortar. Tuck point diamond sawblades may come in configurations of either two or three blades layered together to form a thick blade in order to match the width of the mortar joint. Angle grinders typically use blades that are 4 inches or so and 7 inches in diameter.

Lastly, saws mounted on tables, called table saws, are typically used to cut masonry and tile. This category also includes sawing machines for cutting construction blocks. Materials cut include porcelain and ceramic tiles, granite, marble concrete, brick, and other abrasive materials. Typically the diamond sawblade is cooled with water for cutting these materials. Continuous rim diamond sawblades are typically used to give a smooth cut to the masonry or tile. These blades may range in diameter from 4 inches to 14 inches.[69] Diamond sawblades on sawing machines for cutting block may range up to 24 inches in diameter.[70]

Manufacturing processes

Diamond sawblades are manufactured by assembling a diamond sawblade core and attaching the diamond segments. There have not been major changes in either the technology and manufacturing processes of diamond sawblades since the original investigation.[71] *** stated that the technology of producing diamond sawblades is in the production of diamond segments and not the assembly of diamond sawblades.[72]

There are three major methods of attaching the diamond cutting surfaces: laser-welding, soldering (or brazing), and sintering. In U.S. production laser-welding is the dominant method of attaching segments to cores. The remainder of U.S. production is accomplished

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[66] Diamond Products, *2015 Master Catalog*, 2015, pp. 64–65.

[67] Diamond Products, *2015 Master Catalog*, 2015, p. 236.

[68] Husqvarna's posthearing brief, Exhibit 4. Diamond Products, *2015 Master Catalog*, 2015, pp. 50–51.

[69] Diamond Products, *2015 Master Catalog*, 2015, pp. 68–69.

[70] Diamond Products, *2015 Master Catalog*, 2015, pp. 176–177.

[71] Response to Notice of Institution, Saint-Gobain, January 2, 2014, p. 13.

[72] ***.

using soldering. Sintering is no longer used in U.S. production.[73] Sintering was used minimally at the time of the original investigations.[74] However, sintering is a production method widely used by producers outside the United States for their exports to the United States and elsewhere.

These three methods of attachment of segments to cores correlate somewhat to diamond sawblade diameter size. For blades that are 14 inches in diameter and under, sintering is a widely used production method, with some laser-welding and soldering. Laser-welding is substantially used in producing sawblades that are 14 inches in diameter and greater, followed by soldering. U.S. production of diamond sawblades less than 12 inches in diameter is limited but does occur.[75]

The manufacturing processes for producing laser-welded and soldered diamond sawblade sawblades, including their components (i.e., cores and segments), are discussed below. The manufacturing processes for sintered blades follows.

Diamond sawblade cores

Diamond sawblade producers purchase either or both domestically produced or imported diamond cores. The cores are cut from heat-treated alloy steel plate or sheet. The cut shapes go through a number of heating and quenching steps, as well as steps to create a surface on which the segments are attached. An arbor is drilled or reamed in the core. The core is then tensioned on a roll tensioner to reduce the stresses of centripetal force so that the blade will spin perpendicular to the spindle of a sawing machine. In the case of slotted (segmented) blades, radial slots (also called "gullets") are cut out from the outer diameter of the core to facilitate the attachment of the diamond segments through a bonding process. The outer diameter edge of the core is ground on a grinding machine to customer specifications so that the core is truly round.

Diamond segments

Diamond segments are first produced by mixing the desired metal bonds/matrix mixes. According to *** metal bonds/matrix mixes are proprietary across the industry.[76] The necessary metal powders are combined in mixers and stored as needed. Then the needed quantities of the desired metal bond/matrix and the diamonds of the required level of quality are selected. The next step is forming the segments in a cold press. The press has two hoppers—one for the

[73] Hearing transcript, p. 131 (Noeth).

[74] Sintering accounted for less than *** percent of U.S. producers' commercial U.S. shipments in 2005. *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093*, staff report, June 5, 2006, table III-6, p. III-11.

[75] Hearing transcript, p. 140 (Noeth); p. 49 (Jedick); pp. 47 and 52 (Baron) and clarifying Mr. Baron's testimony, DSMC's posthearing brief, Exhibit 1, p. 115.

[76] ***.

metal bond/matrix without diamonds, and the other for the mixture with diamonds. The powder mixtures are then injected into a mold so that there will be a segment of two layers—one layer of solely metal bond/matrix for the backer pad and the other with diamonds for doing the cutting. The powder mixture layers are pressed under pressure to form a segment, which is then popped out of the mold.

To complete the formation of the segment, the cold-pressed segments are inserted into molds that are put into hot presses to sinter the metal bonds/matrix and diamonds into a unified whole. The press applies both heat and pressure to the segments. Once formed, the segments are cooled and deburred. The backer side is machined for a precise fit with the core. The segments are inspected for material integrity, shape, and balance.

Laser-welded and soldered/brazed finished diamond sawblades

Finished diamond sawblades are produced by attaching segments to the core. Before attaching the segments, the diamond core is checked for balance. The core will undergo a slight grinding to ensure proper outer diameter dimension, and be tension-checked to ensure the blade performs at the revolution speed that was originally specified.

Laser-welded blades are produced by welding the segments to the core blade using an industrial laser. Machines for laser-welding may be operated either manually when accomplishing low volume production runs or in a semi-automatic mode for large volumes of the same blade. In the semi-automatic mode, a core is automatically picked up from a stack, loaded onto the welding fixture. Segments from a feeder are automatically positioned onto the core and welded. Once all the segments are welded the blade is ejected, and the process repeats.

Advantages of laser-welded diamond sawblades include substantial automation of the production process, strong welding adhesion between the segment and the alloy steel core, and greater stability under high temperature. However, according to ***, laser welding machines use *** gases in powering the laser head, which is a consumable, and the power heads eventually wear out.[77]

Laser welding is generally used to produce segmented blades for dry-cutting applications. This process is particularly suited for producing the type of blades that would be found in hand-held saws used by masonry and brick contractors.

Soldered or brazed blades are produced by soldering or brazing the segments onto the landings that protrude from the core. A segment is placed on a length of silver solder that in turn has been placed on a landing on the core. The solder this then heated thus fusing the segment to the core.[78] ***.[79]

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[77] ***.

[78] Dixie Diamond Manufacturing, *DDM, Dixie Diamond Training Manual*, undated. dixiediamond.com/media/training%20manual.pdf (accessed July 16, 2015).

[79] ***.

At ***, machines for producing soldered diamond sawblades would be ***[80] ***.[81] At ***.[82]

The final steps of manufacturing include tensioning, inspection, finishing, painting, and packaging. After the segments are attached the core, the blades are tensioned to make the blade run straight on the sawing machine. The blades may be tensioned using a hammer by hand or on a roll tensioning machine. Blades may be either painted or decal labels may be applied. The labeling and packaging is a manual process as there are many different types of diamond sawblades produced and firms may manufacture blades for private labels.

Some U.S. producers and resellers of diamond sawblades offer repair or re-tipping services (i.e., replacing all old segments with new segments). ***.[83]

Sintered blades

Sintered blades are produced by pressing the diamond/metal bonding mixture onto the core, and then heat-treating the entire blade.[84] There are two methods reportedly used to manufacture sintered diamond sawblades, hot press and cold press.[85] The most widely used is the hot press. The cores are feed into the machine as well as the diamond metal bond mixture, the machine closes with the cores, deposits diamond mixture on both sides of the core, and the mixture is pressed onto the core under heat and pressure, thereby sintering the diamond/metal bonding mixture to the blade. The cold press requires that the diamond/metal bonding mixture be deposited onto the core, then moved to a kiln where it is sintered.

Frequently, the term "sintered" blade is used to refer to continuous rim blades because sintering is the most efficient means of producing continuous rim blades. Sintered blades are more commonly produced in smaller sizes for less specialized applications. Larger sized

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[80] ***.

[81] ***.

[82] ***.

[83] ***.

[84] There are no U.S. producers currently producing sintered diamond sawblades. The prehearing report included data showing shipments of U.S.-produced sintered diamond sawblades in 2014. *Investigation No. 731-TA-1092 (Review): Diamond Sawblades and Parts Thereof from China—Prehearing Report*, table I-11, June 3, 2015. ***. In the original investigations, in 2005, sintered diamond sawblades accounted for *** percent of U.S. producers' commercial U.S. shipments. *Investigations Nos. 731-TA-1092-1093 (Final): Diamond Sawblades and Parts Thereof from China and Korea—Staff Report*, table III-6, June 5, 2006.

[85] Wang, Hanjiang, "The Differences between Cold Press and Hot Press in the Manufacture of Diamond Tools," Diamond Blade Select, September 10, 2009.

http://www.diamondbladeselect.com/knowledge/thedifferencesbetweencoldpressandhotpressinthemanufactureofdiamondtools/#more508 (accessed July 15, 2015).

diamond sawblades typically are not produced using the sintering production method because the heat treatment process weakens the core and the integrity of the product. Table I-5 presents the size of commercial shipment based on the method of attaching segments and segmented or continuous blade.

Table I-5
Finished diamond sawblades: U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by blade diameter and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Value (1,000 dollars)						
U.S. producers' U.S. commercial shipments.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	419	2,709	4,100	13,924	17,142	29,642	67,936
Commercial U.S. shipments of imports from China.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	17,482	3,919	1,426	14,847	1,627	2,668	41,969
Commercial U.S. shipments of imports from Korea.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	6,925	3,145	1,531	6,063	5,073	676	23,413
Commercial U.S. shipments of imports from all other sources.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	9,732	3,183	1,117	10,273	9,150	2,745	36,200

Table continued on next page.

Table I-5--*Continued*

Finished diamond sawblades: U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by blade diameter and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Value (1,000 dollars)						
Commercial U.S. shipments from nonsubject sources.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	16,657	6,328	2,648	16,336	14,223	3,421	59,613
Total U.S. commercial shipments from all sources (domestic and imported).--							
laser-welded, segmented	8,963	4,774	6,421	32,310	29,050	32,573	114,091
soldered/braised, segmented	928	148	506	1,983	3,732	3,111	10,408
sintered, continuous	14,995	6,333	449	581	83	4	22,445
sintered, segmented	9,672	1,701	798	10,233	127	43	22,574
Total	34,558	12,956	8,174	45,107	32,992	35,731	169,518

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

DOMESTIC LIKE PRODUCT ISSUES

In its original determination, the Commission defined the domestic like product as finished sawblades and their parts (cores and segments) and concluded that they constituted a single domestic like product.[86] In its remand determination, the Commission adopted its domestic like product definition made in the original investigation. [87] In its notice of institution in this current five-year review, the Commission solicited comments from interested parties regarding the appropriate domestic like product and domestic industry.[88] For the purpose of

[86] *Diamond Sawblades and Parts Thereof from China and Korea, Investigation Nos. 731-TA-1092-1093 (Final)*, USITC Publication 3862, July 2006, p. 5; *Diamond Sawblades and Parts Thereof from China and Korea, Investigation Nos. 731-TA-1092 and 1093 (Final) (Remand),* USITC Publication 4007, May 2008, p. 3.

[87] *Diamond Sawblades and Parts Thereof from China and Korea, Investigation Nos. 731-TA-1092 and 1093 (Final) (Remand)*, USITC Publication 4007, May 2008, p. 3.

[88] *Diamond Sawblades and Parts Thereof from China; Termination of Previously Instituted Five-Year Review and Institution of Five-Year Review*, 79 FR 65420, November 4, 2014.

this proceeding, no party argued to change the definition of the domestic like product or the domestic industry.[89] Furthermore, no party requested that the Commission collect data concerning other possible domestic like products in their comments on the Commission's draft questionnaires, nor did they advance any domestic like product arguments in their briefs.[90]

U.S. MARKET PARTICIPANTS

U.S. producers

During the original investigations, 21 firms provided responses to the Commission's U.S. producers' questionnaire, 17 of which provided usable data. Of these 17 firms that provided usable responses, 15 supplied the Commission with information on their U.S. operations with respect to finished diamond sawblades and two firms with respect to diamond sawblade cores. These firms accounted for approximately 90 percent of U.S. production of finished diamond sawblades and parts in 2005.[91] In these current proceedings, the Commission issued U.S. producers' questionnaires to 23 firms, nine of which provided usable responses. Eight firms supplied the Commission with information on their finished diamond sawblade operations and one firm on its diamond sawblade core operations. These firms are believed to account for the large majority of U.S. production of finished diamond sawblades[92] in 2014[93] and all production of diamond sawblade cores.

Table I-6 presents a list of current domestic producers of finished diamond sawblades and diamond sawblade cores product and each company's position on continuation of the order, production location, related and/or affiliated firms, and share of reported production of finished diamond sawblades and diamond sawblade cores during 2012-14. These firms accounted for approximately 90 percent of reported finished diamond sawblade production in

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[89] DSMC and its members "agree with the domestic like product and domestic industry definitions used by the Commission in the original investigation." Substantive Response of DSMC, November 13, 2014, exhibit 1, p. 18; Saint-Gobain also agreed with the definitions, but reserved the option to revisit this issue during this proceeding. Substantive Response of Saint-Gobain, January 2, 2014, p. 14, incorporated by reference into its substantive response of December 1, 2014. However, as noted above, no party commented on these issues during the comment period for draft questionnaires during this review. Husqvarna did not provide comments on these definitions in its substantive response. Substantive Response of Husqvarna, January 2, 2014.

[90] DSMC, *Comments on Draft Questionnaires*, February 13, 2015; Husqvarna, *Comments on Draft Questionnaires*, February 13, 2015.

[91] *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final)*, staff report, June 5, 2006, table III-1, pp. III-2–III-3.

[92] All finished diamond sawblade producers also produce diamond sawblade segments, virtually all of which are consumed internally and not sold commercially. Accordingly, the large majority of domestic segment production is also covered.

[93] ***.

2005, while Western Saw accounted for *** percent of U.S. core production. The only other core producer, Hyde, accounted for the balance.[94] Additionally, *** has been purchased by ***, Diamond B was purchased by Hilti, Saint-Gobain ceased producing in the United States, Barranca closed, and Hyde, a diamond sawblade core manufacturer, closed during the original investigations.

Table I-6
Finished diamond sawblades and diamond sawblade cores: U.S. producers, positions on order, U.S. production locations, related and/or affiliated firms, and shares of 2012-14 reported U.S. production

Firm	Position on continuation of the order	Production location(s)	Share of production (percent)
Finished diamond sawblade producers:			
Diamond Products[1]	Support	Elyria, OH	***
Dixie Diamond	***	Lilburn, GA	***
General Tool[2]	***	Irvine, CA	***
Hilti U.S. Manufacturing[3]	***	Cypress, CA	***
Husqvarna[4]	Oppose	Columbia, SC	***
Multiquip[5]	***	Honey Brook, PA	***
Saint-Gobain[6]	***	Fullerton, CA	***
Terra	***	Salt Lake City, UT	***
All firms			***
Diamond sawblade core producer:			
Western Saw	Support	Oxnard, CA	***

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

[1] Diamond Products is ***.
[2] General Tool is ***.
[3] Hilti U.S. Manufacturing (Hilti) is ***.
[4] Husqvarna is ***.
[5] Multiquip is ***.
[6] Saint-Gobain is ***.

[94] *Investigations Nos. 731-TA-1092-1093 (Final): Diamond Sawblades and Parts Thereof from China and Korea—Staff Report*, table III-1, June 5, 2006.

As indicated in table I-6, three U.S. producers (***) are related to foreign producers of the subject merchandise from China. None are related to U.S. importers of the subject merchandise from China, however, as discussed in greater detail in Part III, U.S. producers ***, ***, ***, and *** directly imported the subject merchandise from China. In addition, *** purchased the subject merchandise from U.S. importers.

U.S. importers

In the original investigations, 43 U.S. importing firms supplied the Commission with usable information on their operations involving the importation of diamond sawblades and parts thereof, accounting for a substantial majority of U.S. imports of subject imports during 2005.

In the current proceedings, the Commission issued U.S. importers' questionnaires to 85 firms believed to be importers of diamond sawblades, as well as to all U.S. producers and purchasers of diamond sawblades that were sent questionnaires. Usable questionnaire responses were received from 26 firms, representing 82.8 percent of the value of U.S. imports from China in 2014, 76.2 percent of the value of imports from Korea, and 94.4 percent of the value of imports from other nonsubject imports. Table I-7 lists all responding U.S. importers of diamond sawblades from China and other sources, their locations, and their shares of U.S. imports during 2012-14.

Table I-7
Diamond sawblades: U.S. importers, source(s) of imports, U.S. headquarters, and shares of imports during 2012-14

Firm	Headquarters	Share of imports by source (percent)				
		China	Korea	All other sources	Nonsubject sources	All sources
Asahi	West Chester, OH	***	***	***	***	***
Bosun	City of Industry, CA	***	***	***	***	***
Concord	Ontario, CA	***	***	***	***	***
DAA	Long Beach, CA	***	***	***	***	***
Diamond Products	Elyria, OH	***	***	***	***	***
Diamond Tools Technology	Buffalo Grove, IL	***	***	***	***	***
Gang Yan Diamond Products	Montclair, CA	***	***	***	***	***
Gateway Diamond Products	Walnut, CA	***	***	***	***	***
General Tool	Irvine, CA	***	***	***	***	***
Goldstone Craft	Rowland Heights, CA	***	***	***	***	***
Hilti	Tulsa, OK	***	***	***	***	***
Huachang Tools	Tustin, CA	***	***	***	***	***
Husqvarna Construction Products	Columbia, SC	***	***	***	***	***
Makita U.S.A.	La Mirada, CA	***	***	***	***	***
DeFusco Industrial Supply	Tempe , AZ	***	***	***	***	***
Maxpro Industries	Diamond Bar, CA	***	***	***	***	***
Miles Supply	Elberton, GA	***	***	***	***	***
Pearlman Enterprises	Tucker, GA	***	***	***	***	***
Pioneer Tools	City of Industry, CA	***	***	***	***	***
Protrade International	City of Industry, CA	***	***	***	***	***
Robert Bosch Tool Corp.	Mount Prospect, IL	***	***	***	***	***
Saint-Gobain Abrasives	Worcester, MA	***	***	***	***	***
SANC Materials	Montclair, CA	***	***	***	***	***
Shinhan Diamond America, Inc.	City of Industry, CA	***	***	***	***	***
True Value	Chicago, IL	***	***	***	***	***
Western Diamond Tools	Buena Park, CA	***	***	***	***	***
Other importers[1]		***	***	***	***	***
Total		***	***	***	***	***

[1] Data for firms that did not provide the Commission with an importers' questionnaire response were estimated using *** data. For a detailed discussion of the methodology used to prepare these estimates, see p. IV-1, fn 2 of this report.

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

U.S. purchasers

The Commission received usable questionnaire responses from 25 purchasers,[95] including 24 questionnaires from firms that bought finished diamond sawblades during 2006 to 2014 (shown in table I-8).[96]

[95] Three purchasers reported purchasing diamond sawblade parts. Three purchased cores with a total value of *** dollars, *** purchased segments with a total value of *** dollars. All reported purchases of cores and segments were U.S.-produced. Two purchasers reported purchasing both diamond sawblade parts and finished diamond sawblades.

The questions in the purchaser questionnaire primarily requested purchasers' responses regarding finished diamond saw blades. Twenty-two purchasers reported purchasing only finished diamond sawblades, two purchased both parts and finished diamond sawblades, and one purchased only parts. Purchasers of finished diamond sawblades were asked to report the one category that best described the firm as a purchaser of diamond sawblades;[97] and to report secondary categories that they also fit into. Fifteen purchasers reported they were distributors (including nine that were chiefly branded distributors),[98] six reported they were retailers (including ***), two were OEMs, and one was an end user. Eleven of 23 responding purchasers reported that they fit more than one category. Five of the branded distributors reported that they were also distributors of non-branded product. One distributor each was a retailer; an OEM, and an end users. Both OEMs reported producing both special purpose and general purpose diamond saw blades.

Table I-8
Finished diamond sawblades: Purchasers' description of their firm type(s)

* * * * * * *

The largest responding purchasers of finished diamond sawblades and the value of their purchases are ***. None of these firms purchased U.S.-produced diamond sawblades and all purchased Chinese diamond sawblades. These three largest firms represented *** percent of the value of purchases reported by all responding purchasers and *** percent of the value of apparent consumption in 2014.[99]

APPARENT U.S. CONSUMPTION

Data concerning apparent U.S. consumption of finished diamond sawblades are shown in table I-9. The quantity of apparent consumption increased by 6.4 percent during 2012-14 while the value increased by 3.2 percent. Market shares of U.S. producers' shipments and imports' from China declined during 2012-14, whereas nonsubject imports' market share increased. U.S. producers' market share, measured by quantity, decreased from 4.8 percent in

(…*continued*)

[96] Of the 24 purchasers of finished diamond sawblades, all but one were able to report information on country source. Twelve purchased the domestic finished diamond saw blades, 21 purchased imports of finished diamond sawblades from China, and 18 purchased imports of finished diamond saw blades from other sources (17 from Korea and 16 from other countries).

[97] *** reported that it was both an "other retailer" and "other distributor" as its "one main firm type." *** reported it was both a "branded distributor" and an "other distributor" as its one main firm type.

[98] This includes one purchaser that reported it was both a branded distributor and a distributor mainly selling with suppliers' label.

[99] Purchasers that reported purchasing diamond sawblade parts were asked to report the value of the cores and segments they purchased in 2014, and the share of their purchases that were from the United States, China, Korea, and other countries and basic company information. Three purchasers purchased cores, they were, by value of their purchases, ***. ***.

2012 to 4.2 percent in 2014. Measured by value, U.S. producers' market share decreased from 51.1 percent in 2012 to 44.1 percent in 2014. Subject imports from China's share of apparent consumption, measured by quantity, decreased from 78.8 percent in 2012 to 51.5 percent in 2014. Measured by value, subject imports from China's market share decreased from 29.7 percent in 2012 to 22.9 percent in 2014. Nonsubject imports' market share, measured by quantity, increased from 16.3 percent in 2012 to 44.3 percent in 2014. Measured by value, nonsubject imports' market share increased from 19.2 percent in 2012 to 33.0 percent in 2014.

Table I-9
Finished diamond sawblades: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
U.S. producers' U.S. shipments	411,333	394,490	384,208
U.S. imports from.--			
China	6,744,474	5,503,757	4,683,946
Korea	920,779	1,078,534	1,252,064
Other nonsubject sources	477,519	1,238,178	2,783,617
Nonsubject sources	1,398,298	2,316,712	4,035,681
Total U.S. imports	8,142,772	7,820,469	8,719,627
Apparent U.S. consumption	8,554,105	8,214,959	9,103,835
	Value (1,000 dollars)		
U.S. producers' U.S. shipments	76,712	70,894	68,376
U.S. imports from.--			
China	44,577	33,964	35,466
Korea	15,692	18,986	19,766
Other nonsubject sources	13,169	18,975	31,290
Nonsubject sources	28,861	37,961	51,056
Total U.S. imports	73,438	71,925	86,522
Apparent U.S. consumption	150,150	142,819	154,898

Table continued on next page.

Table I-9--*Continued*
Finished diamond sawblades: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2012-14

	Market share based on quantity (percent)		
U.S. producers' U.S. shipments	4.8	4.8	4.2
U.S. imports from.--			
China	78.8	67.0	51.5
Korea	10.8	13.1	13.8
Other nonsubject sources	5.6	15.1	30.6
Nonsubject sources	16.3	28.2	44.3
Total U.S. imports	95.2	95.2	95.8
Apparent U.S. consumption	100.0	100.0	100.0
	Market share based on value (percent)		
U.S. producers' U.S. shipments	51.1	49.6	44.1
U.S. imports from.--			
China	29.7	23.8	22.9
Korea	10.5	13.3	12.8
Other nonsubject sources	8.8	13.3	20.2
Nonsubject sources	19.2	26.6	33.0
Total U.S. imports	48.9	50.4	55.9
Apparent U.S. consumption	100.0	100.0	100.0

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

Data concerning apparent U.S. consumption of diamond sawblade cores are shown in table I-10. Apparent U.S. consumption of diamond sawblade cores, measured by quantity, decreased by *** percent from 2012 to 2014 and measured by value, decreased by *** percent. The sole domestic producer of diamond sawblade cores, Western Saw's market share, measured by quantity, decreased from *** percent in 2012 to *** percent in 2014. Measured by value, its market share decreased from *** percent in 2012 to *** percent in 2014. Subject imports from China are virtually nonexistent in the core market. Nonsubject imported cores, led by Korea, increased their market share in quantity of diamond sawblade cores from *** percent in 2012 to *** percent in 2014, and by value from *** percent in 2012 to *** percent in 2014.

Table I-10
Diamond sawblade cores: U.S. shipments of domestic product, U.S. imports, and apparent U.S. consumption, 2012-14

* * * * * * *

The Commission collected data on commercial shipment value of finished diamond sawblades, by size of blade diameter, type of attachment, and customer type. Table I-11 shows data for commercial shipments from all sources, table I-12 shows data for U.S. producers' commercial shipments, table I-13 shows data for importers' commercial shipments for imports from China, table I-14 shows data for importers' commercial shipments from Korea, table I-15 shows data for importers' commercial shipments from all other nonsubject sources, and table I-16 shows data for importers' commercial shipments from all nonsubject sources. Appendix F includes additional tables, showing shares of shipments by source.

Table I-11
Finished diamond sawblades: U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Commercial U.S. shipments from all sources.--							
Branded distributors							
laser-welded, segmented	1,516	808	910	10,164	6,180	3,234	22,812
soldered/braised, segmented	8	2	65	558	805	125	1,563
sintered, continuous	4,173	2,712	256	176	42	1	7,360
sintered, segmented	3,463	1,027	409	4,454	44	1	9,398
Subtotal, branded distributors	9,160	4,549	1,640	15,352	7,071	3,361	41,133
Other distributors							
laser-welded, segmented	3,538	3,480	4,279	12,846	10,313	4,963	39,419
soldered/braised, segmented	0	0	75	713	1,172	87	2,047
sintered, continuous	4,335	2,098	126	99	3	3	6,664
sintered, segmented	4,894	603	233	3,344	61	17	9,152
Subtotal, other distributors	12,767	6,181	4,713	17,002	11,549	5,070	57,282
National big box retailer							
laser-welded, segmented	170	15	18	333	184	73	793
soldered/braised, segmented	0	0	8	0	5	126	139
sintered, continuous	2,129	53	2	35	0	0	2,219
sintered, segmented	668	47	82	194	0	0	991
Subtotal, national big box retailer	2,967	115	110	562	189	199	4,142
Other retail							
laser-welded, segmented	269	175	180	1,628	847	584	3,683
soldered/braised, segmented	0	0	0	0	5	150	155
sintered, continuous	180	43	0	1	0	0	224
sintered, segmented	426	21	26	391	0	0	864
Subtotal, other retail	875	239	206	2,020	852	734	4,926

Table continued on next page.

Table I-11
Finished diamond sawblades: U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Diamond saw and diamond sawblade producers laser-welded, segmented	276	143	232	716	569	3,686	5,622
soldered/braised, segmented	914	146	27	173	781	184	2,225
sintered, continuous	660	413	32	92	37	0	1,234
sintered, segmented	111	3	43	1,059	22	25	1,263
Subtotal, diamond saw and diamond sawblade producers	1,961	705	334	2,040	1,409	3,895	10,344
General purpose saw producers laser-welded, segmented	622	40	129	809	244	31	1,875
soldered/braised, segmented	2	0	0	7	12	0	21
sintered, continuous	2,612	944	19	34	0	0	3,609
sintered, segmented	67	0	5	609	0	0	681
Subtotal, general purpose saw producers	3,303	984	153	1,459	256	31	6,186
Professional construction firms laser-welded, segmented	2,168	112	622	5,596	10,688	20,000	39,186
soldered/braised, segmented	4	0	42	452	845	2,439	3,782
sintered, continuous	304	51	13	139	0	0	507
sintered, segmented	4	0	0	182	0	0	186
Subtotal, professional construction firms	2,480	163	677	6,369	11,533	22,439	43,661
All other end users laser-welded, segmented	404	1	51	218	25	2	701
soldered/braised, segmented	0	0	289	80	107	0	476
sintered, continuous	602	19	1	5	1	0	628
sintered, segmented	39	0	0	0	0	0	39
Subtotal, all other end users	1,045	20	341	303	133	2	1,844
Total	34,558	12,956	8,174	45,107	32,992	35,731	169,518

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

Apparent consumption data show that U.S. producers have a very small share of the quantity of apparent consumption (4.2 percent in 2014) but a much larger share of the value of apparent consumption (44.1 percent in 2014). As shown in table I-12, in 2014, U.S. producers did not ship commercially large volumes of the smaller diameter blades, which tend to be a larger volume, lower unit value product, compared to the larger diameter blades. In fact, as the diamond sawblade blade size range increases, so too does the value of U.S. producers' U.S. commercial shipments, with $29.5 million of U.S. commercial shipments of diamond sawblades greater than 20 inches in diameter (43.5 percent of shipments by blade type). U.S. producers did commercially ship diamond sawblades across all size diameters, but did not ship any sintered diamond sawblades.

Husqvarna argues that ***. Further, Husqvarna claims that ***.[100] In 2014, of the $7.2 million of commercial U.S. shipments of finished diamond sawblades 12 inches or less in diameter, Husqvarna's shipments accounted for *** percent (***). Of this ***, Husqvarna's Soff-Cut product accounted for ***[101] (equivalent to *** percent of all U.S. commercial shipments of sawblades with a diameter of 12 inches or less).[102]

[100] Husqvarna's prehearing brief, p. 9.

[101] Husqvarna's posthearing brief, Part III—Answers to Questions from the Staff, p. 2.

[102] Certain U.S. producers and importers also market diamond sawblades that will work with Husqvarna's sawing machines or on other sawing machines that will perform the same function. These include Diamond Products, which also makes such saws, and Diamond Vantage, which markets the Meritor saws. Diamond Products Limited, *2015 Master Catalog*, p. 5. These and other companies will also offer skid plates. However, the arbor on some of these blades is circular for machines other than Husqvarna's. Some companies will offer blades with arbors that mimic Husqvarna's arbor design and therefore supposedly will work on Husqvarna's saws. For example, Dixie Diamond, a U.S. producer, sells blades for cutting green concrete. Dixie Diamond, "Green Concrete Dry Cut Diamond Blades," undated. http://www.dixiediamond.com/gcdc.php (accessed June 22, 2015). Diteq, an importer, sells blades for cutting green concrete. Diteq, "Arix Liberty Bell Green Concrete Blades," http://www.diteq.com/Liberty_Bell.html (accessed June 22, 2015). Desert Diamond Industries states that its Green Glutton blades will give a better return on investment than Soff-Cut blades. Desert Diamond Industries, "Early Entry Blades," undated. http://www.desertdiamondindustries.com/early-entry-blades/ (accessed June 22, 2015).

Table I-12
Finished diamond sawblades: U.S. producers' commercial U.S. shipments by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
U.S. producers' commercial U.S. shipments.--	***	***	***	***	***	***	***
Total	419	2,709	4,100	13,924	17,142	29,642	67,936

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

In 2014, imports from China were commercially shipped across all size diameters and all types of attachments (table I-13). Diamond sawblades less than seven inches in diameter accounted for the largest share of the value of Chinese commercial shipments in 2014 (41.7 percent, $17.5 million). Diamond sawblades greater than 12 inches in diameter but less than or equal to 14 inches accounted for the second largest share of Chinese commercial shipments in 2014 (35.4 percent, $14.8 million).

Table I-13
Finished diamond sawblades: Commercial U.S. shipments of imports from China by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Imports from China commercial U.S. shipments.--	***	***	***	***	***	***	***
Total	17,482	3,919	1,426	14,847	1,627	2,668	41,969

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

Table I-14
Finished diamond sawblades: Commercial U.S. shipments of imports from Korea by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Imports from China commercial U.S. shipments.--	***	***	***	***	***	***	***
Total	6,925	3,145	1,531	6,063	5,073	676	23,413

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

Table I-15
Finished diamond sawblades: Commercial U.S. shipments of imports from all other sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Imports from all other sources commercial U.S. shipments.--	***	***	***	***	***	***	***
Total	9,732	3,183	1,117	10,273	9,150	2,745	36,200

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

Table I-16
Finished diamond sawblades: Commercial U.S. shipments of imports from nonsubject sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	>= 20	Total
	Value (1,000 dollars)						
Imports from all other sources commercial U.S. shipments.--	***	***	***	***	***	***	***
Total	16,657	6,328	2,648	16,336	14,223	3,421	59,613

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

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

U.S. MARKET CHARACTERISTICS

Finished diamond sawblades are used to cut various media: concrete, asphalt, masonry, tile, brick, block, stone, ductile iron, marble, and granite. The preferred type (segmented, continuous rim, notched, laser-welded, sintered, soldered, and proprietary versus nonproprietary specifications), size, and grade of finished diamond sawblade is influenced not only by the material to be cut but also by the composition of a particular medium, by the skill of the operator, by the nature of the cutting job, and by the capability of the power tool being used. Because of the number of factors considered in choosing a finished diamond sawblade, U.S. producers and importers each offer thousands of different diamond sawblades, some of which are proprietary designs of the producer or end user.[1]

Apparent U.S. consumption of finished diamond sawblades increased overall from 2012 to 2014. Apparent U.S. consumption in 2014 was 6.4 percent higher (in terms of number of sawblades) and 3.2 percent higher (in terms of value) than in 2012.

CHANNELS OF DISTRIBUTION

U.S. producers and importers sold finished diamond sawblades to distributors more than any other channel, as shown in table II-1.[2] U.S. producers also sold more than 40 percent of U.S. shipments to non-OEM end users.[3]

Channels of distribution for finished sawblades were further subdivided into customer types: branded distributors[4] and other distributors;[5] national big box retailers[6] and other

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[1] *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final),* USITC Publication 3862, July 2006, p. II-5.

[2] ***. ***. ***. Diamond sawblade segments are sold for repair of larger finished sawblades as well as used in the production of diamond sawblades. *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final),* USITC Publication 3862, July 2006, p. II-1. ***. See Part I for a definition of cores and segments.

[3] OEM end users produce saws and purchase diamond sawblades to be sold with their saws. Any other end user is a non-OEM end user.

[4] "Branded distributors" purchase and resell under their own brand names, including telemarketers that sell under their brand names. Examples include World Diamond Source, PR Diamonds, Diamond Tool International, National Diamond, Grip Rite, Virginia Abrasive, Warrior Diamond, Inc., and Sencore Diamond Tools.

[5] "Other distributors" purchase and re-sell under the brand names of U.S. producers or importers. Some firms reported that they were distributors but did not fit under this definition of "other distributors". These firms have been included in "other distributors"

[6] "National big box retail" are national chains of big box stores, such as Home Depot or Lowes.

Table II-1
Diamond sawblades and parts thereof: producers' and importers' share by value of reported U.S. commercial shipments (percent), by sources and channels of distribution, 2012-14

Item	Year		
	2012	2013	2014
Finished diamond sawblades			
U.S. producers' U.S. commercial shipments:			
Distributors	49.7	48.5	47.2
Retailers	2.9	2.7	2.6
OEM	6.3	7.2	6.7
Non-OEM end users	41.2	41.6	43.5
U.S. importers' U.S. commercial shipments from China:			
Distributors	67.9	64.0	73.2
Retailers	11.0	15.6	13.1
OEM	16.6	15.6	7.7
Non-OEM end users	4.5	4.7	6.1
U.S. importers' U.S. commercial shipments from all other countries:			
Distributors	***	***	***
Retailers	***	***	***
OEM	***	***	***
Non-OEM end users	***	***	***
Cores			
U.S. producers' U.S. commercial shipments:			
Sawblade producers	***	***	***
Other	***	***	***
U.S. importers' U.S. commercial shipments from China:			
Sawblade producers	NA	NA	***
Other	NA	NA	***
Segments			
U.S. producers' U.S. commercial shipments:			
Sawblade producers	***	***	***
Other	***	***	***
U.S. importers' U.S. commercial shipments from China:			
Sawblade producers	***	***	***
Other	***	***	***
U.S. importers' U.S. commercial shipments from all other countries:			
Sawblade producers	***	***	***
Other	***	***	***

Note.--The table only includes countries if importers reported commercial sales of the product.

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

retailers;[7] diamond saw and sawblade producers[8] and general purpose saw producers;[9] and professional construction[10] and all other end users. Data based on these customer types by

[7] "Other retail" was defined as regional or local retail outlets and rental outlets.

[8] "Diamond saw and diamond sawblade producers" are manufacturers of diamond saws and/or diamond sawblades designed for specific purposes that also purchase products for resale. These manufactures offer equipment and a full range of specialty products to all market channels. The

(*continued*...)

product size for 2014 are presented in table II-2. Whereas the diamond sawblades produced in United States and China both have relatively strong presences in the distributor channel, U.S. commercial shipments are more concentrated in the larger-blade diameter size, whereas shipments of Chinese product are typically more concentrated in the smaller-blade diameter size. Imports from nonsubject sources exhibit less concentrated distribution by channel and blade diameter size.

The most common sizes of finished diamond sawblades (by value) reported by the U.S. producers were those larger than 20 inches (43.6 percent of the value of U.S. producers' sales), over 14 inches but under 20 inches (25.2 percent of the value of U.S. producers' sales), and over 12 inches but under 14 inches (20.5 percent of the value of U.S. producers' sales) (table II-2). The most common sizes of finished diamond sawblades from China reported by importers were those less than 7 inches (41.6 percent of the value of Chinese importers' sales) and over 12 inches but under 14 inches (35.4 percent of the value of Chinese importers' sales).

DSMC argued that ***.[11] The lack of *** contributed to reducing the overlap of diamond sawblade sizes between U.S. and Chinese product reported by the Commission. ***. In addition, DSMC contends that current Chinese imports reflect the effect of the antidumping duty order, the overlap between U.S. and Chinese diamond sawblades may change if the order is removed.[12]

(…*continued*)
diamond saws are those saws that are wholly dedicated for use with diamond sawblades, such as walk-behind saws, tile saws, and masonry saws.

[9] "General purpose saw manufacturers" include companies such as Black and Decker, Hilti, and Bosch, that manufacture general purpose circular saws and resell diamond sawblades in limited size ranges and types as accessories. General purpose saw manufacturers produce hand-held circular saws, angle grinders, and chop saws and other power tools.

[10] "Professional construction" includes end users in the professional construction market, including all customers that are members of the Concrete Sawing and Drilling Association ("CSDA").

[11] DSMC's posthearing brief, pp. 3-4.

[12] DSMC's posthearing brief, responses to Commissioner questions, pp. 16-17.

Table II-2
Finished diamond sawblades: Producers' and importers' value of reported U.S. commercial shipments in 1,000 dollars, by sources, customer types, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	United States						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total domestic	419	2,709	4,100	13,924	17,142	29,642	67,936
	China						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total China	17,482	3,919	1,426	14,847	1,627	2,668	41,969

Table continued.

Table II-2 Continued
Finished diamond sawblades: Producers' and importers' value of reported U.S. commercial shipments in 1,000 dollars, by sources, customer types, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	Korea						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total Korea	6,925	3,145	1,531	6,063	5,073	676	23,413
	Nonsubject other than Korea						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total nonsubject other than Korea	9,732	3,183	1,117	10,273	9,150	2,745	36,200

Table continued.

Table II-2 Continued
Finished diamond sawblades: Producers' and importers' value of reported U.S. commercial shipments in 1,000 dollars, by sources, customer types, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	All nonsubject sources						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total nonsubject	16,657	6,328	2,648	16,336	14,223	3,421	59,613
	All domestic and import sources						
Branded distributors	9,160	4,549	1,640	15,352	7,071	3,361	41,133
Other distributors	12,767	6,181	4,713	17,002	11,549	5,070	57,282
Total distributors	21,927	10,730	6,353	32,354	18,620	8,431	98,415
National big box retailer	2,967	115	110	562	189	199	4,142
Other retail	875	239	206	2,020	852	734	4,926
Total retail	3,842	354	316	2,582	1,041	933	9,068
Diamond saw and sawblade producers	1,961	705	334	2,040	1,409	3,895	10,344
General purpose saw producers	3,303	984	153	1,459	256	31	6,186
Total saw producers	5,264	1,689	487	3,499	1,665	3,926	16,530
Professional construction	2,480	163	677	6,369	11,533	22,439	43,661
All other end users	1,045	20	341	303	133	2	1,844
Total end users	3,525	183	1,018	6,672	11,666	22,441	45,505
Total all sources	34,558	12,956	8,174	45,107	32,992	35,731	169,518

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

Husqvarna argues that the order on diamond sawblades from China merely cause production to shift from China to nonsubject countries and not benefit U.S. prices or volume of sales.[13] Husqvarna contends that the overlap of competition is more apparent than real[14] and that there is a clear dividing line between U.S.-produced and imported products, and both are needed in the U.S. market.[15] Husqvarna contends that it sells the majority of the U.S.-produced 10 to 12 inch blades where DSMC reports much of the head to head competition between U.S.-produced and Chinese blades. Husqvarna's reported sales of 10 to 12 inch blades accounted for *** percent of the U.S. produced 10 to 12 inch blades sold in 2014 and its "soff cut" blades accounted for *** percent of the U.S. produced 10 to 12 inch blades sold in 2014.[16] Husqvarna contends that 12 to 14 inch blades also have less overlap than apparent, that Husqvarna's sales make up half of the value of U.S.-produced 12 to 14 inch blades, and that 80 percent of Husqvarna's sales are of "soff cut" blades.[17] Husqvarna's reported sales of 12 to 14 inch blades accounted for *** percent of the U.S. produced 12 to 14 inch blades sold in 2014 and its "soff cut" blades accounted for *** percent of the U.S. produced 12 to 14 inch blades sold in 2014.[18]

GEOGRAPHIC DISTRIBUTION

U.S. producers and importers of Chinese product reported selling finished diamond sawblades to all regions in the contiguous United States (table II-3).[19] Most (62.3 percent) of U.S. producers' sales of finished diamond sawblades were shipped over 1,000 miles from their U.S. point of shipment, as were 45.7 percent of imports of finished diamond sawblades (table II-4).[20]

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[13] Hearing transcript p. 139 (Greenwald).

[14] Hearing transcript, p. 14 (Greenwald).

[15] Hearing transcript, p. 135 (Noeth).

[16] Husqvarna's posthearing brief answers to questions from ITC staff, p. 2. Husqvarna values of "soff cut" blades provide in its posthearing brief ***.

[17] Hearing transcript, p. 134 (Noeth).

[18] Husqvarna's posthearing brief answers to questions from ITC staff, p. 2. Husqvarna values of "soff cut" blades provide in its posthearing brief ***.

[19] ***.

[20] Most U.S.-produced parts and *** were reported to be shipped over 1,000 miles from their U.S. point of shipment.

Table II-3
Diamond sawblades and parts thereof: Geographic market areas in the United States served by U.S. producers and importers

Region	Finished diamond sawblades		Diamond sawblade parts	
	U.S. producers	Importers	U.S. producers	Importers
Northeast	4	15	***	***
Midwest	4	15	***	***
Southeast	4	17	***	***
Central Southwest	4	16	***	***
Mountain	4	16	***	***
Pacific Coast	3	20	***	***
Other[1]	3	12	***	***
All regions (except Other)	3	13	***	***

[1] All other U.S. markets, including AK, HI, PR, and VI.

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

Table II-4
Diamond sawblades and parts thereof: Share of sales shipped by distance reported by U.S. producers and importers

Distance from production facility or importer point of shipment	Finished diamond sawblades		Diamond sawblade parts	
	U.S. producers	Importers	U.S. producers	Importers
Within 100 miles	6.0	35.5	***	***
101 to 1,000 miles	31.7	18.8	***	***
Over 1,000 miles	62.3	45.7	***	***

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

SUPPLY AND DEMAND CONSIDERATIONS

U.S. supply

Domestic production

Based on available information, U.S. producers of diamond sawblades and parts thereof have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced diamond sawblades and parts thereof to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the existence of inventories, constrained by the lack of alternative markets and production alternatives.

Industry capacity

Domestic capacity to produce finished diamond sawblades decreased unevenly during 2012-14, from 584,800 sawblades in 2012 to 532,347 sawblades in 2014. Domestic capacity utilization for finished diamond sawblades increased from 71.3 percent to 74.0 percent. This relatively moderate to low level of capacity utilization suggests that U.S. producers may have moderate to high ability to increase production of product in response to an increase in prices.

Producers of finished diamond sawblades typically produce diamond sawblade segments, but they purchase all the cores used in the production of finished diamond sawblades. These cores may come from domestic or import sources.[21]

Alternative markets

U.S. producers' exports of finished diamond sawblades, as a percentage the value of shipments, decreased during 2012-14. U.S. producers' export shipments as a share of value declined from 6.6 percent in 2012 to 4.7 percent in 2014 of total U.S. shipments, indicating that U.S. producers may have limited ability to shift shipments between the U.S. market and other markets in response to price changes. One of the three responding U.S. producers reported tariff barriers to selling finished diamond sawblades in other markets, including export fees, currency exchange rates and manipulations, transportation issues, and import duties.[22]

Inventory levels

U.S. producers' inventories relative to total shipments of finished diamond sawblades increased from 33.2 percent in 2012 to 36.1 percent in 2014.[23] These inventory levels that U.S. producers may have substantial ability to respond to changes in demand with changes in the quantity shipped from inventories.

Production alternatives

Most U.S. producers reported that they had no ability to switch production on equipment used to produce diamond sawblades and parts thereof. One U.S. producer (***)[24] reported it could switch production from finished diamond sawblades to other products (***) on the same equipment as finished diamond sawblades. Production of *** accounted for between *** percent of all U.S. producers' production using shared finished diamond sawblade equipment.[25] [26]

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[21] U.S. producers' ability to produce finished diamond sawblades also depends on the availability of cores used in finished diamond sawblades. Domestic capacity for cores was *** units during 2012-14. Domestic capacity utilization for cores decreased from ***. ***.

[22] ***.

[23] No inventories of cores or segments were reported.

[24] ***.

[25] *** reported that it could produce *** on the same equipment as segments. This production accounted for *** percent of all U.S. production equipment used to produce segments. ***. In an email, May 28, 2015, ***.

[26] ***.

Subject imports from China[27]

Based on available information, producers of finished diamond sawblades from China have the ability to respond to changes in demand with large changes in the quantity of shipments of finished diamond sawblades to the U.S. market. [28] The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity and the existence of large alternate markets.[29]

Industry capacity

Responding Chinese producers' capacity to produce finished diamond sawblades was unchanged at *** units in 2012-14. Capacity utilization rates for finished diamond sawblades decreased between 2012 and 2014 from *** percent. The reported data indicate that there was some excess capacity for the Chinese producers to expand production of finished diamond sawblades for sale in the U.S. market.[30]

Alternative markets

Between 2012 and 2014, Chinese exports of finished diamond sawblades to all markets other than the United States increased unevenly from *** percent to *** percent.[31]

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[27] The Commission received three questionnaire responses from Chinese producers. These firms' exports to the United States accounted for *** percent of the value U.S. imports of diamond sawblades and parts thereof from China during 2012-14.

[28] Although importers reported the import of cores and segments from China, none of the responding Chinese producers reported any exports of cores or segments to the United States.

[29] Based on available information, producers of diamond sawblade segments from China have the ability to respond to changes in demand with moderate changes in the quantity of shipments of diamond sawblade segments to the U.S. market. The main contributing factor to this degree of responsiveness of supply for segments is the availability of unused capacity. Based on available information, producers of diamond sawblade cores from China have the ability to respond to changes in demand with small changes in the quantity of shipments of diamond sawblade cores to the U.S. market. The main contributing factors to this degree of responsiveness of supply for cores are low levels of unused capacity, and lack of alternate markets or inventories.

[30] Available data for the responding Chinese producers indicated that total capacity was *** cores between 2012 and 2014. Total capacity utilization rates to produce diamond sawblade cores increased from *** percent to *** percent between 2012 and 2014.

Available data for the responding Chinese producers indicated that total production capacity for diamond sawblade segments increased from *** between 2012 and 2014. Total capacity utilization rates to produce diamond sawblade segments decreased from *** percent to *** percent during 2012-14.

[31] The Chinese producers reported that they exported no cores to any country, and that reported exports of segments to markets other than the United States declined from *** percent to *** percent of total shipments.

Inventory levels

Reported inventories of finished diamond sawblades increased irregularly relative to total shipments, rising from *** percent to *** percent during 2012-14.[32]

Production alternatives

None of the Chinese producers reported that they produced other products on the same equipment as finished diamond sawblades, cores, or segments.

Nonsubject imports

The largest sources of nonsubject imports for finished sawblades during 2012-14 were Korea and Thailand.[33] Combined, these countries accounted for 87.2 percent imports from nonsubject countries entered under HTS statistical reporting number 8202.39.0010 in 2014.

New suppliers

Nine of 24 responding purchasers indicated that new suppliers had entered the U.S. market since January 1, 2006, and 13 expect additional entrants. Purchasers cited Husqvarna, MK Diamond, DITEQ, Thai King, Advanced Diamond Tools, Bosun Tools, and OX Group as new entrants. The purchaser *** indicated that *** is conducting research in order to enter the market. Purchasers also reported that Chinese companies were entering the market until 2009 when the antidumping duty order went into effect, and that new manufacturers frequently appear at World of Concrete and STAFDA (Specialty Tools and Fasteners Distributors Association) conferences. Although purchasers did not name specific suppliers that they expected to enter the market in the future, a number reported a trend of increasing numbers of suppliers, and three purchasers reported that they expected more Chinese producers if the orders were revoked.

U.S. demand

Demand for finished diamond sawblades is mainly determined by the number and size of projects using these products. Firms reported that demand fell with the 2008 recession but has generally recovered since then.

Based on available information, the overall demand for finished diamond sawblades is likely to experience small changes in response to changes in price. The main contributing

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[32] Chinese producer's core inventories were low, ranging from *** percent of total shipments. Chinese inventories of segments were also low, ranging from *** percent of total shipments.

[33] Compiled from official import statistics for HTS statistical reporting number 8202.39.0010, finished diamond sawblades.

factors are the limited range of substitute products and the relatively small share of the cost of diamond sawblades in the cost of the projects in which they are used.[34] [35]

End uses

U.S. demand for diamond sawblades and parts thereof depends on the demand for U.S.-construction that uses diamond sawblades. All three responding U.S. producers, 17 of 18 responding importers, and 22 of 24 responding purchasers reported no changes in end uses for finished diamond sawblades. Other types of reported changes were overall increased use of diamond sawblades; increase use to cut steel (rebar); and some movement to larger horse power saws that use larger blades for faster cutting. No producer, importer, or purchaser expected changes in end use in the future.

U.S. demand for finished diamond sawblades is derived from demand for U.S. construction activity, particularly (1) home improvement and (2) transportation, road, and office construction (table II-5). Spending on residential improvements fell each year from 2006 to 2010 and then increased until 2014, when it declined. Spending on office construction increased between 2006 and 2008 and declined irregularly thereafter. Both transportation and highway and street construction spending were highest in 2014.[36]

[34] Purchasers were not asked to estimate the cost share of finished diamond sawblades in their end use because diamond sawblades are typically an end use product and the projects in which diamond sawblades are used vary a great deal.

[35] Demand for diamond sawblade parts is determined by demand for finished sawblades since cores are only used in finished diamond sawblades and segments are used in diamond sawblades either for production or repair. Demand for U.S.-produced diamond sawblade cores and segments is generally determined by U.S. demand, imports of finished diamond sawblades and parts thereof, and exports of finished diamond sawblades and parts thereof. The decision of users to repair the diamond sawblades rather than replace them, could be affected by the price of the finished diamond sawblades. Increases in repairs would reduce demand for cores, but would have less of an effect on demand for segments used in the repairs. Usually only the most expensive types of diamond sawblade are repaired.

[36] Construction spending was 8.2 percent higher overall in May of 2015 than May of 2014, although growth in transportation and highways and street spending was lower, 5.4 percent and 2.1 percent respectively. http://www.census.gov/construction/c30/pdf/release.pdf, retrieved July 12, 2015.

Table II-5
Value of U.S construction put in place in millions of dollars 2006 through 2014

Item	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total residential	619,814	500,468	357,746	253,928	249,112	252,657	286,847	342,203	354,095
Improvements	144,931	139,103	120,144	112,038	111,564	120,918	126,050	133,111	113,801
Total nonresidential	547,408	651,883	710,690	651,001	556,928	535,686	574,399	568,561	606,105
Office	54,187	65,259	68,563	51,908	37,850	36,011	37,800	37,620	44,619
Transportation	27,964	31,877	35,471	36,701	38,340	34,737	37,862	39,731	41,875
Highway and street	72,040	76,682	81,361	82,166	82,529	79,322	80,546	81,212	84,259
Subtotal	154,191	173,818	185,395	170,775	158,719	150,070	156,208	158,563	170,753
All other	393,217	478,065	525,295	480,226	398,206	385,616	418,191	409,998	435,355

Source: Total and Private Construction–U.S. Department of Commerce, Census Bureau, http://www.census.gov/construction/c30/historical_data.html retrieved March 12, 2015.

Business cycles

All five responding U.S. producers, 14 of 19 importers, and 13 of 23 purchasers indicated that the finished diamond sawblades market was subject to business cycles or special conditions of competition. Specifically, firms reported that demand for diamond sawblade products is seasonal depending on the weather (lower in winter months) and that demand varies with governmental spending on infrastructure. When asked if these cycles had changed since 2006, 3 of 4 U.S. producers, 9 of 19 importers, and 3 of 13 responding purchasers reported changes. Reported changes included: the economic downturn in 2008; a temporary increase in demand because of the 2010 stimulus package; increased consumption in 2014 and 2015; increased price sensitivity because of low-priced Chinese product; increased demand for less expensive Chinese product because of the recession; and increased Chinese imports caused by duty evasion.[37]

Demand trends

Most firms reported either that U.S. demand for finished diamond sawblades increased, or fluctuated since January 1, 2006 (table II-6). Most firms expected demand to increase or fluctuate in the future. Purchasers were asked if demand for their firm's services had changed since 2006 and if this change had affected their demand for finished diamond sawblades. Responses were mixed, two purchasers each reported demand had increased, decreased, and fluctuated. All the six purchasers reporting how demand for their services had changed reported that these changes had affected their demand for diamond sawblades.[38] [39]

[37] Most producers (3 of 4) and both responding imports reported that demand for parts was also subject to business cycles or conditions of competition. Parts were reported to be affected by the same factors as finished diamond sawblades.

[38] Purchasers reporting demand for their products had increased also reported increased use of diamond sawblades, those reporting demand for their products had decreased reported using fewer diamond sawblades or lower margins, firms reporting fluctuations reported either demand fluctuated or changes the resulting from supply and demand.

Table II-6
Diamond sawblades and parts thereof: Firms' responses regarding U.S. demand

Item	Increase	No change	Decrease	Fluctuate
	Finished diamond sawblades			
Demand in the United States				
U.S. producers	2	0	1	1
Importers	10	1	2	7
Purchasers	10	4	2	6
Foreign producers	0	1	1	0
Anticipated future demand				
U.S. producers	2	2	0	0
Importers	12	1	1	5
Purchasers	13	6	0	2
Foreign producers	0	1	0	1
Demand for purchasers' projects since 2006				
Purchasers	2	0	2	2
	Diamond sawblade parts			
Demand in the United States				
U.S. producers	1	1	0	1
Importers	2	0	1	2
Foreign producers	0	1	1	0
Anticipated future demand				
U.S. producers	1	1	0	0
Importers	3	0	0	1
Foreign producers	0	1	0	1

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

Substitute products

All five responding U.S. producers, 16 of 20 responding importers, and 17 of 22 responding purchasers reported that there were no substitutes for finished diamond sawblades. Those reporting substitutes identified abrasive blades and cutting chain, which could be used to cut some of the same types of material as diamond sawblades. No producer, importer, or purchaser reported any changes in substitutes for finished diamond sawblades since 2006, and only one importer, but no other firm, reported that it expected changes to substitutes in the future.[40]

Most firms reported that the cost of substitutes did not affect demand for diamond sawblades. One firm explained that while abrasive blades cost less than diamond sawblades, diamond sawblades last longer and are thus less expensive to use than abrasive blades. Another firm reported that in the last 15 years, diamond sawblades have displaced abrasive blades.

(…*continued*)

[39] Half the responding firms expect demand for parts to increase in the future.

[40] No responding producer or importer reported any substitutes for diamond sawblade parts.

Cost share

Finished diamond sawblades are an end use product and it is difficult for firms to estimate the cost of these blades in the cost of the construction services they provide. For this reason, purchasers were not asked to estimate the cost of finished diamond sawblades in their end uses.

Producers and importers were asked to estimate the cost shares of the finished diamond sawblade in their end uses. None of the U.S. producers' questionnaire responses were usable. Three importers provided usable questionnaire responses. Finished diamond sawblade costs were estimated to account for between 10 and 20 percent of the cost of cutting concrete, 20 percent of the cost of cutting tile, and 30 percent of the cost of "crack chasing."[41] Parties were requested to estimate the cost share of the finished diamond sawblade in the typical saw that would use 7 inch blades, 14 inch blades, and 20 inch blades. Costs for 7 inch blades ranged from 7.5 to 10.0 percent of the cost of the saw in which they were used, and 14 inch blades ranged from 5.0 to 10.0 percent of the cost of the saw in which they were used. [42] Only one firm estimated the cost share of 20 inch blades, at 3 percent of the cost of the saw. It also reported that saws of this size typically did not come with sawblades.[43] Parties were also requested to estimate the share of the cost of sawblades in the total cost of contracts. Firms were unable to answer this question.[44]

One professional concrete cutting company reported that the cost of diamond sawblades had fallen from one of its three largest costs, to become an "almost negligible factor."[45]

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported diamond sawblades and parts thereof depends upon such factors as relative prices, the types of finished diamond sawblades produced (e.g., diameter, segmented/continuous rim, laser-welded/soldered/ brazed/spintered), quality (e.g., grade standards, reliability of supply, defect rates, etc.), and

[41] "Crack chasing" is performed as part of the repair of cracks in asphalt or concrete.

[42] ***. Email from ***, EDIS documents 556448 and 556461.

[43] ***. Email from ***, EDIS document 556448.

[44] Producers were asked the cost share of cores and segments in the cost of finished diamond sawblades. Three producers responded. Two of these reported that cores represented 15 percent and segments represented 85 percent of costs. One reported that for "***," cores represented 24 percent of costs, segments represented 72 percent, and other costs were only 4 percent of costs. For "***" cutting saws, cores represented 34 percent of the cost, and segments represented 64 percent. For saws used in "***," cores represented 29 percent and segments represented 66 percent of the cost of the finished blade.

[45] Hearing transcript, p. 28 (Walker).

conditions of sale (e.g., order size, price discounts/rebates, lead times between order and delivery dates, payment terms, product services, etc.). Based on available data, staff believes that there is moderate degree of substitutability between domestically produced diamond sawblades and parts thereof and diamond sawblades and parts thereof imported from China.

Lead times

Finished diamond sawblades are primarily sold from inventories (table II-7). U.S. producers and importers reported that most of their commercial shipments were from inventories, with lead times of 1 day for U.S. producers and 1 to 30 days for importers. The remaining commercial shipments were produced-to-order, with lead times averaging from 1 to 4 days for U.S. producers and 60 to 120 days for importers.[46]

Table II-7
Diamond sawblades and parts thereof: Share of U.S. producers' and U.S. importers' shipments and lead times

Product	U.S. producers		U.S. importers	
	Shipped from inventories	Produced to order	Shipped from inventories	Produced to order
Finished diamond sawblades				
Share (percent)	61.5	38.5	80.1	19.9
Average lead times (days)	1.0	3.0	7.3	86.3
Diamond sawblades parts				
Share (percent)	***	***	***	***
Average lead times (days)	***	***	***	***

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

Importers were asked if they shipped finished diamond sawblades using sea freight or air freight. Most importers shipped their finished diamond sawblades by sea freight (92.5) percent. Six importers used airfreight for 5 percent or more of their imports, including *** ***.

Knowledge of country sources

Fifteen purchasers indicated they had marketing/pricing knowledge of domestic product, 18 of Chinese product, 14 of Korean product, and 12 of nonsubject countries other than Korea. These nonsubject countries included Austria, Belgium, France, India, Indonesia, Japan, Malaysia, Mexico, Sweden, and Thailand.

As shown in table II-8, most purchasers and their customers either sometimes or never make purchasing decisions for finished diamond sawblades based on the producer or country of origin. Of the five purchasers that reported always making decisions based the manufacturer, reasons included: purchase based on performance; purchase from known suppliers; purchase based on brand recognition; and purchase based on competition, suppliers' product mix,

[46] *** reported commercial shipments of diamond sawblade parts.

product quality, cost, and delivery. Purchasers making decisions by country of origin either purchased from producers not subject to the order or from suppliers that they knew.

Table II-8
Finished diamond sawblades: Purchasing decisions based on producer and country of origin

Purchaser/Customer Decision	Always	Usually	Sometimes	Never
Purchaser makes decision based on producer	5	5	9	6
Purchaser's customers make decision based on producer	0	2	9	9
Purchaser makes decision based on country	3	0	7	14
Purchaser's customers make decision based on country	0	0	7	12

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

Factors affecting purchasing decisions

This section examines a number of factors involved in the purchase decision. These include the factors normally in a report and factors specifically investigated in this case including the overlap of branded and unbranded product; overlap of different purchasers, and the overlap of different types of diamond sawblades.

Purchasers were asked to report the top three factors they considered in their purchase decision for finished diamond sawblades. Two factors were overwhelmingly identified by most purchasers: quality/performance (24 firms)[47] and price/cost (19 firms) (table II-9). Quality/performance was the most frequently cited first-most important factor (cited by 13 firms), followed by price/cost (4 firms); quality/performance was the most frequently reported second-most important factor (8 firms); and price/cost was the most frequently reported third-most important factor (8 firms).

Table II-9
Finished diamond sawblades: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Factor	First	Second	Third	Total
Quality/performance	13	8	3	24
Price/cost	4	7	8	19
Range of product line	3	2	2	7
Brand name	2	1	0	3
Availability	0	3	3	6
Reliability	0	1	1	2
Terms	0	1	1	2
Delivery/lead time	0	0	5	5
Other[1]	1	1	1	3

[1] Other factors includes for most important factor trust, for second most important factor strong engineering support, and for third factor capacity.

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

[47] One purchaser reported performance as the most important factor and quality as third-most important factor; both responses are included in this report.

Purchasers were requested to list factors that determined the quality of finished diamond sawblades. Quality factors cited included: performance (ability to cut, cutting speed, cutting life/durability, performance consistency, performs as designed, results of field tests, balance, noise, and vibration); appearance (finish, weld quality, and packaging quality); safety requirements; quality meets or exceeds engineering specifications; product consistency; vendor's quality control process and reputation for quality; price performance (cost per foot production); packaging; and customer approval.

The majority of purchasers (17 of 24) reported that they sometimes purchase the lowest-priced product for their purchases. Two purchasers always purchase lowest-priced product, five usually purchase the lowest priced product, and one never purchases lowest priced product.[48]

When asked if they purchased finished diamond sawblades from one source although a comparable product was available at a lower price from another source, 12 purchasers reported reasons stated that they did so for reasons of: quality; cost; transportation cost; terms; delivery; product portfolio; tech support; ease of communication; supplier relationship; vendor support; preference for U.S. made product; prefer top brands from U.S.-based companies (these sawblades may be imported); and special glass cutting blades which is not comparable with other products and thus not price driven. Three of 24 purchasers reported that certain types of product were only available from a single source. Reasons why product was available only from a single source included: delivery for large sawblades used in construction necessitates U.S. product; sintered blades are not available from U.S. producers; and pattern diamond technology is available only from Korea or China.

Comparison of branded and unbranded distributors

Branded and unbranded distributors' competition

Purchasers that were distributors were asked to report if branded and unbranded distributors "always," "frequently," "sometimes," or "never" compete against each other in the sales of finished diamond sawblade of different sizes (table II-10). Responses differed by size of the blades. Most responding purchasers and most purchasers that self-identified as distributors reported that branded and unbranded sawblades "always" or "frequently" competed in the 7-to-10 inch sawblade category. For all the larger sawblade size categories, the most common responses were "frequently" and "sometimes." At least one purchaser reported that there was "never" competition between branded and unbranded distributors for diamond sawblades larger than 14 inches.

[48] One purchaser responded both that it "usually" and "sometimes" purchase purchases the lowest priced product. Both its responses are included.

Table II-10
Finished diamond sawblades: Number of firms reporting the extent that branded and unbranded distributors compete against each other, by size of sawblade

Diamond sawblade sizes:	Always	Frequently	Sometimes	Never
	All purchasers responding to the distributor questions			
>7.0" but <=10.0"	6	5	4	0
>10.0" but <=12.0"	4	6	6	0
>12.0" but<=14.0"	4	3	8	0
>14.0" but <=20.0"	3	4	6	1
>20.0"	3	3	3	2
	Responses of purchasers that classify themselves as distributors			
>7.0" but <=10.0"	4	5	4	0
>10.0" but <=12.0"	3	5	6	0
>12.0" but<=14.0"	3	3	7	0
>14.0" but <=20.0"	2	3	6	1
>20.0"	2	3	3	2

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

Sales of multiple brands

Purchasers were asked if they sold or purchased multiple brands. Responses were collected separately for distributors, OEM/endusers, and retailers.[49] Sixteen of 19 responding distributors reported selling multiple brands. Only *** reported that they purchased only one brand of diamond sawblades.[50] Four of the seven responding OEMs/end users reported purchasing multiple brands. One firm explained that it purchased multiple brands because ***. All six responding purchasers that reported that they were chiefly retailers reported purchasing multiple brands.

Distributors' competition with their suppliers

When distributors were asked if they compete with their suppliers, 9 of 19 responding firms reported that they did. Distributors were asked to report the type of customers to whom they sell. Eleven reported selling to end users, 8 sold to retailers (4 of these reported selling to big box retailers), and 6 sold to distributors.[51]

[49] Since firms often self-identified as being more than one type of purchaser, a number of firms provided more than one response to this question.

[50] ***.

[51] A number of firms gave multiple responses.

Overlap of product sold to concrete drillers and cutters compared with general contractors and DYI users

Retailers were asked to report if they differentiated between concrete drillers/cutters, general contractors, and DYI end users. Eight of 11 responding firms reported that they did not differentiate between these types of purchasers.[52]

Firms were asked how frequently the diamond sawblades purchased by concrete drillers/cutters, general contractors, and DYI end users overlapped (table II-11). Retailers tended to report less competition between the purchases of concrete drillers/cutters and DYI users. Most responding retailers reported that blades sold to drillers/cutters and DYI users "sometimes" or "never" compete particularly in sizes over 12 inches. Three firms that were primarily retailers compared purchase groups for specific sizes:

- For blades 7-to-10 inch and 10-to-12 inch, two of the three responding retailers reported that purchases of concrete drillers/cutters and general contractors "always" compete.
- For blades sized 12-to-14 inch and 14-to-20 inch, one retailer each reported purchases of concrete drillers/cutters and general contractors "always" compete and that they "sometimes" compete.
- For blades over 20 inches, both responding retailers reported that purchases of concrete drillers/cutters and general contractors "frequently" compete.

Table II-11
Finished diamond sawblades: Number of retailers reporting whether different types of end users compete against each other, by size of sawblade

Diamond sawblade sizes:	Concrete drillers/cutters vs general contractors				Concrete drillers/cutters vs DIY users			
	A	F	S	N	A	F	S	N
	Responses of firms that are primarily retailers[1]							
>7.0" but <=10.0"	2	0	0	1	1	0	1	1
>10.0" but <=12.0"	2	0	1	0	1	0	1	1
>12.0" but<=14.0"	1	0	1	0	0	0	1	1
>14.0" but <=20.0"	1	0	1	0	0	0	1	1
>20.0"	0	2	0	0	0	0	0	1

[1] ***.

Note.—A=Always, F=Frequently, S=Sometimes, N=Never.

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

[52] Of the six firms reporting that they were mainly retailers, two of these reported differentiation between concrete drillers/cutters, general contractors, and DYI end users.

Overlap of different types of diamond sawblades

This section examines the overlap between different types of diamond sawblades including: segmented or continuous rim; the type of attachment for the segments to the blade; size of sawblades; and grade of the diamond sawblades.

Variety of different types of diamond sawblades

There is a wide range of different types of diamond sawblades. Diamond Products estimated that it had established list prices for 30,000 SKUs.[53] Husqvarna estimated that it was capable of producing 50,000 SKUs for professional use.[54] For example, in addition to all the different types, sizes, and grades of diamond sawblades for different uses, aggregates used to make concrete differ in hardness between regions of the United States, as a result, the best diamond sawblades for cut concrete differs by region.[55]

Interchangeability of different types of diamond sawblades

Purchasers were asked to report if different types of finished diamond sawblades were "always," "frequently," "sometimes," or "never" used interchangeably, and to explain why they were or were not interchangeable (table II-12). Most purchasers responded that different types of diamond sawblades were "sometimes" interchangeable.

Table II-12
Finished diamond sawblades: Number of purchasers/distributors reporting the extent that different types of diamond sawblades were used interchangeably

Diamond sawblade types	Always	Frequently	Sometimes	Never
Segmented vs continuous rim	1	3	13	6
Laser welded vs soldered/brazed and sintered	2	5	15	1
Different diameters	1	2	17	3
Different grades	2	4	17	0

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

Segmented vs continuous rim

More purchasers reported that segmented and continuous rim were "never" used interchangeably (6 of 23) than reported they were "always" or "frequently" used interchangeably (4) (table II-12). Purchasers reported that segmented blades are used for faster, rougher cutting while continuous blades are slower but provide a better finish. Purchasers also reported that both segmented and continuous blades could be used in some applications, but in most applications one or the other was preferred.

[53] Hearing transcript, p. 71 (Jedick).
[54] Hearing transcript, p. 141 (Greenwald).
[55] Hearing transcript, pp. 112-113 (Wolters).

Laser welded vs soldered, brazed, and sintered

Seven reported that they were "always" or "frequently" used interchangeably, only one purchaser of 22 responding reported that laser welded vs soldered/brazed and sintered diamond sawblades were "never" used interchangeably (table II-12). Some purchasers reported that laser welded blades were best for extreme conditions. Others reported that sintered technology had improved so much that the less expensive sintered blades could be used interchangeably with laser welded blades. One purchaser reported that brazed blades may be better than laser welded blades because very large diameter blades may not fit into existing laser welding equipment or firms may want to re-segment their own blades. Purchasers also reported that most types could be used in easier conditions.

Overlap of different sizes of diamond sawblades

Seventeen of 23 responding purchasers reported that different diameter blades were "sometimes" interchangeable (table II-12). Purchasers explained that the blade diameters required had to match the saw being used and had to be appropriate for the size of the cut required. Purchasers reported that there was some flexibility to use different sized sawblades because some saws can use more than one sawblade size, and because while small saw blades can only make small cuts, large sawblades can make small as well as larger cuts.

Counsel for Husqvarna contended that the overlap of sizes of diamond sawblades overstates the true competition between Chinese and U.S.-produced diamond sawblades. For 10 to 12 inch blades, Husqvarna reported it sold most U.S. product in this range. Much of the 10 to 12 inch blades it sold was "soff cut" blades used to cut freshly poured concrete. Similarly Husqvarna reported that it produced half the U.S.-produced 14 inch blades and 80 percent of its U.S.-produced 14 inch blades were "soff cut" blades. Husqvarna reported that it is not harmed by imports of smaller blade product.[56] It reported that for blades 14 inches or less, (other than premium products) U.S. manufacturers cannot be competitive with low cost imports. As a result, it reported, low-economy blades are imported by U.S. producers that plan to carry these products.[57]

DSMC contended that U.S. producers are facing increased competition in the larger sizes of diamond sawblades[58] and that this is leading to price reductions for these products.[59] DSMC also reported that they believed that the number of large diameter blades was larger than reported in the prehearing report because it did not include information from Diamond Tools Technology which imported professional grade diamond sawblades and as a result were "one of the most disruptive players in the marketplace."[60]

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[56] Hearing transcript, p. 140 (Greenwald).
[57] Hearing transcript, pp. 159-160, 165 (Noeth).
[58] Hearing transcript, p. 86 (Wolters).
[59] Hearing transcript, p. 88 (Jedick).
[60] Hearing transcript, p. 90-91 (Pickard). ***.

Different grades

Seventeen of the 23 responding purchasers reported that sawblades of different grades could "sometimes" be used interchangeably; the remaining six responded they could "always" or "frequently" be used interchangeably (table II-12). Purchasers reported that the interchangeability of different grades depended on customer preferences, the application, budgets, and willingness to tolerate slower cutting or a shorter life of the blade

Importance of specified purchase factors

Purchasers were asked to rate the importance of 23 factors in their purchasing decisions (table II-13).

Table II-13
Finished diamond sawblades: Importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Very important	Somewhat important	Not important
Availability	22	2	0
Available in diameters 10 inches or less	16	7	1
Available in diameters greater than 10 inches but less than or equal to 14 inches	14	9	1
Available in diameters greater than 14 inches	8	10	6
Available with continuous rim	16	6	2
Available with segmented rim	18	5	1
Delivery terms	15	8	1
Delivery time	19	4	0
Discounts offered	10	9	5
Extension of credit	11	6	7
Minimum quantity requirements	8	9	7
Packaging	14	8	2
Price	19	5	0
Produced by laser-welding	12	9	3
Produced by sintering	7	12	5
Produced by soldering/braising	2	12	10
Product consistency	24	0	0
Product range	16	7	1
Quality exceeds industry standards	10	12	1
Quality meets industry standards	22	2	0
Reliability of supply	22	2	0
Technical support/service	14	7	3
U.S. transportation costs	8	11	5

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

Product consistency was rated "very important" by all 24 responding purchasers. Other factors rated as "very important" by more than half of responding purchasers were availability, quality meets industry standards, and reliability of supply (22 each); price and delivery time (19 each); availability with segmented rim (18); availability in diameter 10 inches or less, availability with continuous rim, and product range (16 each); delivery terms (15); and availability in diameters greater than 10 inches and less than or equal to 14 inches, packaging, and technical

support (14 each). Product produced by soldering/braising was the only factor where more purchasers reported it was "not important" (10) than reported it was "very important" (2).

Supplier certification

Half the responding purchasers (12 of 24) require their suppliers to become certified or qualified to sell finished diamond sawblades to their firm. Purchasers reported that the time to qualify a new supplier ranged from 10 to 180 days. No purchaser reported that any domestic or foreign supplier had failed in its attempt to qualify product, or had lost its approved status since January 1, 2006.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2006 (table II-14). Fourteen of 24 responding purchasers reported that they had changed suppliers since January 1, 2006.

Table II-14
Finished diamond sawblades: Changes in purchase patterns from U.S., Chinese, and nonsubject sources

Source of purchases	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	7	3	6	6	3
China	1	6	8	3	4
Korea	4	5	4	6	1
Other	2	1	9	5	2

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

Reasons for decreased purchases

Reasons purchasers reduced purchases of product from the United States included: change to direct purchase from foreign suppliers; price; and increase variety of import product offerings. Reasons firms reported for decreased purchases of Chinese product included: the antidumping order and change was initiated by the vendor.[61] Reasons purchasers reduced purchases of Korean product included: the antidumping order; closure of Korean plant; and purchaser wanted fewer sources.

Reasons for increased purchases

Reasons firms increased purchases of U.S. product included: sales and marketing effort; increased demand; and duty avoidance and improve quality control.[62] Reasons firms increased

[61] ***.

[62] One of the purchasers (***) that reported that it had increased purchases of U.S. product had not actually done so. In its response it reported increased purchases from an importer located in the United States rather than having actually purchased more U.S.-produced product.

purchases of Chinese product included: increased demand; price; increased availability of category offering; moved business from Japan and Korea; and increased Chinese availability. Reasons firms increased purchases of Korean product included: moved purchases from Japan and Europe and increased business. Reasons firms increased purchases of product from import sources other than China and Korea included: the antidumping order; price increase in import product offering; new product offerings, improved production facilities, and price; and new factory in Thailand.

Reasons for fluctuating purchases

Reasons firms' purchases fluctuated included: the order and market trends (China); demand fluctuation (China); purchase only based on price and availability (all countries); and closing of a production facility (United States).

New suppliers

Nine of 24 responding purchasers reported new suppliers since 2006. These included Husqvarna, MK Diamond, DITEQ, King Thai, Advanced Diamond Tools, Bosun Tools, and OX Group. Purchasers also reported that new Chinese companies entered the U.S. market until 2009 when the antidumping order went into effect. They also reported that new suppliers display at conferences or contact purchasers. Thirteen of 24 purchases expected new suppliers to enter the U.S. market citing: expectations that new suppliers will enter if the order is revoked; new suppliers will enter that are not subject to the antidumping duties; Chinese firms will produce finished sawblades in other countries to bypass the antidumping duties.

Importance of purchasing domestic product

Eighteen of 23 responding purchasers reported that purchasing U.S.-produced product was not required in any of their purchasing decisions for finished diamond sawblades. Four of the remaining five reported it was required for 99 percent of their purchases and one reported that it was not required for 95 percent of purchases (table II-15). Three purchasers reported that domestic product was required by law (for 1 to 5 percent of their purchases). One purchaser reported it was required by its customers (for 1 percent of the firm's purchases). Two purchasers reported other preferences for domestic product (for 1 percent of their purchases). Reasons cited for preferring domestic product included: special manufacturing requirement only available from domestic suppliers and customer request.

Table II-15
Finished diamond sawblades: Share of sales and number of purchasers responding that sale of their product has domestic requirement and reasons for domestic requirement

Factor	Share of purchases (percent)	Count of firms (number)
Purchases no domestic requirements	99.8	23
Purchases domestic requirements by law	0.1	3
Purchases domestic requirements by customers	0.0	1
Purchases domestic requirements other	0.1	2
Total	100.0	23

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

Comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing finished diamond sawblades produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 23 factors (table II-16) for which they were asked to rate the importance.

Most purchasers reported that U.S. and Chinese product were comparable for all factors other than price. Most of the purchasers (8 of 15) reported that the U.S. product was higher priced than Chinese product. Most purchasers reported that U.S. and nonsubject product were comparable for all factors except delivery time. Half of the purchasers (6 of 12) reported that U.S. and nonsubject imports' delivery time was comparable, five reported that U.S. delivery time was superior, and one reported that U.S. delivery time was inferior. Four of 13 purchasers reported that U.S. product was higher priced than nonsubject product. Most purchasers reported that Chinese and nonsubject imports were comparable for all 23 factors.

Table II-16
Finished diamond sawblades: Purchasers' comparisons between U.S.-produced and imported product

Factor	U.S. vs. China			U.S. vs. nonsubject			China vs. nonsubject		
	S	C	I	S	C	I	S	C	I
Availability	3	12	0	0	11	1	1	12	2
Available in diameters 10 inches or less	1	10	3	1	9	2	2	12	1
Available in diameters greater than 10 inches but less than or equal to 14 inches	2	12	0	0	11	1	0	13	2
Available in diameters greater than 14 inches	4	10	0	2	9	1	0	11	3
Available with continuous rim	1	10	3	1	9	2	2	11	1
Available with segmented rim	1	12	1	1	11	0	2	12	1
Delivery terms	1	13	0	1	10	1	0	14	1
Delivery time	5	9	0	5	6	1	3	11	1
Discounts offered	0	11	2	0	10	1	1	14	0
Extension of credit	0	11	2	0	9	2	0	11	3
Minimum quantity requirements	3	10	1	1	10	1	0	12	3
Packaging	2	11	1	1	11	0	1	11	2
Price[1]	0	7	8	0	9	4	4	11	2
Produced by laser-welding	1	12	0	0	10	1	1	11	2
Produced by sintering	0	10	3	1	8	2	2	12	0
Produced by soldering/braising	1	12	0	1	10	0	0	14	0
Product consistency	3	11	0	1	9	2	1	12	2
Product range	4	8	2	2	8	2	2	12	1
Quality exceeds industry standards	3	10	0	1	11	0	0	13	2
Quality meets industry standards	2	12	0	1	11	0	0	15	0
Reliability of supply	2	12	0	0	11	1	0	13	2
Technical support/service	6	8	0	2	9	1	0	12	3
U.S. transportation costs[1]	2	11	1	3	9	0	2	13	0

[1] A rating of superior means that price/U.S. transportation costs is generally lower. For example, if a firm reported "U.S. superior," it meant that the U.S. product was generally priced lower than the imported product.

Note.--S=first listed country's product is superior; C=both countries' products are comparable; I=first list country's product is inferior. Not all firms responded for each factor.

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

Comparison of U.S.-produced and imported diamond sawblades and parts thereof

In order to determine whether U.S.-produced diamond sawblades and parts thereof can generally be used in the same applications as imports from China and nonsubject Korea and other nonsubject countries, U.S. producers, importers, and purchasers were asked whether diamond sawblades and parts thereof can "always," "frequently," "sometimes," or "never" be used interchangeably. As shown in table II-17, responses varied. All responding producers, and most importers reported that finished diamond sawblades were at least "sometimes" interchangeable for all country pairs. Most purchasers reported that finished diamond sawblades from all countries were either frequently or always Interchangeable. Most U.S. producers reported that U.S. and Chinese and U.S. and Korean finished diamond sawblades were "always" or "frequently" interchangeable. For other country pairs, half or more of the U.S. producers reported that product was "sometimes" interchangeable. [63]

Reasons for the reported degree of interchangeability of finished diamond sawblades from different countries included: product quality differs by country; interchangeability depends on how the diamond sawblades are used; U.S. producers do not product smaller blades; U.S. producers do not product sintered blades; U.S. producers' lower tier laser blades up to 14 inches in diameter compete with Chinese and Korean product; and only Korea produces pattern arranged diamond segment sawblades.

As can be seen from table II-18, 11 of 18 responding purchasers reported that domestically produced product "always" met minimum quality specifications. Eight of 20 responding purchasers reported that the Chinese finished diamond sawblades "always" met minimum quality specifications.

[63] Half or more of the responding producers and importers reported that diamond sawblade cores from all the country pairs were "always" interchangeable. Half or more of the responding producers and importers reported that diamond sawblade segments from all the country pairs were "always" or "frequently" interchangeable.

Table II-17
Diamond sawblades and parts thereof: Interchangeability between diamond sawblades and parts thereof produced in the United States and in other countries, by country pairs

Country pairs	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
	Finished diamond sawblades											
U.S. vs. subject countries: U.S. vs. China	2	1	2	0	5	5	6	2	7	5	3	1
Nonsubject countries comparisons: U.S. vs. Korea	1	2	2	0	4	6	6	1	7	5	3	0
U.S. vs. nonsubject other than Korea	0	0	3	0	4	6	4	1	5	5	3	0
China vs. Korea	1	1	2	0	8	7	3	0	10	5	3	0
China vs. nonsubject other than Korea	0	1	2	0	8	2	4	0	8	4	2	0
Korea vs. nonsubject other than Korea	0	1	2	0	8	2	4	0	8	3	2	0
	Diamond sawblade cores											
U.S. vs. subject countries: U.S. vs. China	3	0	0	0	2	1	0	1				
Nonsubject countries comparisons: U.S. vs. Korea	2	1	1	0	2	1	0	1				
U.S. vs. nonsubject other than Korea	1	0	1	0	2	0	0	1				
China vs. Korea	2	0	0	0	2	1	1	0				
China vs. nonsubject other than Korea	1	0	0	0	2	0	0	1				
Korea vs. nonsubject other than Korea	1	0	1	0	2	0	0	1				
	Diamond sawblade segments											
U.S. vs. subject countries: U.S. vs. China	2	1	1	0	1	3	1	0				
Nonsubject countries comparisons: U.S. vs. Korea	1	2	1	0	2	2	1	0				
U.S. vs. nonsubject other than Korea	0	1	1	0	2	0	1	1				
China vs. Korea	1	1	0	0	1	3	1	0				
China vs. nonsubject other than Korea	0	1	0	0	2	0	1	1				
Korea vs. nonsubject other than Korea	0	1	0	0	2	0	1	1				

Note.—A=Always, F=Frequently, S=Sometimes, N=Never.

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

Table II-18
Finished diamond sawblades: Ability to meet minimum quality specifications, by source[1]

Source	Always	Usually	Sometimes	Rarely or never
United States	11	7	0	0
China	8	12	0	0
Korea	5	12	1	0
Other	7	8	0	0

[1] Purchasers were asked how often domestically produced or imported finished diamond sawblades meet minimum quality specifications for their own or their customers' uses.

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

In addition, producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of diamond sawblades and parts thereof from the United States, subject, or nonsubject countries. As seen in table II-19, most responding U.S. producers and importers reported that there were either "sometimes" or "never" differences other than price between finished diamond sawblades from all country pairs. Eight of 15 purchasers reported that there were either "always" or "frequently" differences other than price between finished diamond sawblades from the United States and China. Seven of 14 purchasers reported that there were either "always" or "frequently" differences other than price between finished diamond sawblades from the United States and Korea. Most responding purchasers reported that there were either "sometimes" or "never" differences other than price between finished diamond sawblades for all other country pairs.[64]

[64] All responding U.S. producers and importers reported that there were "sometimes" or "never" differences other than price between diamond sawblade cores from all country pairs. All responding U.S. producers reported that there were "sometimes" or "never" differences other than price for diamond sawblade segments from all country pairs. Most responding importers reported that there were "frequently" or "sometimes" differences other than price for diamond sawblade segments from all country pairs.

Table II-19
Diamond sawblades and parts thereof: Significance of differences other than price between diamond sawblades and parts thereof produced in the United States and in other countries, by country pairs

Country pairs	Number of U.S. producers reporting				Number of U.S. importers reporting				Number of purchasers reporting			
	A	F	S	N	A	F	S	N	A	F	S	N
	Finished diamond sawblades											
U.S. vs. subject countries:												
U.S. vs. China	1	1	1	2	3	5	6	3	5	3	4	3
Nonsubject countries comparisons:												
U.S. vs. Korea	1	1	3	0	2	4	9	2	4	3	5	2
U.S. vs. nonsubject other than Korea	0	1	2	0	0	5	9	1	1	2	6	2
China vs. Korea	0	0	2	0	2	3	7	4	4	0	8	4
China vs. nonsubject other than Korea	0	0	1	0	1	3	6	3	2	0	7	2
Korea vs. nonsubject other than Korea	0	0	2	0	1	3	5	4	2	0	5	3
	Diamond sawblade cores											
U.S. vs. subject countries:												
U.S. vs. China	0	0	1	1	0	0	1	2				
Nonsubject countries comparisons:												
U.S. vs. Korea	0	0	2	0	0	0	2	1				
U.S. vs. nonsubject other than Korea	0	0	1	0	0	0	1	1				
China vs. Korea	0	0	1	0	0	0	3	0				
China vs. nonsubject other than Korea	0	0	1	0	0	0	1	1				
Korea vs. nonsubject other than Korea	0	0	1	0	0	0	1	1				
	Diamond sawblade segments											
U.S. vs. subject countries:												
U.S. vs. China	0	0	1	1	0	1	2	1				
Nonsubject countries comparisons:												
U.S. vs. Korea	0	0	2	0	0	2	2	0				
U.S. vs. nonsubject other than Korea	0	0	1	0	0	1	1	1				
China vs. Korea	0	0	1	0	0	2	2	0				
China vs. nonsubject other than Korea	0	0	1	0	0	1	1	1				
Korea vs. nonsubject other than Korea	0	0	1	0	0	2	1	0				

Note.--A = Always, F = Frequently, S = Sometimes, N = Never.

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

Reported differences other than price between finished diamond sawblades from different countries included: U.S. producers supply different sizes and performance than the Chinese; U.S. producers supply custom designed blades; U.S. and Korean producers provide better technical supports than Chinese; Chinese and Korean producers produced sintered blades; U.S., Chinese, Korean, and Indonesian producers capacity and lead times differ; Chinese and Korean producers' plants in other countries provide good or better blades; and Korean producers are the most technologically advanced.

ELASTICITY ESTIMATES

This section discusses elasticity estimates; parties were encouraged to comment on these estimates. No party commented on these estimates.

U.S. supply elasticity

The domestic supply elasticity[65] for diamond sawblades and parts thereof measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of diamond sawblades and parts thereof. The elasticity of domestic supply depends on several factors including the level of excess capacity, the range of products/ sizes produced, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced diamond sawblades and parts thereof. Analysis of these factors earlier indicates that the U.S. industry is likely to be able to greatly increase or decrease shipments to the U.S. market; an estimate in the range of 5 to 10 is suggested for all but the smallest finished diamond sawblades; however, for small sizes (7 inches or less in diameter) which U.S. producers currently sell small volumes, the elasticity would be estimated to be much lower--an estimate in the range of 1 to 2 is suggested.[66]

U.S. demand elasticity

The U.S. demand elasticity for diamond sawblades and parts thereof measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of diamond sawblades and parts thereof. This estimate depends on factors discussed earlier such as the existence, availability, and commercial viability of substitute products, as well as the component share of the diamond sawblades and parts thereof in the destination service

[65] A supply function is not defined in the case of a non-competitive market.

[66] For diamond sawblade cores, an estimated U.S. supply elasticity in the range of 5 to 10 is suggested. For diamond sawblade segments, an estimated U.S. supply elasticity in the range of 5 to 10 is suggested.

industries. Based on the available information, the aggregate demand for diamond sawblades and parts thereof is likely to be inelastic; a range of -0.5 to -1.0 is suggested. [67]

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.[68] Product differentiation, in turn, depends upon such factors as quality (e.g., durability, consistency, ability to cut at high speed, safety, appearance, etc.), conditions of sale (e.g., availability, sales terms/ discounts/ promotions, etc.), and product differences (type of blade, size of blade). Based on available information, the elasticity of substitution between U.S.-produced diamond sawblades and parts thereof and imported diamond sawblades and parts thereof is likely to be in the range of 1 to 5.[69]

[67] For diamond sawblade cores, an estimated demand elasticity in the range of -0.5 to -1.0 is suggested. For diamond sawblade segments, an estimated demand elasticity in the range of -0.2 to -0.5 is suggested

[68] The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

[69] For diamond sawblade cores, an estimated substitution elasticity in the range of 1 to 5 is suggested. For diamond sawblade segments, an estimated U.S. supply elasticity in the range of 1 to 5 is suggested.

PART III: CONDITION OF THE U.S. INDUSTRY

OVERVIEW

The information in this section of the report was compiled from responses to the Commission's questionnaires. Eight manufacturers of finished diamond sawblades, which accounted for approximately 90 percent of U.S. production by firms that provided responses in the original investigations,[1] and one core producer, Western Saw, accounted for *** percent of production in the original investigations and 100 percent of U.S. production of diamond sawblade cores during 2012-14, supplied information on its operations in this review.[2]

In the original investigations, 15 firms provided usable questionnaire responses for their finished diamond sawblade operations and two firms provided usable questionnaire responses for their diamond sawblade core operations. The U.S. industry has undergone consolidation since the conclusion of the original investigations. Two firms, Barranca and Saint-Gobain,[3] ceased domestic production and two producers were acquired: *** acquired ***[4] and Hilti acquired Diamond B.[5]

Changes experienced by the industry

Domestic producers were asked to indicate whether their firm had experienced any plant openings, relocations, expansions, acquisitions, consolidations, closures, or prolonged

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[1] All eight firms that produced finished diamond sawblades also produced diamond sawblade segments for the purpose of incorporating them into finished diamond sawblades. *** of these firms, ***, produced very few segments for commercial sale, ***. Emails from ***, May 13, 2015; ***, May 14, 2015; and ***, May 14, 2015. These three firms did not provide separate segment trade data. *** did, however, report separate segment trade data. In 2014, *** had *** of U.S. commercial shipments of finished diamond sawblades and *** of U.S. commercial shipments of segments.

Due to the relatively small commercial sales of segments, data for U.S. commercial operations for this product are not separately presented in this report. Corroborating the very small commercial market presence of diamond sawblade segments, only one U.S. producer, ***, reported purchasing a total of *** of diamond sawblades segments during 2012-14. Accordingly, only U.S. overall capacity and production data are presented for diamond sawblade segments.

[2] Western Saw is the sole domestic producer of diamond sawblade cores and does not produce diamond sawblade segments or finished diamond sawblades.

[3] Barranca ceased domestic production in April 2008. In 2005, Barranca accounted for *** percent of U.S. production of finished diamond sawblades. Email from ***, June 8, 2015. ***.

[4] ***. Email from ***. *** provided a response in the original investigations and accounted for *** percent of domestic finished diamond sawblade production in 2005.

[5] Other U.S. producers did not submit questionnaire responses. SH Trading, represented in this proceeding by the law firm of Perkins Coie, did not file a U.S. producers' questionnaire response. *** is believed produce finished diamond sawblades, but did not provide a U.S. producers' questionnaire response. These two firms combine accounted for *** percent of domestic finished diamond sawblade production in 2005. *** accounted for *** percent and *** accounted for *** percent.

shutdowns because of strikes or equipment failure; curtailment of production because of shortages of materials or other reasons, including revision of labor agreements; or any other change in the character of their operations or organization relating to the production of diamond sawblades and parts thereof since 2006.

Three firms reported acquisitions and consolidations. ***. In 2009, Hilti became a domestic producer through its acquisition of Diamond B (a petitioner in the original investigations), which it renamed "Hilti U.S. Manufacturing, Inc." in 2014. In 2007, Husqvarna acquired Soff-Cut, a U.S. producer of concrete saws. Husqvarna also in 2007 acquired an interest in a joint venture, with a Chinese venture partner, Hebei Jikai Industrial Group, creating diamond sawblade producer Husqvarna Hebei Jikai, and then acquired full ownership of the company which became Husqvarna (Hebei) Co. Ltd.[6]

No firm reported opening a plant but one firm, *** expanded its ***. *** closed a plant in ***, which manufactured finished diamond sawblades ***.

No firm reported any revised labor agreements. *** reported that it experienced a reduction in its labor force due to the downturn in the economy and short periods of reduced labor hours due to weather conditions causing delays in scheduled jobs.

The ***, reported that it has ***.

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of finished diamond sawblades and sawblade parts. No firm reported any anticipated changes.

U.S. PRODUCTION, CAPACITY, AND CAPACITY UTILIZATION

Finished diamond sawblades

Table III-1 presents U.S. producers' production, capacity, and capacity utilization for finished diamond sawblades.[7] Capacity fluctuated from 2012 to 2013 and from 2013 to 2014, with an overall decrease of 9.0 percent from 2012 to 2014. Three firms reported changes in capacity during this period. Most of the changes are due to ***'s reported increase in capacity from 2012 to 2013 and decrease from 2013 to 2014, reflecting changes in product mix and not changes in plant equipment and machinery.[8] *** also experienced increases in capacity, but the *** effect is relatively small compared to ***. Likewise, production fluctuated during 2012-14, also largely driven by ***'s changes in product mix. Capacity utilization during 2012-14 was relatively stable since production and capacity changed in unison.

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[6] Email from John Greenwald from the law firm of Cassidy, Levy, Kent (USA) LLP, counsel to Husqvarna, May 12, 2015.

[7] Only one producer, ***, reported that it also produces other products (***) on the same equipment and machinery used to produce finished diamond sawblades.

[8] Email from ***, May 14, 2015.

Table III-1
Diamond sawblades: U.S. producers' finished diamond sawblades' production, capacity, and capacity utilization, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
Capacity	584,800	635,877	532,347
Production	417,048	426,620	393,953
	Ratio (percent)		
Capacity utilization	71.3	67.1	74.0

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

Table III-2 presents U.S. producers' production, capacity, and capacity utilization for diamond sawblade segments. All U.S. producers of finished diamond sawblades produce diamond sawblade segments and virtually all segments are consumed internally for the purpose of producing finished diamond sawblades.

Table III-2
Diamond sawblade segments: U.S. producers' diamond sawblade segments' production for internally consumed and commercial sold diamond sawblade segments, other products, capacity, and capacity utilization, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
Capacity for diamond sawblade segments	15,299,200	17,659,200	17,037,600
Production of commercially sold diamond sawblade segment	***	***	***
Production of internally consumed diamond sawblade segments	***	***	***
Production of other products	***	***	***
Total production on diamond sawblade segment machinery	11,859,198	12,618,725	11,766,709
	Ratio (percent)		
Overall capacity utilization	77.5	71.5	69.1

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

Diamond sawblade cores

Table III-3 presents Western Saw's production, capacity, and capacity utilization for diamond sawblade cores.[9] Western Saw's ***, resulting in a ***. Western Saw attributed these trends to ***.[10]

[9] Western Saw reported that ***. ***. ***.

[10] Email from Dan Pickard from the law firm of Wiley Rein LLP, counsel to DSMC, May 15, 2015. Part I discusses Commerce proceedings, which include no ***.

Table III-3
Diamond sawblade cores: U.S. producers' production, capacity, and capacity utilization, 2012-14

* * * * * * *

U.S. PRODUCERS' U.S. SHIPMENTS AND EXPORTS

Finished diamond sawblades

Table III-4 presents U.S. producers' U.S. shipments, export shipments, and total shipments of finished diamond sawblades. The total quantity of shipments of finished diamond sawblades decreased by 8.5 percent from 2012 to 2014 and the total value of shipments decreased by 13.1 percent. The decrease in U.S. commercial shipments and export shipments (combined, ***) more than offset the increase in internal consumption and transfers (combined ***). The decrease in U.S. commercial shipments was largely driven by ***'s changes in its product mix. Internal consumption reflects ***.[11] Over *** percent of the value of transfers reflect ***.[12] Export shipments did not account for more than *** percent of either total quantity of shipments or value of shipments during any year from 2012 to 2014.

Table III-4
Finished diamond sawblades: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
Commercial shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	411,333	394,490	384,208
Export shipments	29,007	23,882	18,789
Total shipments	440,340	418,372	402,997
	Value (1,000 dollars)		
Commercial shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	76,712	70,894	68,376
Export shipments	5,787	4,535	3,305
Total shipments	82,499	75,429	71,681

Table continued on next page.

[11] Email from ***, May 14, 2015.
[12] Email from ***, May 14, 2015.

Table III-4--*Continued*
Finished diamond sawblades: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2012-14

Item	Calendar year		
	2012	2013	2014
	Unit value (dollars per unit)		
Commercial shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	186.50	179.71	177.97
Export shipments	199.50	189.89	175.90
Total shipments	187.35	180.29	177.87
	Share of quantity (percent)		
Commercial shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	93.4	94.3	95.3
Export shipments	6.6	5.7	4.7
Total shipments	100.0	100.0	100.0
	Share of value (percent)		
Commercial shipments	***	***	***
Internal consumption	***	***	***
Transfers to related firms	***	***	***
U.S. shipments	93.0	94.0	95.4
Export shipments	7.0	6.0	4.6
Total shipments	100.0	100.0	100.0

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

Diamond sawblade cores

Table III-5 presents Western Saw's U.S. shipments, export shipments, and total shipments of diamond sawblade cores. *** of Western Saw's shipments were commercial, as opposed to related party transfers or internal consumption. As discussed above, Western Saw attributed the trend in its U.S. shipments ***.[13]

[13] Email from Dan Pickard from the law firm of Wiley Rein LLP, counsel to DSMC, May 15, 2015.

Table III-5
Diamond sawblade cores: U.S. producers' U.S. shipments, exports shipments, and total shipments, 2012-14

* * * * * * *

U.S. PRODUCERS' INVENTORIES

Table III-6 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. Finished diamond sawblade inventories fluctuated slightly along with its ratio to production and shipments. The quantity of inventories and ratios to production and shipments are relatively high compared to most other industries that appear before the Commission. Producers maintain large inventories, containing a wide range of types of blades, in order to supply the market in a timely fashion with the specific type of blade in demand.[14] Western Saw ***.[15]

Table III-6
Finished diamond sawblades and diamond sawblade cores: U.S. producers' inventories, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
Inventories of finished diamond sawblades	146,012	153,964	145,681
	Ratio (percent)		
Inventories as a ratio to.--			
Production	35.0	36.1	37.0
U.S. shipments	35.5	39.0	37.9
Total shipments	33.2	36.8	36.1

Table continued on next page.

[14] Staff telephone interview with ***, April 28, 2015.

[15] Western Saw's U.S. producers' questionnaire response, II-11 and IV-8. Western Saw also explained that it ***. Email from Dan Pickard from the law firm of Wiley Rein LLP, counsel to DSMC, May 18, 2015.

Table III-6--*Continued*
Finished diamond sawblades and diamond sawblade cores: U.S. producers' inventories, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
Inventories of diamond sawblade cores	***	***	***
	Ratio (percent)		
Inventories as a ratio to.-- Production	***	***	***
U.S. shipments	***	***	***
Total shipments	***	***	***
	Quantity (units)		
Inventories of commercially sold diamond sawblade segments	***	***	***
	Ratio (percent)		
Inventories as a ratio to.-- Production	***	***	***
U.S. shipments	***	***	***
Total shipments	***	***	***

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

U.S. PRODUCERS' IMPORTS AND PURCHASES

Table III-7 compares individual U.S. producers' U.S imports of finished diamond sawblades, diamond sawblade cores, and diamond sawblade segments from China and other nonsubject sources to each firm's U.S. production and total shipments of U.S.-produced diamond sawblades.

Diamond Products imported *** from ***. Diamond Products reported that it imported ***. The ***.

General Tool reported that it ***. General Tool imported ***.

***. ***.

Husqvarna reported that it imported ***. Husqvarna ***. Husqvarna imported ***. Husqvarna also reported ***. All of Husqvarna's ***.[16]

Saint-Gobain ***. Saint-Gobain was not a U.S. producer in 2014. Saint-Gobain imported ***. During 2012-13, when it was producing finished diamond sawblades in the United States, Saint-Gobain's imports from China accounted for less than *** percent of its total imports of finished diamond sawblades.

[16] Email from ***, May 20, 2015.

Table III-7
Diamond sawblades and parts thereof: U.S. producers' U.S. production and total shipments, imports, and import ratios to U.S. production and total shipments, 2012-14

* * * * * * *

Table III-8 presents data on individual U.S. producers' reported purchases of finished diamond sawblades imported from subject sources as well as the ratio of such purchases to U.S. production.

Table III-8
Finished diamond sawblades: U.S. producers' U.S. total shipments, purchases of imports, and ratios of purchases to U.S. total shipments, 2012-14

* * * * * * *

U.S. EMPLOYMENT, WAGES, AND PRODUCTIVITY

Table III-9 shows U.S. producers' employment-related data.[17] In 2014,the two largest U.S. producers of finished diamond sawblades, Diamond Products and Husqvarna, combined accounted for approximately *** percent of domestic production (Husqvarna accounted for *** percent and Diamond Products *** percent). Likewise, these two firms accounted for the most finished diamond sawblade production and related workers ("PRWs") during 2012-14, accounting for approximately *** percent of all finished diamond sawblade PRWs during 2012-14. ***. *** employed approximately *** percent of all finished diamond sawblade PRWs and Diamond Products approximately *** percent.[18] ***.[19]

[17] ***.
[18] ***.
[19] ***.

Table III-9
Finished diamond sawblades and diamond sawblade cores: Average number of production and related workers, hours worked, wages paid to such employees, hourly wages, productivity, and unit labor costs, 2012-14

Item	Calendar year		
	2012	2013	2014
Finished diamond sawblades			
Production and related workers (PRWs) (number)	262	263	276
Total hours worked (1,000 hours)	515	541	543
Hours worked per PRW (hours)	1,966	2,057	1,967
Wages paid ($1,000)	8,726	8,773	9,120
Hourly wages (dollars per hour)	$16.94	$16.22	$16.80
Productivity (units per 1,000 hours)	810	789	726
Unit labor costs (dollars per units)	$22.90	$21.56	$23.15
Diamond sawblades cores			
Production and related workers (PRWs) (number)	***	***	***
Total hours worked (1,000 hours)	***	***	***
Hours worked per PRW (hours)	***	***	***
Wages paid ($1,000)	***	***	***
Hourly wages (dollars per hour)	***	***	***
Productivity (units per 1,000 hours)	***	***	***
Unit labor costs (dollars per units)	***	***	***

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

FINANCIAL EXPERIENCE OF U.S. PRODUCERS

Background

Seven producers provided usable financial data on their operations producing diamond sawblades, including finished diamond sawblades and parts.[20] The responding producers are believed to represent the substantial majority of U.S. production. The firms differ considerably in size in terms of sales volume and value. The two largest producers, ***, reported annual sales values over $*** every year.[21] In contrast, three firms, ***, reported annual sales of less than $*** every year. Overall, net sales consisted of commercial sales and small amounts of internal consumption by *** and related party transfers by ***.[22]

Operations on diamond sawblades

The results of operations of the responding firms on their finished diamond sawblades operations are presented in table III-10, which includes data on a per-unit basis as well as operating income (loss) to net sales ratios. To summarize, the financial results of the U.S. producers deteriorated between 2012 and 2014 as net sales quantities, net sales values, and per-unit values declined, while per-unit total cost (cost of goods sold ("COGS") plus selling, general, and administrative ("SG&A") expenses) increased slightly (by 1.6 percent from 2012 to 2014). Per-unit values of COGS decreased from 2012 to 2013, due to lower raw material costs, and then increased somewhat from 2013 to 2014 as per-unit raw materials and conversion costs (direct labor and factory overhead combined) increased. Per-unit SG&A expenses also increased from 2013 to 2014. The combined producers' operating income increased from $10.2 million in 2012 to $10.8 million in 2013 (due mainly to the decrease of per-unit total cost), then decreased to $7.1 million in 2014 as a result of higher per-unit total cost.[23] The ratio of operating income to net sales decreased by 3.7 percentage points from 14.1 percent in 2012 to 10.4 percent in 2014.

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[20] The producers with fiscal year ends other than December 31 are Dixie (May 31), Multiquip (March 31), Terra (February 28), and Western Saw (April 30). However, *** are reported on calendar year basis. Western Saw produces/sells diamond sawblades parts (cores) only. Differences between data reported in the trade and financial sections of the Commission's producers' questionnaire mainly are attributable to timing differences (calendar year vs. fiscal year) and to General Tool's and Saint-Gobain's inability to provide financial data.

[21] The company records underlying the financial data of Husqvarna and Diamond Products were reviewed at Commission offices. The financial data of ***. Based on the office reviews, ***.

[22] ***; such internal consumption and transfers are not shown separately.

[23] While the average unit sales value remained almost the same from 2013 to 2014, average unit total cost increased by $9 per unit, which resulted in a decreased per-unit operating income by $9 per unit.

Table III-10
Diamond sawblades (finished): Results of operations of U.S. producers, fiscal years 2012-14

Item	Fiscal year		
	2012	2013	2014
	Quantity (units)		
Net sales[1]	384,689	383,276	370,892
	Value ($1,000)		
Net sales[1]	72,422	70,302	68,014
COGS	43,407	41,097	41,602
Gross profit	29,015	29,205	26,412
SG&A expenses	18,835	18,439	19,339
Operating income	10,180	10,766	7,073
Interest expense	42	67	58
Other expense	4,373	4,429	5,961
Other income	88	115	76
Net income	5,853	6,385	1,130
Depreciation	650	528	495
Cash flow	6,503	6,913	1,625
	Value (per unit)		
Net sales	$188.26	$183.42	$183.38
COGS	112.84	107.23	112.17
Gross profit	75.42	76.20	71.21
SG&A expenses	48.96	48.11	52.14
Operating income	26.46	28.09	19.07
Net income	15.21	16.66	3.05
	Ratio to net sales (percent)		
COGS	59.9	58.5	61.2
Gross profit	40.1	41.5	38.8
SG&A expenses	26.0	26.2	28.4
Operating income	14.1	15.3	10.4
Net income	8.1	9.1	1.7
	Number of firms reporting		
Operating losses	1	1	3
Data	6	6	6

[1] ***.

Selected financial data for finished diamond sawblades, by firm, are presented in table III-11. Total net sales (quantities and values), operating income (loss), the ratio of operating income (loss) to net sales, and per-unit values (sales, COGS, SG&A expenses, and operating income (loss)), are presented in this table on a firm-by-firm basis. Three of the six reporting producers generated positive operating income in each fiscal year during 2012-14, while one producer reported an operating loss in every year during the period. The combined operating income and operating income margins of the six producers decreased between 2012 and 2014 (and in particular between 2013 and 2014). When comparing 2014 results to 2013 results, only two producers, ***, reported improved profitability. Three producers, ***, reported operating losses in 2014, compared to ***) in 2012 and 2013.

As explained above, the firms differ considerably in size (both in terms of sales volume and values) as well as in the unit values and the unit COGS (and total cost). These are partly due to product mix. ***.[24] ***.[25]

Table III-11
Diamond sawblades (finished): Results of operations of U.S. producers (by firm), fiscal years 2012-14

* * * * * * *

The data show that *** in all years, achieved the highest dollar value of operating profits and operating income margin in each year. The unit values reported by ***.[26] ***.[27] Per-unit SG&A expenses of *** were much higher compared to those expenses of other producers. *** per-unit SG&A expenses somewhat increased in 2014 compared to the previous years. No producer reported any non-recurring items.

Selected aggregate per-unit cost data of the producers on their operations, i.e., COGS and SG&A expenses, are presented in table III-12. Overall per-unit COGS and total cost (which includes SG&A expenses) decreased somewhat from 2012 to 2013, driven mainly by changes (decreases) in raw material costs. Per-unit COGS increased from 2013 to 2014, due to the increases in per-unit raw materials and conversion costs as well as per-unit SG&A expenses.

[24] E-mail from ***, May 15, 2015.
[25] E-mail from ***, July 1, 2015.
[26] Letter from ***, April 22, 2015.
[27] ***.

Table III-12
Diamond sawblades (finished): Average unit costs of U.S. producers, fiscal years 2012-14

Item	Fiscal year		
	2012	2013	2014
	Value (per unit)		
COGS:			
Raw materials	$76.97	$72.79	$74.12
Direct labor	12.03	11.69	12.58
Factory overhead	23.83	22.74	25.47
Total COGS	112.84	107.23	112.17
SG&A expenses	48.96	48.11	52.14
Total cost	161.80	155.33	164.31

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

A variance analysis showing the effects of prices and volume on the producers' sales of finished diamond sawblades, and of costs and volume on their total costs, is shown in table III-13.[28] The data presented in table III-13 are comparable to changes in operating income as presented in table III-10. The analysis is summarized at the bottom of the table. The variance analysis indicates that the decrease in operating income of $3.1 million between 2012 and 2014 resulted from the combined negative effects of lower average price ($1.8 million), higher costs/expenses ($0.9 million), and decreased sales volume ($0.4 million). Between 2013 and 2014, it indicates that the decrease in operating income of $3.7 million resulted from the combined effects of primarily increased costs/expenses and decreased sales volume.

[28] The Commission's variance analysis is calculated in three parts: sales variance, COGS variance, and SG&A expenses variance. Each part consists of a price variance (in the case of the sales variance) or a cost variance (in the case of the COGS and SG&A variances) and a volume variance. The sales or cost variance is calculated as the change in unit price/cost times the new volume, while the volume variance is calculated as the change in volume times the old unit price/cost. Summarized at the bottom of the respective tables, the price variance is from sales, the cost/expense variance is the sum of those items from COGS and SG&A, respectively, and the net volume variance is the sum of the price, COGS, and SG&A volume variance. All things being equal, a stable overall product mix generally enhances the utility of the Commission's variance analysis.

Table III-13
Diamond sawblades (finished): Variance analysis of operations of U.S. producers, between fiscal years 2012-14

Item	Between fiscal years		
	2012-14	2012-13	2013-14
	Value ($1,000)		
Net sales:			
Price variance ("var")	(1,811)	(1,854)	(16)
Volume variance	(2,597)	(266)	(2,272)
Total net sales var.	(4,408)	(2,120)	(2,288)
Cost of sales:			
Cost variance	248	2,151	(1,833)
Volume variance	1,557	159	1,328
Total cost variance	1,805	2,310	(505)
Gross profit variance	(2,603)	190	(2,793)
SG&A expenses:			
Expense variance	(1,180)	327	(1,496)
Volume variance	676	69	596
Total SG&A variance	(504)	396	(900)
Operating income var.	(3,107)	586	(3,693)
Summarized as:			
Price variance	(1,811)	(1,854)	(16)
Net cost/expense var.	(931)	2,477	(3,329)
Net volume variance	(365)	(37)	(348)

Note.--Unfavorable variances are shown in parentheses; all others are favorable. The data are comparable to changes in operating income as presented in table III-9.

Operations on diamond sawblade parts

Western Saw is the only producer which reported on its diamond sawblades parts (cores) operations. The results are presented in table III-14, which includes data on a per-unit basis as well as operating income (loss) to net sales ratios. The firm's profitability was lower in 2014 than in 2012, reflecting ***. Net sales quantity and value ***. Operating income was $*** in 2012, $*** in 2013, and $*** in 2014. Operating income margins followed the same trend. The ratio of operating income to net sales was *** percent in 2012 and *** percent in 2014.

Only Diamond Products reported its diamond sawblades parts (segments) operations. Net sales values of diamond sawblade segments were less than $*** percent of the combined sales values in 2014 and they are not shown separately (refer to appendix tables C-3 for segments data and C-4 for the combined data of cores, segments, and finished diamond sawblades). Diamond Products explained that ***.[29]

Table III-14
Diamond sawblade parts (cores): Results of operations of U.S. producer, fiscal years 2012-14

* * * * * * *

Capital expenditures and research and development expenses

The responding firms' aggregate data on capital expenditures and research and development ("R&D") expenses are presented in table III-15. All U.S. producers except for *** reported at least nominal capital expenditures, while no producer reported sizable amounts of capital expenditures during 2012-14. Data for capital expenditures on a firm-by-firm basis are shown in table III-16. Capital expenditures increased from 2012 to 2013, then decreased to 2014. R&D expenses remained relatively small and stable over the period. Four responding firms reported R&D expenses.

Table III-15
Diamond sawblades: Capital expenditures and R&D expenses by U.S. producers, fiscal years 2012-14

Item	Fiscal year		
	2012	2013	2014
Capital expenditures[1]	1,522	1,866	1,030
R&D expenses[2]	943	840	908

[1] All companies except *** reported capital expenditures.
[2] *** reported R&D expenses.

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

[29] E-mail from ***, May 15, 2015.

Table III-16
Diamond sawblades: Capital expenditures by U.S. producers, by firm, fiscal years 2012-14

* * * * * * *

Assets and return on assets

U.S. producers were requested to provide data on their assets used in the production and sales of diamond sawblades during the period for which data were collected to assess their return on assets ("ROA"). Although ROA can be computed in different ways, a commonly used method is income earned during the period divided by the total assets utilized for the operations. Therefore, staff calculated ROA as operating income divided by total assets used in the production and sales of the combined diamond sawblades (finished, cores and segments). Data on the U.S. producers' total assets and their ROA are presented in table III-17. The return on assets increased slightly from 2012 to 2013, then decreased from 2013 to 2014. The trend of ROA over the period was the same as the trend of the operating income margin shown in table III-10.

Table III-17
Diamond sawblades: Value of assets and return on assets of U.S. producers, fiscal years 2012-14

Item	Fiscal year		
	2012	2013	2014
	Value ($1,000)		
Operating income	***	***	***
	Value ($1,000)		
Total assets (net)	35,134	35,674	37,828
	Ratio of operating income to total assets (percent)		
Return on assets	***	***	***

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

PART IV: U.S. IMPORTS AND THE FOREIGN INDUSTRIES

U.S. IMPORTS

Overview

The Commission issued questionnaires to 85 firms believed to have imported finished diamond sawblades or diamond sawblade parts between 2012 and 2014. Twenty-six firms provided data and information in response to the questionnaires.[1] U.S. importers' questionnaire data accounted for approximately 89.4 percent of the quantity of U.S. imports from China in 2014 as presented in table IV-1, and 82.8 percent of the value; approximately 78.7 percent of the quantity of U.S. imports from Korea in 2014 and 76.2 percent of the value; and, approximately 94.0 percent of the quantity of U.S. imports from all other sources in 2014 and 94.4 percent of the value.

Import data in this report are based on questionnaire responses and *** data. Staff adjusted the latter to exclude firms that provided questionnaire responses, and to only include imports of known suppliers of in-scope merchandise.[2]

Imports from subject and nonsubject countries

Table IV-1 presents information on U.S. imports of finished diamond sawblades from China and nonsubject imports from Korea and all other sources. In each year during 2012-14, China was the largest source of imported finished diamond sawblades, measured by quantity

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[1] Shinhan Diamond America ("Shinhan"), represented in this proceeding by the law firm of Perkins Coie LLP, was the ***, submitted an ***. Importer ***, also submitted an *** response, but ***. ***.

[2] *** data for entries under HTS 8202.39.0010 underwent several adjustments in order to provide estimated import data. First, the data for firms that provided questionnaire responses were removed from the dataset. Second, for imports from China, imports that were assessed, or had initially been assessed, antidumping duties were included. Many of the foreign suppliers, however, received zero rates beginning in July 2013 and so therefore were not included in the "dutied" category. Staff added back twelve months of imports (July-December 2013 and January-June 2014) from either (1) firms that were expressly given zero duty rates in Commerce's amended results of the administrative review, or (2) had mostly imported "dutied" imports during the non-affected 24-month period of time (e.g., January 2012-June 2013 and July 2014-December 2014). Those imports which were not reported in questionnaire data, classified as "nondutied" for antidupming purposes, but otherwise had had antidumping duties in the period as described above were added back to the "dutied" aggregate for six months in 2013 (e.g., July-December 2013) and for six months in 2014 (e.g., January-June 2014).

In addition, for imports from Korea and all other sources from firms that did not provide questionnaire responses, staff identified likely importers and foreign producers of in-scope merchandise. For Korea, this added back the vast majority of imports not covered by questionnaire submissions. For the "all other sources" aggregate, this added back *** not represented by questionnaire submissions.

and value, while Korea was the second largest source.[3] During this period, the quantity and value of imports from China decreased in each successive year whereas imports from Korea and from all other sources increased. As shown in table I-7, five firms accounted for approximately 75 percent of imports from China and two firms combined accounted for approximately *** percent of imports from nonsubject sources, measured by quantity. *** account for the largest share of imports from nonsubject sources, followed by ***, ***, ***, and ***. All five increased their imports during this period.

Table IV-1
Finished diamond sawblades: U.S. imports by source, 2012-14

Item	Calendar year		
	2012	2013	2014
	Quantity (units)		
U.S. imports from.--			
China	6,744,474	5,503,757	4,683,946
Korea	920,779	1,078,534	1,252,064
All other sources	477,519	1,238,178	2,783,617
Nonsubject sources	1,398,298	2,316,712	4,035,681
Total U.S. imports	8,142,772	7,820,469	8,719,627
	Value (1,000 dollars)		
U.S. imports from.--			
China	44,577	33,964	35,466
Korea	15,692	18,986	19,766
All other sources	13,169	18,975	31,290
Nonsubject sources	28,861	37,961	51,056
Total U.S. imports	73,438	71,925	86,522
	Unit value (dollars per unit)		
U.S. imports from.--			
China	6.61	6.17	7.57
Korea	17.04	17.60	15.79
All other sources	27.58	15.32	11.24
Nonsubject sources	20.64	16.39	12.65
Total U.S. imports	9.02	9.20	9.92

Table continued on next page.

[3] As noted in table I-6, importers of Korean diamond sawblade products related to Chinese firms include ***.

Table IV-1--*Continued*
Finished diamond sawblades: U.S. imports by source, 2012-14

Item	Calendar year		
	2012	2013	2014
	Share of quantity (percent)		
U.S. imports from.--			
China	82.8	70.4	53.7
Korea	11.3	13.8	14.4
All other sources	5.9	15.8	31.9
Nonsubject sources	17.2	29.6	46.3
Total U.S. imports	100.0	100.0	100.0
	Share of value (percent)		
U.S. imports from.--			
China	60.7	47.2	41.0
Korea	21.4	26.4	22.8
All other sources	17.9	26.4	36.2
Nonsubject sources	39.3	52.8	59.0
Total U.S. imports	100.0	100.0	100.0
	Ratio to U.S. production (percent)		
U.S. imports from.--			
China	1,617.2	1,290.1	1,189.0
Korea	220.8	252.8	317.8
All other sources	114.5	290.2	706.6
Nonsubject sources	335.3	543.0	1,024.4
Total U.S. imports	1,952.5	1,833.1	2,213.4

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

Table IV-2 presents information on U.S. imports of diamond sawblade cores from China as well as from Korea and all other nonsubject sources. Imports of diamond sawblade cores increased during 2012-14, with Korea, the largest source of imported cores, accounting for the largest portion of the increase. ***. In 2014, Husqvarna imported ***. ***.

Table IV-2
Diamond sawblade cores: U.S. imports by source, 2012-14

* * * * * * *

Table IV-3 presents information on U.S. imports of diamond sawblade segments from China as well as imports from Korea and all other nonsubject sources. Imports of diamond sawblade segments are relatively small compared to finished diamond sawblades. ***. The two firms combined accounted for approximately *** percent of all imports of segments during 2012-14. ***.

Table IV-3
Diamond sawblade segments: U.S. imports by source, 2012-14

* * * * * * *

U.S. IMPORTERS' IMPORTS SUBSEQUENT TO DECEMBER 31, 2014

The Commission requested importers to indicate whether they had imported or arranged for the importation of finished diamond sawblades (table IV-4), diamond sawblade cores (table IV-5), and diamond sawblade segments (table IV-6) from China, Korea, and all other sources for delivery after December 31, 2014.

Table IV-4
Finished diamond sawblades: U.S. importers' arranged imports, 2015

* * * * * * *

Table IV-5
Diamond sawblade cores: U.S. importers' arranged imports, 2015

* * * * * * *

Table IV-6
Diamond sawblade segments: U.S. importers' arranged imports, 2015

* * * * * * *

U.S. IMPORTERS' INVENTORIES

Table IV-7 presents data for inventories of U.S. imports of finished diamond sawblades from China as well as Korea and all other nonsubject sources held in the United States.

Table IV-7

Finished diamond sawblades: U.S. importers' end-of-period inventories of imports, by source, 2012-14

Item	Calendar year		
	2012	2013	2014
Imports from China: Inventories (units)	785,073	715,432	543,930
Ratio to U.S. imports (percent)	11.6	13.0	11.6
Ratio to U.S. shipments of imports (percent)	15.2	14.5	12.2
Ratio to total shipments of imports (percent)	15.1	14.4	12.2
Imports from Korea: Inventories (units)	***	***	***
Ratio to U.S. imports (percent)	***	***	***
Ratio to U.S. shipments of imports (percent)	***	***	***
Ratio to total shipments of imports (percent)	***	***	***
Imports from all other sources: Inventories (units)	***	***	***
Ratio to U.S. imports (percent)	***	***	***
Ratio to U.S. shipments of imports (percent)	***	***	***
Ratio to total shipments of imports (percent)	***	***	***
Imports from nonsubject sources: Inventories (units)	382,009	438,752	789,150
Ratio to U.S. imports (percent)	27.3	18.9	19.6
Ratio to U.S. shipments of imports (percent)	38.6	23.1	24.6
Ratio to total shipments of imports (percent)	37.7	22.7	24.3
Imports from all sources: Inventories (units)	1,167,082	1,154,184	1,333,080
Ratio to U.S. imports (percent)	14.3	14.8	15.3
Ratio to U.S. shipments of imports (percent)	18.9	16.9	17.4
Ratio to total shipments of imports (percent)	18.8	16.8	17.3

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

Table IV-8 presents data for inventories of U.S. imports of diamond sawblade cores from China and as well as Korea and all other nonsubject sources held in the United States.

Table IV-8

Diamond sawblade cores: U.S. importers' end-of-period inventories of imports, by source, 2012-14

* * * * * * *

Table IV-9 presents data for inventories of U.S. imports of diamond sawblade segments from China and nonsubject sources Korea and all others held in the United States.

Table IV-9
Diamond sawblade segments: U.S. importers' end-of-period inventories of imports, by source, 2012-14

* * * * * * *

THE INDUSTRY IN CHINA

Operations on finished diamond sawblades

During the original investigations, questionnaire responses were received from 15 producers in China. In the current review, the Commission issued foreign producers' questionnaires to 20 producers and/or exporters in China and received three responses, from Husqvarna (Hebei) Co. Ltd. ("Husqvarna Hebei"), Beijing Gang Yan Diamond Products Company ("Gang Yan"), and Saint-Gobain Abrasives China ("Saint-Gobain China"), representing approximately half of Chinese exports to the United States in 2014.[4] Diamond sawblades and parts thereof account for *** shares of total sales of the three responding firms in their most recent fiscal years. Diamond sawblades and parts thereof accounted for *** percent of Husqvarna Hebei's sales, *** percent of Gang Yan's sales, and *** percent of Saint-Gobain China's sales.

All three firms produce finished diamond sawblades and diamond sawblade segments. ***. ***. Furthermore, ***.

Husqvarna is the only firm that reported a change to its operations. As noted in Part III, in 2007, Husqvarna acquired an interest in a joint venture, with a Chinese venture partner, Hebei Jikai Industrial Group, creating diamond sawblade producer Husqvarna Hebei Jikai. Husqvarna then acquired full ownership of the company which became Husqvarna (Hebei) Co. Ltd.

Table IV-10 presents information on the finished diamond sawblade operations of the responding producers in China. Capacity did not change during 2012-14, but production fluctuated, and was *** percent *** in 2014 compared to 2012. Export shipments accounted for at least 75 percent of total shipments for each year during 2012-14.[5] [6] The three firms shipped, by value, more finished diamond sawblades to *** than any other destination. The *** accounted for the second largest amount of the value of shipments, followed by all other

[4] The firms estimated that they account for approximately *** percent of Chinese exports to the United States.

[5] Foreign producers of the subject merchandise were asked to identify export markets (other than the United States) that they have developed where they have increased their sales of diamond sawblades and parts thereof since 2006. ***.

[6] No firm reported being subject to any third-country trade remedy actions.

markets (identified as ***). Home market shipments accounted for the smallest amount of value. Finished diamond sawblades shipped domestically had the lowest unit value – approximately *** percent of the unit value of exports to the United States and the European Union. Responding Chinese producers' inventories are relatively lower, in absolute quantities or relative to production and shipments, compared to inventories held by U.S. producers and importers.[7]

Table IV-10
China: Finished diamond sawblades capacity, production, shipments, and inventories, 2012-14

* * * * * * *

Table IV-11 presents information on responding Chinese firms' total value of shipments by blade size and type of blade. Consistent with U.S. commercial shipment data for imports from China presented in table I-12, finished diamond sawblades less than 7 inches in diameter account for the largest volume of shipments followed by finished diamond sawblades greater than 12 inches in diameter but less than or equal to 14 inches.

Table IV-11
Diamond sawblades: Chinese producers' total shipments, by blade diameter and type of blade, 2014

* * * * * * *

Operations on diamond sawblade cores

Table IV-12 presents information on *** diamond sawblade core operations. Capacity ***. ***.

Table IV-12
China: Diamond sawblade cores capacity, production, shipments, and inventories, 2012-14

* * * * * * *

Operations on diamond sawblade segments

Table IV-13 presents information on Chinese responding firms' diamond sawblade segment operations. Capacity ***. ***.

Table IV-13:
China: Diamond sawblade segments capacity, production, shipments, and inventories, 2012-14

* * * * * * *

[7] *** firm reported maintaining *** inventories in the United States.

GLOBAL MARKET

Supply

Global and country data on diamond sawblades and parts thereof are not available. China and Korea provide for tariff lines for diamond sawblades and parts thereof. However, most countries do not collect and publish data on diamond sawblades. Therefore, global export statistics include circular sawblades with working part of diamond or materials other than steel (i.e., primarily carbide or tungsten carbide tipped circular sawblades).

During 2012–14, global supply increased by 35.6 percent (table IV-14). Exports from China increased by 60.3 percent and from Thailand by 40.3 percent during this period. Changes in global supply of diamond sawblades and parts thereof from China, Korea, and Thailand are discussed below, as well as summarized for other growing exporting countries.

Table IV-14
Circular sawblades other than with a working part of steel: Global exports by top 10 reporting countries, 2012–14 (dollars)

Country	2012	2013	2014
China	385,538,153	418,190,399	618,136,421
EU28 (External Trade)	101,754,917	100,753,313	105,206,590
Korea	77,759,830	76,568,295	80,570,234
Japan	45,068,363	38,393,743	47,041,244
United States	22,682,442	24,766,129	24,700,084
Thailand	11,662,639	12,066,982	16,358,447
Canada	11,797,582	11,026,879	13,649,124
Turkey	9,106,804	9,523,187	10,176,946
Israel	8,237,000	6,234,000	8,407,000
Taiwan	4,920,658	5,194,081	4,698,486
All other	20,771,255	20,129,553	19,339,193
Total	699,299,645	722,846,561	948,283,769

Source: GTIS, Global Trade Atlas (accessed May 6, 2015), HS heading 8202.39.

China

Table IV-15 present data on China's exports of circular sawblades with a working part of diamond or cubic boron nitride.[8] These data come close to representing a data series matching the U.S. HTS classification of diamond sawblades and parts during 2012–14 in terms of classification.[9] These Chinese data are also more discrete than the HS heading 8202.39, which includes sawblades other than those with a working part of steel. These data indicate that China's overall exports of diamond and cubic boron nitride sawblades and parts thereof rose by 96.6 percent in value, while those to the United States rose by only 4.8 percent during 2012–14. Exports to other markets rose substantially.

Table IV-15
Circular sawblades with a working part of diamond or cubic boron nitride and parts thereof: Leading destinations for exports from China, 2012–14 (dollars)

Country	2012	2013	2014
Vietnam	32,453,691	16,595,049	72,536,286
EU28	38,852,633	50,499,138	70,999,205
India	4,664,161	15,512,348	22,844,159
United States[1]	21,634,826	21,033,367	22,665,182
Brazil	7,051,469	12,671,262	18,203,239
Korea	16,326,718	16,134,478	14,180,778
Japan	2,929,397	6,431,202	9,138,209
Russia	3,899,916	6,004,478	6,925,418
United Arab Emirates	1,786,344	3,714,288	6,230,063
Argentina	1,014,362	2,568,632	4,894,209
All other	23,742,534	46,068,476	68,553,499
Total	149,691,890	181,720,370	294,326,088

[1] Data for Chinese exports to the United States and Puerto Rico. Chinese trade statistics provide separate trade data for the United States and Puerto Rico.

Note.--China provides in its tariff schedule for circular sawblades with a working part of natural or synthetic diamond or cubic boron nitride.

Source: GTIS, Global Trade Atlas (accessed May 19, 2015), HS heading 8202.3910.

Korea

Table IV-16 presents data on Korea's exports of diamond sawblades and parts thereof other than those used for cutting semiconductor and other electronics devices. These data are

[8] Cubic boron nitride is a manmade super hard abrasive that is used in cutting or grinding hardened steels. CMT, "Diamond of CNB," February 10, 2015. http://blog.cdtusa.net/diamond-saw-blade (accessed May 21, 2015).

[9] However, U.S. imports of diamond sawblades and parts thereof under HTS 8202.39.0010 during 2012–14 were approximately $10 million or more higher annually when compared to Chinese exports in table IV-14.

more discrete than data series matching the U.S. HTS classification of diamond sawblades and parts during 2012–14. The U.S. data includes imports of diamond sawblades used in the semiconductor and electronics industries. These Korean data are also more discrete than the HS heading 8202.39, which includes sawblades other than those with a working part of steel. Korean exports of diamond sawblades and parts rose by 1.7 percent in value during 2012–14 (table IV-16). Korean exports to the EU28, the leading market over the period, declined by 3.3 percent. In contrast, exports to the United States rose by 22.2 percent.

Table IV-16
Circular sawblades with a working part of diamond other than for machines sawing semiconductor wafer or device into each unit Leading destinations for exports from Korea, 2012–14 (dollars)

Country	2012	2013	2014
EU28	27,613,922	26,322,444	26,696,694
United States	16,269,302	17,747,422	19,879,782
Japan	12,047,759	10,423,547	11,189,043
Saudi Arabia	2,389,092	2,655,577	2,870,016
Australia	2,145,564	1,582,970	1,356,634
United Arab Emirates	1,198,225	2,655,329	1,263,169
Turkey	787,793	1,031,743	1,006,675
Argentina	477,619	836,287	857,132
Russia	807,029	868,880	776,109
Norway	539,075	647,177	658,469
All other	8,781,383	7,174,644	7,765,653
Total	73,056,763	71,946,020	74,319,376

Note.--Korea provides in its tariff schedule for circular sawblades with a working part of diamond, other than for machines for sawing semiconductor wafer or device into each unit.

Source: GTIS, Global Trade Atlas (accessed May 19, 2015), HS subheading 8202.39.2090.

There have been no reports of expansion of diamond sawblade and parts production capacity in Korea during 2012–14. The major producers of diamond sawblades are Ehwa Diamond Industrial Co., Ltd.; Shinhan Diamond Industrial Co., Ltd.; Hyosung Diamond Industrial Co., Ltd.; and DD Diamond Corp. There are also a number of smaller producers.

Ehwa is a producer of diamond tools for construction and stone, industrial, and electronics, including semiconductor, industry. The company produces diamond sawblades in Korea, China, and Indonesia.

Shinhan is a producer of diamond tools for the construction (sawblade, core drill, polishing cup, wire saw, and sintered blade), manufacturing, and electronics, including semiconductor, industries. The company employment was over 1,000 persons as of June 2013.[10] The company has manufacturing plants for diamond sawblades in Korea and China.

[10] Shinhan Diamond Industrial Co., Ltd., "Corporate Diamond Company Profile," May 19, 2015. http://en.shinhandia.co.kr/?wpdmact=process%26did=MTQuaG90bGluaw== (accessed May 19, 2015).

Thailand

Thailand's exports of circular sawblades with a working part other than steel rose by 40.3 percent by value during 2012–14 (table IV-17). Thai exports to the United States rose by 75.1 percent during this period, and in 2014, the United States accounted for 58.9 percent of Thai exports by value. In contrast, Thai exports to the EU28 declined by 7.0 percent during this period, and the EU28 accounted for 27.0 percent of Thai exports in 2014.

Table IV-17
Circular sawblades with a working part other than steel: Leading destinations for exports from Thailand, 2012–14 (dollars)

Country	2012	2013	2014
United States[1]	5,500,682	5,448,543	9,631,931
EU28	4,756,187	4,873,537	4,424,957
Canada	446,747	469,538	542,521
Australia	57,836	152,160	229,550
Qatar	43,710	115,846	192,427
All other	857,476	1,007,357	1,337,060
Total	11,662,638	12,066,981	16,358,446

[1] Data for Thai exports to the United States and Puerto Rico. Thai trade statistics provide separate trade data for the United States and Puerto Rico.

Source: GTIS, Global Trade Atlas (accessed May 19, 2015), HS subheading 8202.39.

Several diamond sawblade manufacturing plants have been constructed Thailand. Companies producing in Thailand are: Bosun, Gang Yan, HXF (a steel core manufacturer of the Gang Yan group), King Thai Diamond Tools, Ltd., and Tyrolit Thai Diamond Co., Ltd. (related to Diamond Products).[11]

Tyrolit Thai Diamond Co., Ltd. officially opened in October 2002, but was producing test runs of diamond sawblades in July 2002.[12] Planned employment at the factory was more than 70 persons in 2003. Tryolit expanded the plant to produce other diamond related products in 2008 and 2013.[13]

King Thai Diamond Tools Co., Ltd., was established in 2010. The company is a wholly owned subsidiary of Hebei JiKai Group of China.[14] Kingthai's investment was approved by the

[11] Substantive Response of Saint-Gobain, January 2, 2014, p. 12.

[12] Glassontheweb, "Tyrolit set up new plant in Thailand," November 5, 2002. http://www.glassonweb.com/news/index/1027/ (accessed May 21, 2015).

[13] Thailand Board of Investment, "Table 8: Swiss Investment Projects Approved by BOI in 2008–2013 (Jan.-Jun.)," data as of July 24, 2013. http://www.boi.go.th/upload/content/T.SWI13(6)_11886.pdf (accessed May 21, 2015).

[14] Kingthai Diamond Tools Co., Ltd., "About us," undated. http://www.kingthai.net/html/kt/1.html (accessed May 21, 2015). Hebei JiKai is also a producer of diamond tools, including diamond sawblades. Hebei JiKai, "Diamond Products," undated. http://en.jikai.net/web/Product/Default2.aspx (access May 21, 2015).

Thailand Board of Investment in November 2011. [15] The project was for 99 percent exports of machine components with investment totaling 90.0 million Thai baht ($3 million)[16] and employing 180 Thai persons and 20 foreigners.[17]

Bosun's investment was approved by the Thailand Board of Investment in November 2011. [18] The project was for 100 percent exports of sawblades with investment totaling 844.1 million Thai baht ($27.7 million) and employing 575 Thai persons and 25 foreigners.[19]

HFX, a sawblade core manufacturer in the Gang Yan group, had its investment approved by the Thailand Board of Investment in November 2012.[20] The project was for 90 percent exports of metal products with investment totaling 365.0 million Thai baht ($11.7 million) and employing 87 Thai persons and 13 foreigners.[21]

Gang Yan's investment was approved[22] by the Thailand Board of Investment in March 2013. The project was for 100 percent exports of sawblades with investment totaling 292.2 million Thai baht ($9.5 million) and 175 Thai and 15 foreign employees.[23]

Diamond Tools Technology's investment was approved by the Thailand Board of Investments in February 2012.[24] The project's plan was for 100 percent export of diamond sawblades with an investment of 168.9 million Thai baht ($5.4 million) and 82 Thai and 8 foreign employees.[25]

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[15] Thailand Board of Investment, "Table 8 : PRC. Investment Projects Approved by BOI in 2008-2012," data as of February 21, 2013. http://www.boi.go.th/upload/content/T.PRC12_17608.pdf (accessed May 21, 2015).

[16] Exchange rate of Thai baht per U.S. dollar are for 2011 30.49 baht, for 2012 31.08 baht, and for 2013 30.73 baht. World Bank, "Official exchange rate (LCU per US$, period average)," undated. http://data.worldbank.org/indicator/PA.NUS.FCRF (accessed May 26, 2015).

[17] Thailand Board of Investment, "Table 8 : PRC. Investment Projects Approved by BOI in 2008-2012," data as of February 21, 2013. http://www.boi.go.th/upload/content/T.PRC12_17608.pdf (accessed May 21, 2015).

[18] Thailand Board of Investment, "Table 8 : PRC. Investment Projects Approved by BOI in 2008-2012," data as of February 21, 2013. http://www.boi.go.th/upload/content/T.PRC12_17608.pdf (accessed May 21, 2015).

[19] Ibid.

[20] Thailand Board of Investment, "Table 8 : PRC. Investment Projects Approved by BOI in 2008-2012," data as of February 21, 2013. http://www.boi.go.th/upload/content/T.PRC12_17608.pdf (accessed May 21, 2015).

[21] Ibid.

[22] Thailand Board of Investment, "Table 8: PRC. Investment Projects Approved by BOI in 2013," data as of February 18, 2014. http://www.boi.go.th/upload/content/TPRC13_75159.pdf (accessed May 20, 2015).

[23] Ibid.

[24] Thailand Board of Investment, "Table 8: PRC. Investment Projects Approved by BOI in 2008–2012," data as of February 21, 2013. http://www.boi.go.th/upload/content/TPRC12_17608.pdf (accessed May 20, 2015).

[25] Ibid.

Other countries

Diamond sawblade production has also begun in other countries such as India, Indonesia, and Turkey.

In India, Hilti acquired Bukhenvala, and Michael HE (a small Chinese producer) is in a joint venture with an Indian partner.[26]

In Indonesia, Ehwa (Korea) has built a plant that exports to the United States.[27]

In Turkey, ASBILEK Limited Co., is a producer and exporter of saw blade cores. The company produces cores for diamond sawblades as well as circular wood and metal cutting sawblades. Employment is over 190 persons.[28]

Demand

Data on global imports are only available at the HS 6-digit heading level. During 2012–14, global imports rose by 13.4 percent (table IV-18). The United States was the largest market, and in 2014 accounted for 35.1 percent of global imports. The EU was the second largest market and accounted for 12.3 percent of 2014 global imports.

Table IV-18
Circular sawblades other than with a working part of steel: Global imports by top 10 reporting countries, 2012–14 (dollars)

Country	2012	2013	2014
United States	147,561,114	157,717,917	182,565,263
EU28	57,847,890	55,941,333	63,855,612
India	14,647,948	24,912,843	28,320,929
Turkey	25,405,288	28,081,199	26,430,529
Japan	24,916,817	24,926,354	24,204,147
China	19,431,763	21,254,304	23,246,565
Canada	23,013,822	22,431,486	22,697,486
Korea	24,895,337	20,469,770	21,264,842
Mexico	16,565,565	16,540,187	19,221,474
Russia	12,813,453	13,408,664	15,473,521
All other	91,723,972	94,444,962	93,254,286
Total	458,822,969	480,129,019	520,534,654

Source: GTIS, Global Trade Atlas (accessed May 22, 2015), HS heading 8202.39.

[26] Substantive Response of Saint-Gobain, January 2, 2014, p. 12.

[27] Substantive Response of Saint-Gobain, January 2, 2014, p. 12.

[28] ASBILEK Limited Co., "About Us," undated. http://www.asbilek.com/about-us.html (accessed May 19, 2015).

Most U.S. producers and importers reported either that demand for finished diamond sawblades outside the United States increased or fluctuated since January 1, 2006 (table IV-19). Most purchasers, in contrast, reported demand was unchanged and no two foreign producers gave the same answers. Most firms expect demand to increase or be unchanged in the future.[29]

Table IV-19
Diamond sawblades and parts thereof: Firms' responses regarding demand outside the United States

Item	Increase	No change	Decrease	Fluctuate
	Finished diamond sawblades			
Demand outside of the United States				
U.S. producers[1]	1	0	0	1
Importers[1]	5	2	0	3
Purchasers[2]	1	6	1	0
Foreign producers[2]	0	1	1	1
Anticipated future demand				
U.S. producers	1	1	0	0
Importers	5	2	0	2
Purchasers	2	7	0	2
Foreign producers	0	1	0	2
	Diamond sawblade parts			
Demand outside of the United States				
U.S. producers[1]	0	1	0	0
Importers[1]	1	1	0	1
Foreign producers[2]	0	1	1	0
Anticipated future demand				
U.S. producers	0	1	0	0
Importers	1	1	0	1
Foreign producers	0	1	0	2

[1] Since 2012.
[2] Since 2006.

Source: Compiled from data submitted in response to Commission questionnaires (U.S. producers' questionnaire, IV-13; U.S. importers' questionnaire, III-13; U.S. purchasers' questionnaire, III-13; and foreign producers' questionnaire, III-16).

[29] Three firms reporting demand for diamond sawblade parts had not changed since 2006 and one each gave the other three responses. Most responding firms either expected demand in the future for parts to be unchanged or to fluctuate.

Prices

The Commission asked U.S. producers, U.S. importers, and foreign producers to compare market prices of diamond sawblades and parts thereof in the United States and foreign markets.

U.S. producers were asked to compare markets prices of diamond sawblades and parts thereof in the United States and non-U.S. markets.[30] Only three of the nine U.S. producers responded. ***. ***. They had no response regarding parts. ***.

U.S. importers were also asked to compare U.S. market prices with non-U.S. market prices.[31] Of the 26 U.S. importers providing questionnaires, nine importers did not respond to the question and eight responded that they did not know. One responded that the question was not applicable to their firm. *** Importers *** also reported that quality and prices were higher in the United States. *** reported that quality and prices in the United States were higher than those in Europe.

Foreign producers were asked to compare market prices of diamond sawblades and parts thereof in their home market, the United States, and third country markets. Two firms, *** indicated that prices were the same and there were no differences for blades and parts.[32] ***. ***.

[30] Responses to U.S. producers' questionnaire IV-19.
[31] Responses to U.S. importers' questionnaire III-18.
[32] Responses to foreign producers' questionnaire III-17.

PART V: PRICING DATA

FACTORS AFFECTING PRICES

Raw material costs

U.S. producers of finished diamond sawblades frequently purchase cores but generally produce the segments necessary for their production operations. The raw material inputs used to produce segments are diamonds and various metal powders. Steel plate or sheet is the primary raw material used to produce diamond sawblade cores. Total raw material costs averaged 66.1 percent to 68.2 percent of U.S. producers' total reported cost of goods sold for finished diamond sawblades produced in the United States during 2012 to 2014.[1]

Transportation costs to the U.S. market

Transportation costs for finished diamond sawblades shipped from China to the United States from 2012 to 2014 ranged from 3.8 and 4.8 percent of the cost for entering merchandise from China into the United States under HTS statistical reporting number 8202.39.0010.

Fifteen of 20 responding importers and all three responding foreign producers reported that the importer typically arranges international transportation. Four importers reported that the cost of shipping finished diamond sawblades to the United States.[2] Of these, two reported all sea shipments and transportation costs of 1 and 5 percent, and two reported shipping 5 percent by air reported international and transportation cost of 8 to 11 percent. Only one importer reported a usable cost share for shipping parts to the United States, reporting that this cost was *** percent of the total cost of the parts.

U.S. inland transportation costs

All four responding U.S. producers of both finished diamond sawblades and of parts reported that they typically arrange transportation to their customers. Seventeen of 19 responding importers of finished diamond sawblades and three of four responding importers of parts also reported that they typically arrange transportation to their customers. U.S. producers of finished diamond sawblades reported that their U.S. inland transportation costs averaged from 1 percent to 6 percent while importers of finished diamond sawblades reported U.S. inland transportation costs of 1 percent to 10 percent during 2014. Most importers, 12 of the

[1] Between 2012 and 2014, raw material costs ranged from *** to *** percent of the cost of goods sold for cores and *** to *** percent for segments.

[2] The other importers did not provide usable responses.

16, reported U.S. inland transportation cost for finished diamond sawblades were between 1 percent and 5 percent.[3]

PRICING PRACTICES

Pricing methods

Prices of diamond sawblades and parts thereof differ based on order size and product features, including types, sizes, and grades of diamond sawblades and parts. Price setting methods also differ, as shown in table V-1.

Table V-1
Diamond sawblades and parts thereof: U.S. producers and importers reported price setting methods, by number of responding firms[1]

	Finished diamond sawblades		Diamond sawblade parts	
Method	**U.S. producers**	**Importers**	**U.S. producers**	**Importers**
Transaction-by-transaction	2	8	2	3
Contract	1	11	1	1
Set price list	3	12	3	2
Other	0	0	1	0

[1] The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

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

Three of four responding U.S. producers reported using price lists. *** for finished diamond sawblades. Twelve of 20 responding importers of finished diamond sawblades reported price lists, 11 reported contracts, 8 reported transaction-by-transaction pricing, and 1 reported selling at "what the market would bear." Seven of these importers used more than one pricing method.[4]

U.S. producers and importers reported selling most their finished diamond sawblades in the spot market, although importers reported using long-term contracts for over 40 percent of their sales (table V-2).[5] The high share of importers is the result of ***.[6] ***.[7]

[3] Two importers reported the U.S. inland shipping costs for parts of ***.

[4] For sawblade cores, ***. For sawblade segments, ***. Four importers reported selling methods for diamond sawblade parts. Three reported transaction-by-transaction prices. *** and one importer reported using a price list.

[5] ***. ***.

[6] ***.

[7] ***.

Table V-2
Diamond sawblades and parts thereof: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2014

	Finished diamond sawblade		Diamond sawblade parts	
Type of sale	**U.S. producers**	**Importers**	**U.S. producers**	**Importers**
Long-term contracts	0.0	40.3	***	0.0
Annual contracts	0.0	0.2	***	0.0
Short-term contracts	3.1	0.0	***	0.0
Spot sales	96.9	59.5	***	100.0

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

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

Six purchasers purchase finished diamond sawblades daily, nine purchase weekly, seven purchase monthly, one reported purchasing every 6 months, and one reported purchasing as needed, which could be as often as daily. Seventeen of 22 responding purchasers reported contacting between one and three suppliers before making a purchase. The remaining five purchasers contacted up to five suppliers.

Most purchasers did not expect their purchasing patterns to change in the next two years. However, one reported considering not carrying diamond sawblades and one reported expecting to change purchase patterns because of improved inventory management.

Sales terms and discounts

U.S. producers typically quote prices for both finished diamond sawblades and parts on a delivered basis.[8] Thirteen of 21 responding importers reported quoting finished diamond sawblades on a delivered basis; 10 quoted on an f.o.b. basis.[9] All responding producers and 10 importers offer either quantity or total volume discounts. [10] Half of the responding importers (10 of 20) reported having no discount policy for finished diamond sawblades.[11] All four

[8] One producer of finished diamond sawblades and two producers of parts reported that they sold f.o.b. as well as delivered.

[9] One importer reported pricing finished diamond sawblades both f.o.b. and delivered. Two reported that prices were f.o.b. from China. Three of four importers reported selling diamond sawblade parts on an f.o.b. basis. One of these also sold delivered and one importer reported that its prices for parts were typically delivered.

[10] *** reported both quantity and volume discounts but also reported no discount policy for both finished diamond sawblades and parts. This firm has been included with firms with a discount policy.

[11] Three of the four responding importers of diamond sawblade parts reported no discount policy.

responding U.S. producers and 15 of 21 responding importers of finished diamond sawblades reported sales terms of net 30 days.[12]

Price leadership

Fifteen purchasers reported that there were one or more price leaders in the U.S. diamond sawblades market. Six purchasers reported that Husqvarna *** was a price leader. Two each reported that Bosun ***, Diamond Products ***, and General Tool *** were price leaders. Three purchasers reported that there were no price leaders. Purchasers were asked how price leaders influenced prices responses varied. Three purchasers reported that Chinese producers (Bosun, Gang Yan, and Chinese firms generally) offered low prices; three purchasers reported that Husqvarna was a price leader because of its size or area of influence, one of these explained that it lead prices down, one of these that it lead prices up, and one purchaser did not report on Husqvarna's size noted that in led prices up.

PRICE DATA

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following finished diamond sawblades products shipped to unrelated U.S. customers during 2012-14.

Product 1.-- 4" diameter laser-welded blades for dry cutting, 0.080" segment thickness, blade with diamond impact strength within a TI/TTI range of 72-75 and diamond concentration in a range of 12-15 percent by volume of the segments or alternatively 0.55-0.65 carats/ccm;

Product 2.-- 12" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more;

Product 3.-- 14" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more;

[12] This includes one importer that also reported selling 2 percent 20 days net 31 days. For diamond sawblade parts, all responding U.S. producers and three of four responding importers reported selling net 30. Some of these firms also reported additional terms.

Product 4.-- 14" diameter laser-welded blades for dry cutting, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more;

Product 5.-- 14" diameter laser-welded blades for wet cutting cured concrete, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 74-77 and diamond concentration in a range of 33-35 percent by volume of the segments or alternatively 1.45-1.55 carats/ccm, for use in saws of 35 hp or more.

Five U.S. producers and seven importers[13] provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products, for all quarters, or for all customer groupings.[14] Pricing data reported by these firms accounted for approximately 7.2 percent of the value of U.S. producers' shipments of finished diamond sawblades and 6.8 percent of U.S. shipments of subject imports from China in 2014. U.S. producers and importers were asked to report separately sales to branded distributors, other distributors, and professional construction firms.

Price data for products 1-5 by customer groupings are presented in tables V-3 to V-7 and figures V-1 to V-11. No sales were reported to professional construction firms for products 1, 2, or 3. In the original investigations sales to professional construction firms were reported for similar products. No importers reported selling any of the pricing products of Chinese origin to end users. *** had reported selling to professional construction firms in the original investigation. Similarly in the original investigations, U.S.-produced 4-inch diamond sawblade (product 1) prices were reported. *** were reported in this review. Due to the large volatility in reported prices and quantities, price data also include total quantity and total weighted average price for each price product-customer group for 2012 through 2014.

Husqvarna observes that there are potentially large price differences within pricing products. Differences in the diamond saw blades that are covered by the same pricing product include differences in sintering technology, the number of segments on the blade, the height and diamond depth on segments, diamond grit size, differences in core quality and structure, differences in metal powder used in the segments, and presence of slots of gullets.[15] Husqvarna

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[13] Usable price data were provided by U.S. producers *** and by importers ***. The price data provided by importer ***. In addition, ***.

[14] Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

[15] Husqvarna's posthearing brief, responses to questions from Commissioners, pp. 1-2 and response to staff questions p. 3-5. Husqvarna reported that lower cost sintering technology reduced the cost of segments 25 percent; smaller number of segments would reduce the cost of blades (it did not report how much this would affect price or cost of the blade); differences in blade height could increase the

(*continued*...)

reported that its price on a 14 inch blade with 0.125 segment thickness laser-welded dry cutting diamond saw blade ranged from $144 for lowest quality to $814 for highest quality while it reported Diamond Products' price ranged from $115 to $708. [16] Husqvarna did not report discounts offered to its largest customers and did not specify the price range it offered for the specific pricing products.

DSMC reported that *** all affect the cost of production. The pricing products should have less price variations since the pricing products specify diameter, segment height and thickness, diamond impact strength, and diamond concentration.[17] DSMC did not indicate how much the differences within the pricing product would affect price. It reported that *** price ***.[18] DSMC reported that ***.[19]

DSMC reported that the pricing data in part V, particularly for product 4 ***.[20] ***.[21]

Additional pricing data that includes sales to related purchasers reported by certain importers are provided in appendix G.

(…*continued*)
price of the blade by over 10 percent per segment; smaller grit size of the diamonds would reduce the cost of the diamonds because smaller sized diamonds are easier to produced (it did not report how much this would affect price or cost of the blade); differences in cores for a 14 inch blade with 0.125 segment thickness could increase the cost of the core from $375 to $550; and heat isolating slots in a 14 inch blade could increase the list price from $502 to $606. Husqvarna's posthearing brief, responses to questions from Commissioners, pp. 1-2.

[16] Husqvarna's posthearing brief, responses to questions from Commissioners, p. 3.

[17] DSMC's posthearing brief, Questions, p. 111.

[18] DSMC's posthearing brief, Questions, pp. 112-113. ***. Email, from Dan Pickard, July 16, 2015. EDIS 560929.

[19] DSMC's posthearing brief, Questions, p. 114. ***.

[20] DSMC's posthearing brief, p. 9, footnote 65.

[21] Email from ***, July 6, 2015. EDIS 560133.

Table V-3
Diamond sawblades: Weighted-average f.o.b. prices and quantities of imported product 1,[1] for sales to branded distributors and other distributors, by quarters, 2012-14[2]

	China			
	Price ***(dollars per sawblade)***	**Quantity** ***(sawblades)***	**Price** ***(dollars per sawblade)***	**Quantity** ***(sawblades)***
	Sales to branded distributors		**Sales to other distributors**	
2012:				
Jan.-Mar.	***	***	***	***
Apr.-June	***	***	***	***
July-Sept.	***	***	***	***
Oct.-Dec.	***	***	***	***
2013:				
Jan.-Mar.	***	***	***	***
Apr.-June	***	***	--	0
July-Sept.	***	***	--	0
Oct.-Dec.	***	***	***	***
2014:				
Jan.-Mar.	***	***	--	0
Apr.-June	--	0	--	0
July-Sept.	--	0	--	0
Oct.-Dec.	--	0	--	0
Total quantity		295		159
Weighted average price	8.31		10.97	

[1] Product 1: Product 1.-- 4" diameter laser-welded blades for dry cutting, 0.080" segment thickness, blade with diamond impact strength within a TI/TTI range of 72-75 and diamond concentration in a range of 12-15 percent by volume of the segments or alternatively 0.55-0.65 carats/ccm.
[2] No sales of product 1 to professional contractors were reported and no sales of U.S.-produced product 1 were reported.

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

Table V-4
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 2[1] and margins of underselling/(overselling), for sales to branded distributors and other distributors, by quarters, 2012-14[2]

	United States		China		
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Margin *(percent)*
	Sales to branded distributors				
2012:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2013:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		932		161	
Weighted average price	43.10		42.74		
	Sales to other distributors				
2012:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2013:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		2,150		17,100	
Weighted average price	49.65		23.42		

[1] Product 2: 12" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more
[2] No sales of product two to professional contractors were reported.

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

Table V-5
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 3[1] and margins of underselling/(overselling), for sales to branded distributors and other distributors, by quarters, 2012-14[2]

	United States		China		
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Margin *(percent)*
	Sales to branded distributors				
2012:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2013:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		871		1,725	
Weighted average price	49.33		46.73		
	Sales to other distributors				
2012:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2013:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		2,763		10,549	
Weighted average price	65.45		41.23		

[1] Product 3: 14" diameter laser-welded blades for dry cutting, 0.110" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more.
[2] No sales of product three to professional contractors were reported.

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

Table V-6
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), for sales to branded distributors, other distributors, and professional construction firms, by quarters, 2012-14

	United States		China		
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Margin *(percent)*
	Sales to branded distributors				
2012:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2013:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	***	***	***
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2014:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	***	***	***
Total quantity		29,213		***	
Weighted average price	77.14		***		
	Sales to other distributors				
2012:					
Jan.-Mar.	89.57	6,827	52.47	722	41.4
Apr.-June	***	***	56.86	898	***
July-Sept.	***	***	60.07	757	***
Oct.-Dec.	***	***	51.49	736	***
2013:					
Jan.-Mar.	***	***	56.01	460	***
Apr.-June	***	***	36.62	4,913	***
July-Sept.	***	***	34.40	5,191	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	89.06	8,018	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		89,408		76,325	
Weighted average price	89.42		35.38		

[1] Product 4: 14" diameter laser-welded blades for dry cutting, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more.

Table continued.

Table V-6 *continued*[22]
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 4[1] and margins of underselling/(overselling), for sales to branded distributors, other distributors, and professional construction firms, by quarters, 2012-14

	United States		China		
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Margin *(percent)*
	Professional construction firms				
2012:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	--	0	--	0	--
Oct.-Dec.	***	***	--	0	--
2013:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	--	0	--	0	--
Oct.-Dec.	--	0	--	0	--
2014:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
Total quantity		61		0	
Weighted average price	102.92		--		

[1] Product 4: 14" diameter laser-welded blades for dry cutting, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more.

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

[22] Multi-page table in source document.

Table V-7
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 5[1] and margins of underselling/(overselling), for sales to branded distributors, other distributors, and professional construction firms, by quarters, 2012-14

	United States		China		
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Margin *(percent)*
	Sales to branded distributors				
2012:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2013:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
2014:					
Jan.-Mar.	***	***	--	0	--
Apr.-June	***	***	--	0	--
July-Sept.	***	***	--	0	--
Oct.-Dec.	***	***	--	0	--
Total quantity		1,783		0	
Weighted average price	169.99		--		
	Sales to other distributors				
2012:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2013:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
2014:					
Jan.-Mar.	***	***	***	***	***
Apr.-June	***	***	***	***	***
July-Sept.	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***
Total quantity		2,727		583	
Weighted average price	169.66		121.12		

[1] Product 5: 14" diameter laser-welded blades for wet cutting cured concrete, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 74-77 and diamond concentration in a range of 33-35 percent by volume of the segments or alternatively 1.45-1.55 carats/ccm, for use in saws of 35 hp or more.

Table continued.

Table V-7 *continued*
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 5[1] and margins of underselling/(overselling), for sales to branded distributors, other distributors, and professional construction firms, by quarters, 2012-14

	United States	
	Price *(dollars per sawblade)*	Quantity *(sawblades)*
	Professional construction firms	
2012:		
Jan.-Mar.	***	***
Apr.-June	***	***
July-Sept.	***	***
Oct.-Dec.	***	***
2013:		
Jan.-Mar.	***	***
Apr.-June	***	***
July-Sept.	***	***
Oct.-Dec.	***	***
2014:		
Jan.-Mar.	***	***
Apr.-June	***	***
July-Sept.	***	***
Oct.-Dec.	***	***
Total quantity		19,283
Weighted average price	172.00	

[1] Product 5: 14" diameter laser-welded blades for wet cutting cured concrete, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 74-77 and diamond concentration in a range of 33-35 percent by volume of the segments or alternatively 1.45-1.55 carats/ccm, for use in saws of 35 hp or more.

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

Figure V-1

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 1, by quarters and types of purchasers, sales to branded distributors and other distributors, January 2012-December 2014

* * * * * * *

Figure V-2

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 2, by quarters and types of purchasers, sales to branded distributors, January 2012-December 2014

* * * * * * *

Figure V-3

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 2, by quarters and types of purchasers, sales to other distributors, January 2012-December 2014

* * * * * * *

Figure V-4

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 3, sales to branded distributors by quarters and types of purchasers, January 2012-December 2014

* * * * * * *

Figure V-5

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 3, sales to other distributors by quarters and types of purchasers, January 2012-December 2014

* * * * * * *

Figure V-6

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 4, by quarters and types of purchasers, sales to branded distributors, January 2012-December 2014

* * * * * * *

Figure V-7

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 4, by quarters and types of purchasers, sales to other distributors, January 2012-December 2014

* * * * * * *

Figure V-8

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 4, by quarters and types of purchasers, sales to end users, January 2012-December 2014

* * * * * * *

Figure V-9

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 5, by quarters and types of purchasers, sales to branded distributors, January 2012-December 2014

* * * * * * *

Figure V-10

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 5, by quarters and types of purchasers, sales to other distributors, January 2012-December 2014

* * * * * * *

Figure V-11

Diamond sawblades: Weighted-average prices and quantities of domestic and imported product 5, by quarters and types of purchasers, sales to end users, January 2012-December 2014

* * * * * * *

Price trends

Pricing products prices generally decreased during 2012-14, although with wide quarter-to-quarter variation. Table V-8 summarizes the price trends, by country, by product, and by customer groupings. As shown in the table, domestic price decreases ranged from *** to *** percent during 2012-14. U.S. prices decreased for all product-customer combinations for which price data were reported. Chinese import prices decreased for seven of the nine product-customer combinations for which price data were reported. Decreases ranged from *** to *** percent. In the two instances in which Chinese import prices increased, increases ranged from *** to *** percent. Many prices varied substantially from quarter-to-quarter, particularly when quantities were small. For U.S.-produced product 5, both the price and quantity sold seem to be seasonal. The price of product 5 tends to be higher in the first two quarters of each of the years while quantities tend to be lower in the first and last quarters of each year. Husqvarna reported that sales volumes are seasonal but its promotions tended to be unchanged year round.[23]

Price variation

The overall prices varied a great deal between the first quarter of 2012 and the last quarter of 2014. This variation reflects the small volume reported for most products, quality variations within the individual pricing products among sellers or for a single seller, and variations in the conditions of sales both within sales of individual firms and among firms.

[23] Hearing transcript, p. 198 (Noeth).

Table V-8
Diamond sawblades: Summary of weighted-average f.o.b. prices for products 1-5, by customer grouping[1] from the United States and China

Item	Number of quarters	Low price (per unit)	High price (per unit)	Change in price[2] (percent)
Product 1	**Branded distributors**			
China	9	***	***	***
	Other distributors			
China	6	***	***	***
Product 2	**Branded distributors**			
United States	12	***	***	***
China	12	***	***	***
	Other distributors			
United States	12	***	***	***
China	12	***	***	***
Product 3	**Branded distributors**			
United States	12	***	***	***
China	12	***	***	***
	Other distributors			
United States	12	***	***	***
China	12	***	***	***
Product 4	**Branded distributors**			
United States	12	***	***	***
China	2	***	***	***
	Other distributors			
United States	12	***	***	***
China	12	***	***	***
	Professional construction firms			
United States	9	***	***	***
Product 5	**Branded distributors**			
United States	12	***	***	***
	Other distributors			
United States	12	***	***	***
China	12	***	***	***
	Professional construction firms			
United States	12	***	***	***

[1] When no price data were available for product, country, and customer combinations the combinations were not included in the table.
[2] Percentage change from the first quarter in which data were available to the last quarter in which price data were available.

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

When prices varied a great deal among firms or from quarter-to-quarter for individual firms, producers and importers were asked to correct if necessary or provide explanations for the price variations. Firms provided various explanations for the price volatility within and among firms' pricing data, including:

- *** reported that variations in the prices it reported for product *** resulted from the low volume involved in these sales. *** reports that prices of product differ because of the overall volume of combined orders. The size of the orders is determined by the total number of sawblades ordered, including diamond sawblades of different sizes and or/types.[24]
- *** reported that variations in pricing among quarters were the result of differences in the product mix and different prices across customers.[25]
- *** reported that the diamond sawblades were general purpose and "economic quality," and for this reason, its prices were lower. *** reported that while 14-inch professional blades can cost from $*** to $*** each, "economic quality" 14-inch blades can be as low as $*** to $*** each. [26]
- *** reported that as "a general rule the prices charged to professional cutters is higher than that of the distribution market, due to the grade of diamond and durability of the bond provided in the product." It also reported that "due to the way we record product sales it was difficult to separate the product ***" between sales to branded distributors, other distributors, and professional construction firms.[27]

Prices by product and customer groupings

Product 1 prices were only available for Chinese product sales to branded distributors and other distributors. Prices to branded distributors were consistently lower than prices to other distributors; however, reported quantities were very small.

Quantities for product 2 sales to branded distributors are very low. ***.

Variations in the prices and quantities for product 2 sales to other distributors mainly reflect ***.

U.S. prices of product 3 sales to branded distributors varied ***.

Prices of U.S. producer product 3 sales to other distributors also tended to vary from quarter to quarter. ***.

The price of Chinese product 4 sold to other distributors declined after the first quarter of 2013. This was the result of ***.

Price data for product 5 sales to branded distributors ***.

Price data for product 5 sales to other distributors ***.

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[24] Email, from ***, May 6, 2015. EDIS 556685.
[25] Email, from ***, May 7, 2015. EDIS 556687.
[26] Email, from ***, April 30, 2015. EDIS 556245.
[27] Email, from ***, April 30, 2015. EDIS 556255.

Price data for product 5 sales to end users were reported by ***.

Price comparisons

As shown in table V-9, prices for diamond sawblades imported from China were below those for U.S.-produced product in 69 of 74 instances; margins of underselling ranged from 2.0 percent to 66.1 percent. In the remaining five instances, prices for diamond sawblades from China were between 9.4 and 45.5 percent above prices for the domestic product.

Table V-9
Diamond sawblades: Instances of underselling/overselling and the range and average of margins, for China, by customer grouping, January 2012-December 2014[1]

Channel	Underselling				
	Number of quarters	Quantity[1] (units)	Average margin (percent)	Margin range (percent)	
				Min	Max
Branded distributors	21	***	***	***	***
Other distributors	48	***	***	***	***
Professional construction firms	0	---	---	---	---
Total	69	106,584	38.4	2.0	66.1
Source	**(Overselling)**				
	Number of quarters	Quantity[1] (units)	Average margin (percent)	Margin range (percent)	
				Min	Max
Branded distributors	5	***	***	***	***
Other distributors	0	---	---	---	---
Professional construction firms	0	---	---	---	---
Total	5	332	(26.6)	(9.4)	(45.5)

[1] In the original investigations, subject imports from China were priced lower than domestic product in 112 of 115 comparisons, with underselling margins ranging from 17.8 to 86.4 percent. *Diamond Sawblades and Parts Thereof from China and Korea, Inv. Nos. 731-TA-1092-1093 (Final)*, USITC Publication 3862, July 2006, pp. V-37-38.

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

Purchasers' perceptions of relative price trends

Purchasers were asked how the prices of diamond sawblades and parts thereof from the United States had changed relative to the prices of product from China and Korea since 2006.[28] Eight purchasers reported that U.S. prices had changed relative to those for product from China. All but one of these reported that Chinese prices had fallen relative to U.S. prices. Twelve firms compared U.S. and Chinese prices 11 responded that Chinese prices had fallen relative to U.S. prices. Six purchasers reported that Korean prices had changed relative to U.S. prices. All but one of these reported that Korean prices also had fallen relative to U.S. prices. Fourteen purchasers compared U.S. and Korean prices with 13 reported that Korean prices had fallen relative to U.S. prices.

[28] No Korean price data were collected.

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
79 FR 65420, November 4, 2014	*Diamond Sawblades and Parts Thereof From China; Termination of Previously Instituted Five-Year Review and Institution of Five-Year Review*	http://www.gpo.gov/fdsys/pkg/FR-2014-11-04/pdf/2014-26099.pdf
79 FR 65186, November 4, 2014	*International Trade Administration Initiation of Five-Year (''Sunset'') Review*	http://www.gpo.gov/fdsys/pkg/FR-2014-11-04/pdf/2014-26099.pdf
80 FR 5136, January 30, 2015	*Diamond Sawblades and Parts Thereof From China; Determination To Conduct a Full Five-Year Review and Scheduling of the Review*	http://www.gpo.gov/fdsys/pkg/FR-2015-01-30/pdf/2015-01783.pdf
80 FR 12797, March 11, 2015	*Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of the Expedited Sunset Review of the Antidumping Duty Order*	http://www.gpo.gov/fdsys/pkg/FR-2015-03-11/pdf/2015-05558.pdf

Source: https://www.federalregister.gov/

APPENDIX B

HEARING WITNESS LIST

CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject: Diamond Sawblades and Parts Thereof from China

Inv. No.: 731-TA-1092 (Review)

Date and Time: June 23, 2015 - 9:30 a.m.

Sessions were held in connection with this review in the Main Hearing Room (room 101), 500 E Street, SW, Washington, DC.

OPENING REMARKS:

In Support of Continuation (**Daniel B. Pickard**, Wiley Rein LLP)
In Opposition to Continuation (**John D. Greenwald**, Cassidy Levy Kent (USA) LLP)

In Support of the Continuation of Antidumping Duty Order:

Wiley Rein LLP
Washington, DC
on behalf of

Diamond Sawblades Manufacturers' Coalition ("DSMC")

Kevin Baron, Chief Executive Officer, Western Saw Co.

Andy Jedick, Vice President and General Manager, Diamond Products Limited

Garrett Wolters, Vice President, Dixie Diamond Manufacturing

Doug Walker, General Manager, Atlantic Concrete Cutting Inc.

Daniel B. Pickard)
Maureen E. Thorson) – OF COUNSEL
Usha Neelakantan)

In Opposition to the Continuation of
Antidumping Duty Order:

Cassidy Levy Kent (USA) LLP
Washington, DC
on behalf of

Husqvarna Construction Products North America, Inc.
Husqvarna ("Hebei") Co., Ltd. (collectively "Husqvarna")

Chris Noeth, Director of Finance, Husqvarna

John D. Greenwald)
Robert C. Cassidy, Jr.) – OF COUNSEL
Jennifer A. Hillman)

REBUTTAL/CLOSING REMARKS:

In Support of Continuation (**Daniel B. Pickard**, Wiley Rein LLP)
In Opposition to Continuation (**John D. Greenwald**, Cassidy Levy Kent (USA) LLP)

-END-

APPENDIX C

SUMMARY DATA

Table C-1
Finished diamond sawblades: Summary data concerning the U.S. market, 2012-14

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

	Report data			Period changes		
	Calendar year			Calendar year		
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption quantity:						
Amount	8,554,105	8,214,959	9,103,835	6.4	(4.0)	10.8
Producers' share (fn1)	4.8	4.8	4.2	(0.6)	(0.0)	(0.6)
Importers' share (fn1):						
China	78.8	67.0	51.5	(27.4)	(11.8)	(15.5)
Korea	10.8	13.1	13.8	3.0	2.4	0.6
All other sources	5.6	15.1	30.6	25.0	9.5	15.5
Nonsubject sources	16.3	28.2	44.3	28.0	11.9	16.1
Total imports	95.2	95.2	95.8	0.6	0.0	0.6
U.S. consumption value:						
Amount	150,150	142,819	154,898	3.2	(4.9)	8.5
Producers' share (fn1)	51.1	49.6	44.1	(6.9)	(1.5)	(5.5)
Importers' share (fn1):						
China	29.7	23.8	22.9	(6.8)	(5.9)	(0.9)
Korea	10.5	13.3	12.8	2.3	2.8	(0.5)
All other sources	8.8	13.3	20.2	11.4	4.5	6.9
Nonsubject sources	19.2	26.6	33.0	13.7	7.4	6.4
Total imports	48.9	50.4	55.9	6.9	1.5	5.5
U.S. imports from:						
China:						
Quantity	6,744,474	5,503,757	4,683,946	(30.6)	(18.4)	(14.9)
Value	44,577	33,964	35,466	(20.4)	(23.8)	4.4
Unit value	$6.61	$6.17	$7.57	14.6	(6.6)	22.7
Ending inventory quantity	785,073	715,432	543,930	(30.7)	(8.9)	(24.0)
Korea:						
Quantity	920,779	1,078,534	1,252,064	36.0	17.1	16.1
Value	15,692	18,986	19,766	26.0	21.0	4.1
Unit value	$17.04	$17.60	$15.79	(7.4)	3.3	(10.3)
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	477,519	1,238,178	2,783,617	482.9	159.3	124.8
Value	13,169	18,975	31,290	137.6	44.1	64.9
Unit value	$27.58	$15.32	$11.24	(59.2)	(44.4)	(26.7)
Ending inventory quantity	***	***	***	***	***	***
Nonsubject sources:						
Quantity	1,398,298	2,316,712	4,035,681	188.6	65.7	74.2
Value	28,861	37,961	51,056	76.9	31.5	34.5
Unit value	$20.64	$16.39	$12.65	(38.7)	(20.6)	(22.8)
Ending inventory quantity	382,009	438,752	789,150	106.6	14.9	79.9
Total imports:						
Quantity	8,142,772	7,820,469	8,719,627	7.1	(4.0)	11.5
Value	73,438	71,925	86,522	17.8	(2.1)	20.3
Unit value	$9.02	$9.20	$9.92	10.0	2.0	7.9
Ending inventory quantity	1,167,082	1,154,184	1,333,080	14.2	(1.1)	15.5
U.S. producers':						
Average capacity quantity	584,800	635,877	532,347	(9.0)	8.7	(16.3)
Production quantity	417,048	426,620	393,953	(5.5)	2.3	(7.7)
Capacity utilization (fn1)	71.3	67.1	74.0	2.7	(4.2)	6.9
U.S. shipments:						
Quantity	411,333	394,490	384,208	(6.6)	(4.1)	(2.6)
Value	76,712	70,894	68,376	(10.9)	(7.6)	(3.6)
Unit value	$186.50	$179.71	$177.97	(4.6)	(3.6)	(1.0)
Export shipments:						
Quantity	29,007	23,882	18,789	(35.2)	(17.7)	(21.3)
Value	5,787	4,535	3,305	(42.9)	(21.6)	(27.1)
Unit value	$199.50	$189.89	$175.90	(11.8)	(4.8)	(7.4)
Ending inventory quantity	146,012	153,964	145,681	(0.2)	5.4	(5.4)
Inventories/total shipments (fn1)	33.2	36.8	36.1	3.0	3.6	(0.7)
Production workers	262	263	276	5.3	0.4	4.9
Hours worked (1,000s)	515	541	543	5.4	5.0	0.4
Wages paid ($1,000)	8,726	8,773	9,120	4.5	0.5	4.0
Hourly wages	$16.94	$16.22	$16.80	(0.9)	(4.3)	3.6
Productivity (units per 1,000 hours)	809.8	788.6	725.5	(10.4)	(2.6)	(8.0)
Unit labor costs	$20.92	$20.56	$23.15	10.6	(1.7)	12.6
Net sales:						
Quantity	384,689	383,276	370,892	(3.6)	(0.4)	(3.2)
Value	72,422	70,302	68,014	(6.1)	(2.9)	(3.3)
Unit value	$188.26	$183.42	$183.38	(2.6)	(2.6)	(0.0)
Cost of goods sold (COGS)	43,407	41,097	41,602	(4.2)	(5.3)	1.2
Gross profit or (loss)	29,015	29,205	26,412	(9.0)	0.7	(9.6)
SG&A expenses	18,835	18,439	19,339	2.7	(2.1)	4.9
Operating income or (loss)	10,180	10,766	7,073	(30.5)	5.8	(34.3)
Net income or (loss)	5,853	6,385	1,130	(80.7)	9.1	(82.3)
Capital expenditures	622	1,316	680	9.3	111.6	(48.3)
Unit COGS	$112.84	$107.23	$112.17	(0.6)	(5.0)	4.6
Unit SG&A expenses	$48.96	$48.11	$52.14	6.5	(1.7)	8.4
Unit operating income or (loss)	$26.46	$28.09	$19.07	(27.9)	6.1	(32.1)
COGS/sales (fn1)	59.9	58.5	61.2	1.2	(1.5)	2.7
Operating income or (loss)/sales (fn1)	14.1	15.3	10.4	(3.7)	1.3	(4.9)

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

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

Table C-2
Diamond sawblade cores: Summary data concerning the U.S. market, 2012-14

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

	Report data			Period changes		
	Calendar year				Calendar year	
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. commercial consumption quantity:						
Amount	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
U.S. commercial consumption value:						
Amount	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
U.S. imports from:						
China:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Korea:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Nonsubject sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Total imports:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
U.S. producers':						
Average capacity quantity	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***
Commercial 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	***	***	***	***	***	***
Productivity (units per 1,000 hours)	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***
Commercial net sales:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Net 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)	***	***	***	***	***	***

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

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

Table C-3
Diamond sawblade segments: Summary data concerning the U.S. market, 2012-14

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

	Report data			Period changes		
	Calendar year			Calendar year		
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. commercial consumption quantity:						
Amount	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
U.S. commercial consumption value:						
Amount	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
U.S. imports from:						
China:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Korea:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Nonsubject sources:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
Total imports:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***
U.S. producers':						
Average commercial capacity quantity (fn3)	***	***	***	***	***	***
Commercial production quantity (fn3)	***	***	***	***	***	***
Capacity utilization (fn1)	***	***	***	***	***	***
Commercial 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	***	***	***	***	***	***
Productivity (units per 1,000 hours)	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***
Commercial net sales:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***
Capital expenditures (fn4)	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***
COGS/sales (fn1)	***	***	***	***	***	***
Operating income or (loss)/sales (fn1)	***	***	***	***	***	***

fn1.--Report data are in percent and period changes are in percentage points.
fn2.--Undefined.
fn3.--Data only include capacity for segments to be sold on the merchant market. Overall capacity and production on equipment used to produce segments are reported in table III-2.
fn4.--Includes capital expenditure data for firms producing both finished diamond sawblades and segments.

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

Table C-4
Diamond sawblades and parts thereof: Summary data concerning the U.S. market, 2012-14

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

	Report data			Period changes		
	Calendar year			Calendar year		
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption value:						
Amount	***	***	***	***	***	***
Producers' share (fn1)	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
Value of U.S. imports from:						
China:	***	***	***	***	***	***
Korea:	***	***	***	***	***	***
All other sources:	***	***	***	***	***	***
Nonsubject sources:	***	***	***	***	***	***
Total imports:	***	***	***	***	***	***
Total U.S. producers':						
Value of U.S. shipments:	***	***	***	***	***	***
Value of export shipments:	***	***	***	***	***	***
Production workers	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***
Value of net sales	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***

Note.--U.S. consumption value double counts some merchandise imported as diamond sawblade parts for use in domestic productive activities. The importer will have reported its value once, and the U.S. producer will have incorporated its value in its finished diamond sawblade sale. Similarly, values in this table include data for segments and cores that were produced domestically and sold to finished diamond sawblade producers, as well as data for the sales of finished diamond sawblades that used those segments and cores.
Note.--Because of the mix of finished products and parts, quantities and unit values are not provided.

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

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

Table C-1 (alternate 1)
Finished diamond sawblades: Summary data concerning the U.S. market, 2012-14 excluding *

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

	Report data			Period changes		
	Calendar year				Calendar year	
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption quantity:						
Amount	8,554,105	8,214,959	9,103,835	6.4	(4.0)	10.8
Producers' share (fn1)						
***	***	***	***	***	***	***
Producers excluding ***	***	***	***	***	***	***
Total	4.8	4.8	4.2	(0.6)	(0.0)	(0.6)
Importers' share (fn1):						
China	78.8	67.0	51.5	(27.4)	(11.8)	(15.5)
Korea	10.8	13.1	13.8	3.0	2.4	0.6
All other sources	5.6	15.1	30.6	25.0	9.5	15.5
Nonsubject sources	16.3	28.2	44.3	28.0	11.9	16.1
Total imports	95.2	95.2	95.8	0.6	0.0	0.6
U.S. consumption value:						
Amount	150,150	142,819	154,898	3.2	(4.9)	8.5
Producers' share (fn1)						
***	***	***	***	***	***	***
Producers excluding ***	***	***	***	***	***	***
Total	51.1	49.6	44.1	(6.9)	(1.5)	(5.5)
Importers' share (fn1):						
China	29.7	23.8	22.9	(6.8)	(5.9)	(0.9)
Korea	10.5	13.3	12.8	2.3	2.8	(0.5)
All other sources	8.8	13.3	20.2	11.4	4.5	6.9
Nonsubject sources	19.2	26.6	33.0	13.7	7.4	6.4
Total imports	48.9	50.4	55.9	6.9	1.5	5.5
U.S. imports from:						
China:						
Quantity	6,744,474	5,503,757	4,683,946	(30.6)	(18.4)	(14.9)
Value	44,577	33,964	35,466	(20.4)	(23.8)	4.4
Unit value	$6.61	$6.17	$7.57	14.6	(6.6)	22.7
Ending inventory quantity	785,073	715,432	543,930	(30.7)	(8.9)	(24.0)
Korea:						
Quantity	920,779	1,078,534	1,252,064	36.0	17.1	16.1
Value	15,692	18,986	19,766	26.0	21.0	4.1
Unit value	$17.04	$17.60	$15.79	(7.4)	3.3	(10.3)
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	477,519	1,238,178	2,783,617	482.9	159.3	124.8
Value	13,169	18,975	31,290	137.6	44.1	64.9
Unit value	$27.58	$15.32	$11.24	(59.2)	(44.4)	(26.7)
Ending inventory quantity	***	***	***	***	***	***
Nonsubject sources:						
Quantity	1,398,298	2,316,712	4,035,681	188.6	65.7	74.2
Value	28,861	37,961	51,056	76.9	31.5	34.5
Unit value	$20.64	$16.39	$12.65	(38.7)	(20.6)	(22.8)
Ending inventory quantity	382,009	438,752	789,150	106.6	14.9	79.9
Total imports:						
Quantity	8,142,772	7,820,469	8,719,627	7.1	(4.0)	11.5
Value	73,438	71,925	86,522	17.8	(2.1)	20.3
Unit value	$9.02	$9.20	$9.92	10.0	2.0	7.9
Ending inventory quantity	1,167,082	1,154,184	1,333,080	14.2	(1.1)	15.5
Included U.S. producers':						
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	***	***	***	***	***	***
Productivity (units per 1,000 hours)	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***
Net sales:						
Quantity	384,689	383,276	370,892	(3.6)	(0.4)	(3.2)
Value	72,422	70,302	68,014	(6.1)	(2.9)	(3.3)
Unit value	$188.26	$183.42	$183.38	(2.6)	(2.6)	(0.0)
Cost of goods sold (COGS)	43,407	41,097	41,602	(4.2)	(5.3)	1.2
Gross profit or (loss)	29,015	29,205	26,412	(9.0)	0.7	(9.6)
SG&A expenses	18,835	18,439	19,339	2.7	(2.1)	4.9
Operating income or (loss)	10,180	10,766	7,073	(30.5)	5.8	(34.3)
Net income or (loss)	5,853	6,385	1,130	(80.7)	9.1	(82.3)
Capital expenditures	622	1,316	680	9.3	111.6	(48.3)
Unit COGS	$112.84	$107.23	$112.17	(0.6)	(5.0)	4.6
Unit SG&A expenses	$48.96	$48.11	$52.14	6.5	(1.7)	8.4
Unit operating income or (loss)	$140.57	$153.14	$103.99	(26.0)	8.9	(32.1)
COGS/sales (fn1)	59.9	58.5	61.2	1.2	(1.5)	2.7
Operating income or (loss)/sales (fn1)	14.1	15.3	10.4	(3.7)	1.3	(4.9)
*** U.S. shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***

Note.--Financial data match table C-1 as *** only provided useable data in Part II of its questionnaire submission. fn1.--

Report data are in percent and period changes are in percentage points.

fn2.--Undefined.

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

Table C-4 (alternate 1)
Diamond sawblades and parts thereof: Summary data concerning the U.S. market, 2012-14 excluding *

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

	Report data			Period changes		
	Calendar year			Calendar year		
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption value:						
Amount	***	***	***	***	***	***
Producers' share (fn1)						
***	***	***	***	***	***	***
Producers excluding ***	***	***	***	***	***	***
Total	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
Value of U.S. imports from:						
China:	***	***	***	***	***	***
Korea:	***	***	***	***	***	***
All other sources:	***	***	***	***	***	***
Nonsubject sources:	***	***	***	***	***	***
Total imports:	***	***	***	***	***	***
Included U.S. producers':						
Value of U.S. shipments:	***	***	***	***	***	***
Value of export shipments:	***	***	***	***	***	***
Production workers	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***
Value of net sales	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***
*** U.S. shipments value	***	***	***	***	***	***

Note.--U.S. consumption value double counts some merchandise imported as diamond sawblade parts for use in domestic productive activities. The importer will have reported its value once, and the U.S. producer will have incorporated its value in its finished diamond sawblade sale. Similarly, values in this table include data for segments and cores that were produced domestically and sold to finished diamond sawblade producers, as well as data for the sales of finished diamond sawblades that used those segments and cores.
Note.--Because of the mix of finished products and parts, quantities and unit values are not provided.
Note.--Financial data match table C-4 as *** only provided useable data in Part II of its questionnaire submission.

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

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

Table C-1 (alternate 2)
Finished diamond sawblades: Summary data concerning the U.S. market, 2012-14 excluding * and ***

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

	Report data			Period changes		
	Calendar year				Calendar year	
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption quantity:						
Amount	8,554,105	8,214,959	9,103,835	6.4	(4.0)	10.8
Producers' share (fn1)						
Two excluded firms	***	***	***	***	***	***
Producers without the two excluded firms	***	***	***	***	***	***
Total	4.8	4.8	4.2	(0.6)	(0.0)	(0.6)
Importers' share (fn1):						
China	78.8	67.0	51.5	(27.4)	(11.8)	(15.5)
Korea	10.8	13.1	13.8	3.0	2.4	0.6
All other sources	5.6	15.1	30.6	25.0	9.5	15.5
Nonsubject sources	16.3	28.2	44.3	28.0	11.9	16.1
Total imports	95.2	95.2	95.8	0.6	0.0	0.6
U.S. consumption value:						
Amount	150,150	142,819	154,898	3.2	(4.9)	8.5
Producers' share (fn1)						
Two excluded firms	***	***	***	***	***	***
Producers without the two excluded firms	***	***	***	***	***	***
Total	51.1	49.6	44.1	(6.9)	(1.5)	(5.5)
Importers' share (fn1):						
China	29.7	23.8	22.9	(6.8)	(5.9)	(0.9)
Korea	10.5	13.3	12.8	2.3	2.8	(0.5)
All other sources	8.8	13.3	20.2	11.4	4.5	6.9
Nonsubject sources	19.2	26.6	33.0	13.7	7.4	6.4
Total imports	48.9	50.4	55.9	6.9	1.5	5.5
U.S. imports from:						
China:						
Quantity	6,744,474	5,503,757	4,683,946	(30.6)	(18.4)	(14.9)
Value	44,577	33,964	35,466	(20.4)	(23.8)	4.4
Unit value	$6.61	$6.17	$7.57	14.6	(6.6)	22.7
Ending inventory quantity	785,073	715,432	543,930	(30.7)	(8.9)	(24.0)
Korea:						
Quantity	920,779	1,078,534	1,252,064	36.0	17.1	16.1
Value	15,692	18,986	19,766	26.0	21.0	4.1
Unit value	$17.04	$17.60	$15.79	(7.4)	3.3	(10.3)
Ending inventory quantity	***	***	***	***	***	***
All other sources:						
Quantity	477,519	1,238,178	2,783,617	482.9	159.3	124.8
Value	13,169	18,975	31,290	137.6	44.1	64.9
Unit value	$27.58	$15.32	$11.24	(59.2)	(44.4)	(26.7)
Ending inventory quantity	***	***	***	***	***	***
Nonsubject sources:						
Quantity	1,398,298	2,316,712	4,035,681	188.6	65.7	74.2
Value	28,861	37,961	51,056	76.9	31.5	34.5
Unit value	$20.64	$16.39	$12.65	(38.7)	(20.6)	(22.8)
Ending inventory quantity	382,009	438,752	789,150	106.6	14.9	79.9
Total imports:						
Quantity	8,142,772	7,820,469	8,719,627	7.1	(4.0)	11.5
Value	73,438	71,925	86,522	17.8	(2.1)	20.3
Unit value	$9.02	$9.20	$9.92	10.0	2.0	7.9
Ending inventory quantity	1,167,082	1,154,184	1,333,080	14.2	(1.1)	15.5
Included U.S. producers':						
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	***	***	***	***	***	***
Productivity (units per 1,000 hours)	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***
Net sales:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Net 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)	***	***	***	***	***	***
Two excluded firms' U.S. shipments:						
Quantity	***	***	***	***	***	***
Value	***	***	***	***	***	***
Unit value	***	***	***	***	***	***

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

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

Table C-4 (alternate 2)
Diamond sawblades and parts thereof: Summary data concerning the U.S. market, 2012-14 excluding * and ***

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

	Report data			Period changes		
	Calendar year			Calendar year		
	2012	2013	2014	2012-14	2012-13	2013-14
U.S. consumption value:						
Amount	***	***	***	***	***	***
Producers' share (fn1)						
Two excluded firms	***	***	***	***	***	***
Producers without the two excluded firms	***	***	***	***	***	***
Total	***	***	***	***	***	***
Importers' share (fn1):						
China	***	***	***	***	***	***
Korea	***	***	***	***	***	***
All other sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
Value of U.S. imports from:						
China:	***	***	***	***	***	***
Korea:	***	***	***	***	***	***
All other sources:	***	***	***	***	***	***
Nonsubject sources:	***	***	***	***	***	***
Total imports:	***	***	***	***	***	***
Included U.S. producers':						
Value of U.S. shipments:	***	***	***	***	***	***
Value of export shipments:	***	***	***	***	***	***
Production workers	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***
Wages paid ($1,000)	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***
Value of net sales	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***
Net income or (loss)	***	***	***	***	***	***
Two excluded firms' value of U.S. shipments	***	***	***	***	***	***

Note.--U.S. consumption value double counts some merchandise imported as diamond sawblade parts for use in domestic productive activities. The importer will have reported its value once, and the U.S. producer will have incorporated its value in its finished diamond sawblade sale. Similarly, values in this table include data for segments and cores that were produced domestically and sold to finished diamond sawblade producers, as well as data for the sales of finished diamond sawblades that used those segments and cores.
Note.--Because of the mix of finished products and parts, quantities and unit values are not provided.

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

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

APPENDIX D

COMMENTS BY U.S. PRODUCERS, IMPORTERS, PURCHASERS, AND FOREIGN PRODUCERS REGARDING THE EFFECTS OF THE ORDERS AND THE LIKELY EFFECTS OF REVOCATION

Appendix D is redacted in its entirety.

APPENDIX E

INDIVIDUAL PRODUCERS/EXPORTERS FROM RESULTS OF COMMERCE'S ADMINISTRATIVE REVIEWS

Table E-1
Diamond sawblades and parts thereof: Results of the first administrative review (01/23/2009 – 10/31/2010) of the antidumping duty order for China

Producer/exporter	Original margin (*percent*)
Firm	
Advanced Technology & Materials Co., Ltd.	0.15
ASHINE Diamond Tools Co., Ltd.	9.55
AT&M International Trading Co., Ltd.	0.15
Beijing Gang Yan Diamond Products Co.	0.15
Bosun Tools Co., Ltd.	9.55
Chengdu Huifeng Diamond Tools Co., Ltd.	9.55
Cliff International Ltd.	0.15
Danyang Hantronic Import & Export Co., Ltd.	9.55
Danyang Huachang Diamond Tools Manufacturing Co., Ltd.	9.55
Dangyang NYCL Tools Manufacturing Co., Ltd.	9.55
Fuijian Quanzhou Wanlong Stone Co., Ltd.	9.55
Guilin Tebon Superhard Material Co., Ltd.	9.55
Hangzhou Deer King Industrial & Trading Co., Ltd.	9.55
Hebei Husqvarna-Jikai Diamond Tools Co., Ltd.	9.55
Hebei XMF Tools Group Co., Ltd.	9.55
Henan Huanghe Whirlwind Co., Ltd.	9.55
Henan Huanghe Whirlwind International Co., Ltd.	9.55
Huzhou Gu's Import & Export Co., Ltd.	9.55
HXF Saw Co., Ltd.	0.15
Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd.	9.55
Jiangsu Inter-China Group Corporation	9.55
Jiangsu Youhe Tool Manufacturer Co., Ltd.	9.55
Qingdao Shinhan Diamond Industrial Co., Ltd.	9.55
Quanzhou Zhongzhi Diamond Tool Co., Ltd.	9.55
Rizhao Hein Saw Co., Ltd.	9.55
Saint-Gobain Abrasives (Shanghai) Co., Ltd.	9.55
Shanghai Robtol Tool Manufacturing Co., Ltd.	9.55
Shijiazhuang Global New Century Tools Co., Ltd.	9.55
Wehai Xiangguang Mechancial Industrial Co., Ltd.	9.55
Wuhan Wanbang Laser Diamond Tools Co.	9.55
Xiamen ZL Diamond Technology Co., Ltd.	9.55
Zhejiang Wanli Tools Group Co., Ltd.	9.55
PRC-Wide Entity	164.09

Source: *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2009–2010*, 78 FR 11143, February 15, 2013.

Table E-2
Diamond sawblades and parts thereof: Results of the second administrative review, amended (11/01/2010 – 10/31/2011) of the antidumping duty order for China

Producer/exporter	Original margin (*percent*)
Firm	
Bosun Tools Co., Ltd.	0.00
Chengdu Huifeng Diamond Tools Co., Ltd.	0.00
Danyang Huachang Diamond Tools Manufacturing Co., Ltd.	0.00
Dangyang NYCL Tools Manufacturing Co., Ltd.	0.00
Dangyang Weiwang Tools Manufacturing, Ltd.	0.00
Guilin Tebon Superhard Material Co., Ltd.	0.00
Hangzhou Deer King Industrial & Trading Co., Ltd.	0.00
Hebei Husqvarna-Jikai Diamond Tools Co., Ltd.	0.00
Huzhou Gu's Import & Export Co., Ltd.	0.00
Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd.	0.00
Jiangsu Inter-China Group Corporation	0.00
Jiangsu Youhe Tool Manufacturer Co., Ltd.	0.00
Quanzhou Zhongzhi Diamond Tool Co., Ltd.	0.00
Rizhao Hein Saw Co., Ltd.	0.00
Saint-Gobain Abrasives (Shanghai) Co., Ltd.	0.00
Shanghai Robtol Tool Manufacturing Co., Ltd.	0.00
Wehai Xiangguang Mechancial Industrial Co., Ltd.	0.00
Wuhan Wanbang Laser Diamond Tools Co.	0.00
Xiamen ZL Diamond Technology Co., Ltd.	0.00
Zhejiang Wanli Tools Group Co., Ltd.	0.00
PRC-Wide Entity	164.09

Source: *Diamond Sawblades and Parts Thereof From the People's Republic of China: Amended Final Results of Antidumping Duty Administrative Review; 2010–2011*, 78 FR 42930, July 18, 2013.

Table E-3
Diamond sawblades and parts thereof: Results of the third administrative review (11/01/2011 – 10/31/2012) of the antidumping duty order for China

Producer/exporter	Original margin (*percent*)
Firm	
Bosun Tools Co., Ltd.	4.65
Chengdu Huifeng Diamond Tools Co., Ltd.	4.83
Danyang Huachang Diamond Tools Manufacturing Co., Ltd.	4.83
Dangyang NYCL Tools Manufacturing Co., Ltd.	4.83
Dangyang Weiwang Tools Manufacturing, Ltd.	4.83
Guilin Tebon Superhard Material Co., Ltd.	4.83
Hangzhou Deer King Industrial & Trading Co., Ltd.	4.83
Husqvarna (Hebei) Co., Ltd.	4.83
Huzhou Gu's Import & Export Co., Ltd.	4.83
Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd.	4.83
Jiangsu Inter-China Group Corporation	4.83
Jiangsu Youhe Tool Manufacturer Co., Ltd.	4.83
Qingyuan Shangtai Diamond Tools Co., Ltd.	4.83
Quanzhou Zhongzhi Diamond Tool Co., Ltd.	4.83
Rizhao Hein Saw Co., Ltd.	4.83
Shanghai Jingquan Ind. Trade Co., Ltd.	4.83
Shanghai Robtol Tool Manufacturing Co., Ltd.	4.83
Wehai Xiangguang Mechancial Industrial Co., Ltd.	5.06
Wuhan Wanbang Laser Diamond Tools Co.	4.83
Xiamen ZL Diamond Technology Co., Ltd.	4.83
Zhejiang Wanli Tools Group Co., Ltd.	4.83
PRC-Wide Entity	164.09

Source: *Diamond Sawblades and Parts Thereof From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2011–2012*, 79 FR 35723, June 24, 2014.

Table E-4
Diamond sawblades and parts thereof: Results, final, of the fourth administrative review (11/01/2012 – 10/31/2013) of the antidumping duty order for China

Producer/exporter	Original margin (*percent*)
Firm	
Bosun Tools Co., Ltd.	1.51
Chengdu Huifeng Diamond Tools Co., Ltd.	2.34
Danyang City Ou Di Ma Tools Co., Ltd.	2.34
Danyang Huachang Diamond Tools Manufacturing Co., Ltd	2.34
Dangyang NYCL Tools Manufacturing Co., Ltd.	2.34
Danyang Tsunda Diamond Tools Co., Ltd.	2.34
Dangyang Weiwang Tools Manufacturing, Ltd.	2.34
Guilin Tebon Superhard Material Co., Ltd.	2.34
Hangzhou Deer King Industrial & Trading Co., Ltd.	2.34
Hangzhou Kingburg Import & Export Co., Ltd.	2.34
Huzhou Gu's Import & Export Co., Ltd.	2.34
Jiangsu Fengtai Diamond Tool Manufacture Co., Ltd.	2.34
Jiangsu Inter-China Group Corporation	2.34
Jiangsu Youhe Tool Manufacturer Co., Ltd.	2.34
Pujiang Talent Diamond Tools Co., Ltd.	2.34
Qingdao Hyosung Diamond Tools Co., Ltd.	2.34
Qingyuan Shangtai Diamond Tools Co., Ltd.	2.34
Quanzhou Zhongzhi Diamond Tool Co., Ltd.	2.34
Rizhao Hein Saw Co., Ltd.	2.34
Saint-Gobain Abrasives (Shanghai) Co., Ltd.	2.34
Shanghai Jingquan Ind. Trade Co., Ltd.	2.34
Shanghai Starcraft Tools Company Limited	2.34
Wehai Xiangguang Mechancial Industrial Co., Ltd.	3.35
Wuhan Wanbang Laser Diamond Tools Co.	2.34
Xiamen ZL Diamond Technology Co., Ltd.	2.34
Zhejiang Wanli Tools Group Co., Ltd.	2.34
PRC-Wide Entity	164.09

Source: *Diamond Sawblades and Parts Thereof From the People's Republic of China; Final Results of Antidumping Duty Administrative Review; 2012–2013*,80 FR 32344, June 8, 2015.

APPENDIX F

U.S. PRODUCERS' AND IMPORTERS' SHARES OF SHIPMENTS

Table F-1
Finished diamond sawblades: Shares of U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by blade diameter and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Value (1,000 dollars)						
U.S. producers' U.S. commercial shipments.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	0.6	4.0	6.0	20.5	25.2	43.6	100.0
Commercial U.S. shipments of imports from China.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	41.7	9.3	3.4	35.4	3.9	6.4	100.0
Commercial U.S. shipments of imports from Korea.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	29.6	13.4	6.5	25.9	21.7	2.9	100.0
Commercial U.S. shipments of imports from all other sources.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	26.9	8.8	3.1	28.4	25.3	7.6	100.0
Commercial U.S. shipments from nonsubject sources.--							
laser-welded, segmented	***	***	***	***	***	***	***
soldered/braised, segmented	***	***	***	***	***	***	***
sintered, continuous	***	***	***	***	***	***	***
sintered, segmented	***	***	***	***	***	***	***
Subtotal	27.9	10.6	4.4	27.4	23.9	5.7	100.0
Total U.S. commercial shipments from all sources (domestic and imported).--							
laser-welded, segmented	5.3	2.8	3.8	19.1	17.1	19.2	67.3
soldered/braised, segmented	0.5	0.1	0.3	1.2	2.2	1.8	6.1
sintered, continuous	8.8	3.7	0.3	0.3	0.0	0.0	13.2
sintered, segmented	5.7	1.0	0.5	6.0	0.1	0.0	13.3
Total	20.4	7.6	4.8	26.6	19.5	21.1	100.0

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

Table F-2
Diamond sawblades: Finished diamond sawblades: producers' and importers' value of reported U.S. commercial shipments (in dollars), by sources, channels of distribution, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	United States						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total domestic	0.6	4.0	6.0	20.5	25.2	43.6	100.0
	China						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total China	41.7	9.3	3.4	35.4	3.9	6.4	100.0

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Table F-2--*Continued*
Diamond sawblades: Finished diamond sawblades: producers' and importers' value of reported U.S. commercial shipments (in dollars), by sources, channels of distribution, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	Korea						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total Korea	29.6	13.4	6.5	25.9	21.7	2.9	100.0
	Nonsubject other than Korea						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total nonsubject other than Korea	26.9	8.8	3.1	28.4	25.3	7.6	100.0

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Table F-2--*Continued*
Diamond sawblades: Finished diamond sawblades: producers' and importers' value of reported U.S. commercial shipments (in dollars), by sources, channels of distribution, and size, 2014

Customer type/blade diameter	<=7.0"	>7.0" but <=10.0"	>10.0" but <=12.0"	>12.0" but <=14.0"	>14.0" but <=20.0"	>20.0"	Total
	All nonsubject sources						
Branded distributors	***	***	***	***	***	***	***
Other distributors	***	***	***	***	***	***	***
Total distributors	***	***	***	***	***	***	***
National big box retailer	***	***	***	***	***	***	***
Other retail	***	***	***	***	***	***	***
Total retail	***	***	***	***	***	***	***
Diamond saw and sawblade producers	***	***	***	***	***	***	***
General purpose saw producers	***	***	***	***	***	***	***
Total saw producers	***	***	***	***	***	***	***
Professional construction	***	***	***	***	***	***	***
All other end users	***	***	***	***	***	***	***
Total end users	***	***	***	***	***	***	***
Total nonsubject	27.9	10.6	4.4	27.4	23.9	5.7	100.0
	All domestic and import sources						
Branded distributors	5.4	2.7	1.0	9.1	4.2	2.0	24.3
Other distributors	7.5	3.6	2.8	10.0	6.8	3.0	33.8
Total distributors	12.9	6.3	3.7	19.1	11.0	5.0	58.1
National big box retailer	1.8	0.1	0.1	0.3	0.1	0.1	2.4
Other retail	0.5	0.1	0.1	1.2	0.5	0.4	2.9
Total retail	2.3	0.2	0.2	1.5	0.6	0.6	5.3
Diamond saw and sawblade producers	1.2	0.4	0.2	1.2	0.8	2.3	6.1
General purpose saw producers	1.9	0.6	0.1	0.9	0.2	0.0	3.6
Total saw producers	3.1	1.0	0.3	2.1	1.0	2.3	9.8
Professional construction	1.5	0.1	0.4	3.8	6.8	13.2	25.8
All other end users	0.6	0.0	0.2	0.2	0.1	0.0	1.1
Total end users	2.1	0.1	0.6	3.9	6.9	13.2	26.8
Total all sources	20.4	7.6	4.8	26.6	19.5	21.1	100.0

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

Table F-3
Finished diamond sawblades: Shares of U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
Total U.S. commercial shipments from all sources (domestic and imported).--							
Branded distributors							
laser-welded, segmented	0.9	0.5	0.5	6.0	3.6	1.9	13.5
soldered/braised, segmented	0.0	0.0	0.0	0.3	0.5	0.1	0.9
sintered, continuous	2.5	1.6	0.2	0.1	0.0	0.0	4.3
sintered, segmented	2.0	0.6	0.2	2.6	0.0	0.0	5.5
Subtotal, branded distributors	5.4	2.7	1.0	9.1	4.2	2.0	24.3
Other distributors							
laser-welded, segmented	2.1	2.1	2.5	7.6	6.1	2.9	23.3
soldered/braised, segmented	0.0	0.0	0.0	0.4	0.7	0.1	1.2
sintered, continuous	2.6	1.2	0.1	0.1	0.0	0.0	3.9
sintered, segmented	2.9	0.4	0.1	2.0	0.0	0.0	5.4
Subtotal, other distributors	7.5	3.6	2.8	10.0	6.8	3.0	33.8
National big box retailer							
laser-welded, segmented	0.1	0.0	0.0	0.2	0.1	0.0	0.5
soldered/braised, segmented	0.0	0.0	0.0	0.0	0.0	0.1	0.1
sintered, continuous	1.3	0.0	0.0	0.0	0.0	0.0	1.3
sintered, segmented	0.4	0.0	0.0	0.1	0.0	0.0	0.6
Subtotal, national big box retailer	1.8	0.1	0.1	0.3	0.1	0.1	2.4
Other retail							
laser-welded, segmented	0.2	0.1	0.1	1.0	0.5	0.3	2.2
soldered/braised, segmented	0.0	0.0	0.0	0.0	0.0	0.1	0.1
sintered, continuous	0.1	0.0	0.0	0.0	0.0	0.0	0.1
sintered, segmented	0.3	0.0	0.0	0.2	0.0	0.0	0.5
Subtotal, other retail	0.5	0.1	0.1	1.2	0.5	0.4	2.9
Diamond saw and diamond sawblade producers							
laser-welded, segmented	0.2	0.1	0.1	0.4	0.3	2.2	3.3
soldered/braised, segmented	0.5	0.1	0.0	0.1	0.5	0.1	1.3
sintered, continuous	0.4	0.2	0.0	0.1	0.0	0.0	0.7
sintered, segmented	0.1	0.0	0.0	0.6	0.0	0.0	0.7
Subtotal, diamond saw and diamond sawblade producers	1.2	0.4	0.2	1.2	0.8	2.3	6.1

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Table F-3--*Continued*
Finished diamond sawblades: Shares of U.S. producers' commercial U.S. shipments and commercial U.S. shipments of imports from all sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
General purpose saw producers							
laser-welded, segmented	0.4	0.0	0.1	0.5	0.1	0.0	1.1
soldered/braised, segmented	0.0	0.0	0.0	0.0	0.0	0.0	0.0
sintered, continuous	1.5	0.6	0.0	0.0	0.0	0.0	2.1
sintered, segmented	0.0	0.0	0.0	0.4	0.0	0.0	0.4
Subtotal, general purpose saw producers	1.9	0.6	0.1	0.9	0.2	0.0	3.6
Professional construction firms							
laser-welded, segmented	1.3	0.1	0.4	3.3	6.3	11.8	23.1
soldered/braised, segmented	0.0	0.0	0.0	0.3	0.5	1.4	2.2
sintered, continuous	0.2	0.0	0.0	0.1	0.0	0.0	0.3
sintered, segmented	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Subtotal, professional construction firms	1.5	0.1	0.4	3.8	6.8	13.2	25.8
All other end users							
laser-welded, segmented	0.2	0.0	0.0	0.1	0.0	0.0	0.4
soldered/braised, segmented	0.0	0.0	0.2	0.0	0.1	0.0	0.3
sintered, continuous	0.4	0.0	0.0	0.0	0.0	0.0	0.4
sintered, segmented	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal, all other end users	0.6	0.0	0.2	0.2	0.1	0.0	1.1
Total	20.4	7.6	4.8	26.6	19.5	21.1	100.0

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

Table F-4
Finished diamond sawblades: Shares of U.S. producers' commercial U.S. shipments by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
U.S. producers' U.S. commercial shipments.--	***	***	***	***	***	***	***
Total	0.6	4.0	6.0	20.5	25.2	43.6	100.0

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

Table F-5
Finished diamond sawblades: Shares of commercial U.S. shipments from China by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
U.S. commercial shipments of imports from China.--	***	***	***	***	***	***	***
Total	41.7	9.3	3.4	35.4	3.9	6.4	100.0

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

Table F-6
Finished diamond sawblades: Shares of commercial U.S. shipments from Korea by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
U.S. commercial shipments of imports from all other sources.--	***	***	***	***	***	***	***
Total	29.6	13.4	6.5	25.9	21.7	2.9	100.0

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

Table F-7
Finished diamond sawblades: Shares of commercial U.S. shipments from all other sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
U.S. commercial shipments of imports from all other sources.--	***	***	***	***	***	***	***
Total	26.9	8.8	3.1	28.4	25.3	7.6	100.0

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

Table F-8
Finished diamond sawblades: Shares of commercial U.S. shipments from all nonsubject sources by customer type, blade diameter, and type of blade, 2014

Item	Blade size (in ranges of inches)						
	<= 7	> 7 <= 10	> 10 <= 12	> 12 <= 14	> 14 <= 20	> 20	Total
	Share of total value (percent)						
U.S. commercial shipments of imports from all other sources.--	***	***	***	***	***	***	***
Total	27.9	10.6	4.4	27.4	23.9	5.7	100.0

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

APPENDIX G

PRICE DATA INCLUDING SALES TO RELATED PARTIES

This appendix provides price data that includes sales to related parties. Some of these sales to related parties were included in the prehearing report's price data in sales to other distributors, and some of these sales had been excluded in the prehearing report. ***.

***. Sales to related parties are also reported separately and thus these quantities appear twice in the tables.

Table G-1
Diamond sawblades: Weighted-average f.o.b. prices and quantities of imported product 1, for sales to other distributors combined with sales to related firms and sales to related parties alone, by quarters, 2012-14

* * * * * * *

Table G-2
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, sales to other distributors combined with sales to related firms and sales to related parties alone, by quarters, 2012-14

* * * * * * *

Table G-3
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, sales to other distributors combined with sales to related firms and sales to related parties alone, by quarters, 2012-14

* * * * * * *

Table G-4
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 4,[1] sales to other distributors combined with sales to related firms and sales to related parties alone, by quarters, 2012-14

	United States		China			
	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*	Price *(dollars per sawblade)*	Quantity *(sawblades)*
	Sales to other distributors		Sales to other distributors and related parties		Sales to related parties	
2012:						
Jan.-Mar.	89.57	6,827	***	***	***	***
Apr.-June	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2013:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***
July-Sept.	***	***	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***
2014:						
Jan.-Mar.	***	***	***	***	***	***
Apr.-June	***	***	***	***	***	***
July-Sept.	89.06	8,018	***	***	***	***
Oct.-Dec.	***	***	***	***	***	***

[1] Product 4: 14" diameter laser-welded blades for dry cutting, 0.125" segment thickness, blade with diamond impact strength within a TI/TTI range of 82-85 and diamond concentration in a range of 17-20 percent by volume of the segments or alternatively 0.75-0.85 carats/ccm, for use in high speed saws 5000 rpm or more.

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

Table G-5
Diamond sawblades: Weighted-average f.o.b. prices and quantities of domestic and imported product 5, sales to other distributors combined with sales to related firms and sales to related parties alone, by quarters, 2012-14

* * * * * * *