

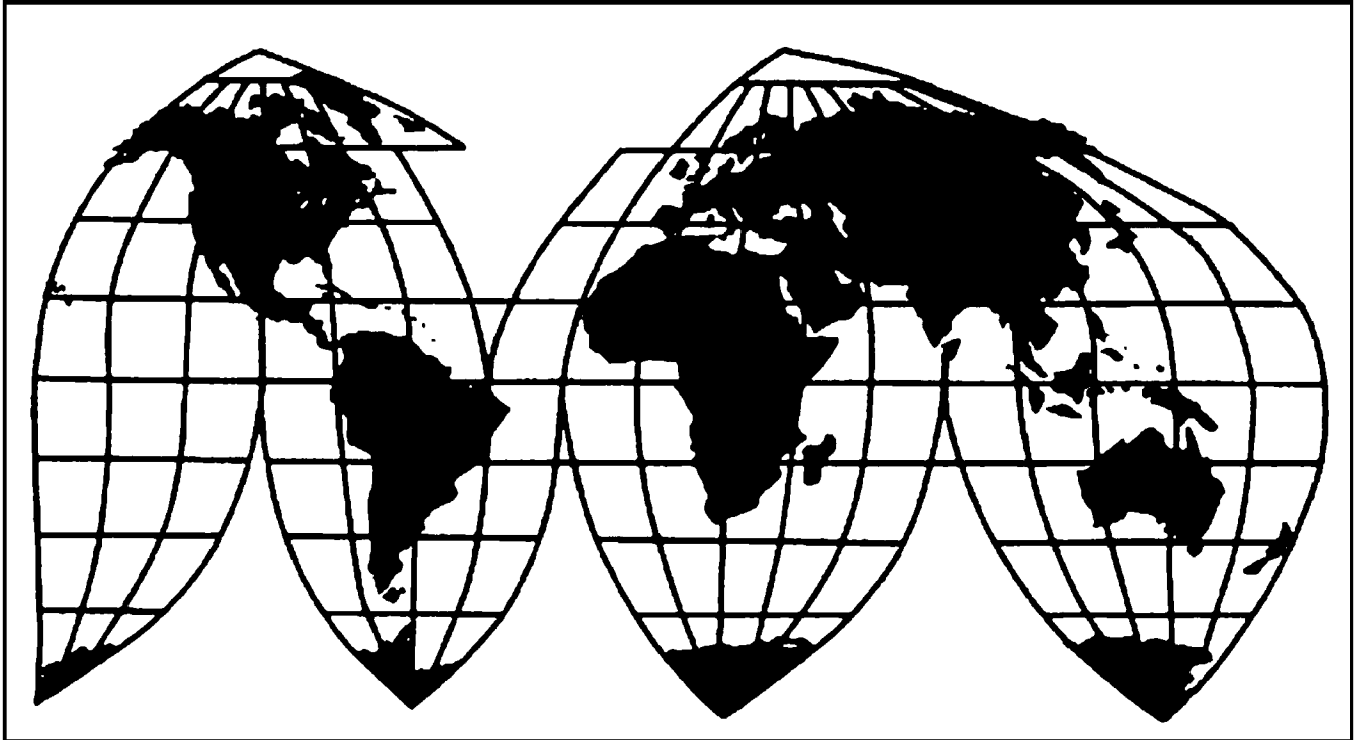
Oil Country Tubular Goods from India, Korea, Turkey, Ukraine, and Vietnam

Investigation Nos. 701-TA-499-500 and
731-TA-1215-1216, 1221-1223 (Review)

Publication 5090

July 2020

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Note.--Information that would reveal confidential operations of individual concerns may not be published. Such information is identified by brackets in confidential reports and is deleted and replaced with asterisks (***) in public reports.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-499-500 and 731-TA-1215-1216, 1221-1223 (Review)

Oil Country Tubular Goods from India, Korea, Turkey, Ukraine, and Vietnam

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the countervailing duty orders on oil country tubular goods (OCTG) from India and Turkey and the antidumping duty orders on OCTG from India, Korea, Turkey, Ukraine, and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on June 3, 2019 (84 FR 25570), and determined on September 6, 2019, that it would full reviews (84 FR 50069, September 24, 2019). Notice of the scheduling of the Commission’s reviews 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 21, 2020 (85 FR 3419). In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, and in accordance with 19 U.S.C. 1677c(a)(1), the Commission conducted its hearing by video conference on May 21, 2020 and written witness testimony; all persons who requested the opportunity were permitted to participate.

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the countervailing duty orders on oil country tubular goods (“OCTG”) from India and Turkey and antidumping duty orders on OCTG from India, Korea, Turkey, Ukraine, and Vietnam would likely 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 July 2, 2013, nine domestic OCTG producers filed antidumping and countervailing duty petitions concerning imports of OCTG from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam.¹ In September 2014, the Commission determined that an industry in the United States was materially injured by reason of imports of OCTG from India, Korea, Turkey, Ukraine, and Vietnam sold at less than fair value (“LTFV”) and subsidized by the governments of India and Turkey, and an industry in the United States was threatened with material injury by reason of LTFV imports of OCTG from Taiwan. The Commission found that imports from the Philippines and Thailand were negligible.²

On July 10, 2014, Commerce suspended its antidumping investigation on imports of OCTG from Ukraine and entered into a suspension agreement.³ On September 10, 2014, Commerce issued antidumping duty orders covering OCTG from India, Korea, Taiwan, Turkey, and Vietnam, and countervailing duty orders covering OCTG from India and Turkey.⁴ On July

¹ The nine petitioners were United States Steel Corporation, Maverick Tube Corporation, Boomerang Tube LLC, Energex, a division of JMC Steel Group, Northwest Pipe Company, Tejas Tubular Products Inc., TMK IPSCO, Vallourec Star, L.P., and Welded Tube USA, Inc.

² *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam*, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1217 and 1219-1223 (Final), USITC Pub. 4489 (Sept. 2014) (“*Original Determinations*”) at 1. One Commissioner of the five who participated determined that subject imports from Taiwan were negligible. *Id.* at 1 nn.2, 3. The U.S. Department of Commerce (“Commerce”) made a negative dumping determination with respect to OCTG from Saudi Arabia. *See id.* at 5.

³ *Suspension of Antidumping Investigation: Certain Oil Country Tubular Goods From Ukraine*, 79 Fed. Reg. 41959 (Jul. 18, 2014). The Agreement was set to terminate on July 10, 2017, but was extended until July 10, 2019. *See also Amendment to the Agreement Suspending the Antidumping Duty Investigation on Certain Oil Country Tubular Goods From Ukraine*, 82 Fed. Reg. 32681 (Jul. 17, 2017); *Amendment to the Agreement Suspending the Antidumping Duty Investigation on Certain Oil Country Tubular Goods From Ukraine*, 83 Fed. Reg. 31369 (Jul. 5, 2018). Petitioners and Interpipe requested that the ongoing Commerce and Commission investigations into OCTG from Ukraine be continued. *See Certain Oil Country Tubular Goods From Ukraine: Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances*, 79 Fed. Reg. 41969 (Jul. 18, 2014).

⁴ *Certain Oil Country Tubular Goods From India and the Republic of Turkey: Countervailing Duty Orders and Amended Affirmative Final Countervailing Duty Determination for India*, 79 Fed. Reg. 53688

12, 2017, the U.S. Court of International Trade (“CIT”) sustained Commerce’s remand determination to revoke the antidumping duty order on OCTG from Taiwan.⁵ Effective July 10, 2019, Commerce terminated the Ukrainian suspension agreement and issued an antidumping duty order on imports of OCTG from Ukraine.⁶

Current Reviews. The Commission instituted these first five-year reviews on June 3, 2019.⁷ The Commission received a joint response to its notice of institution on behalf of eight domestic producers of OCTG: Benteler Steel/Tube Manufacturing Corp., Boomerang Tube LLC, U.S. Steel Corporation, Vallourec Star, L.P., Welded Tube USA Inc., Maverick Tube Corporation, Tenaris Bay City, Inc., and IPSCO Tubulars Inc. (collectively referred to as “Domestic Producers”). The Commission also received four responses to the notice of institution from respondent interested parties. These were from: (1) Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (“BMB”), a producer of subject merchandise in Turkey; (2) the Government of Turkey; (3) Interpipe and North American Interpipe, respectively a producer and importer of subject merchandise from Ukraine; and (4) the Government of Ukraine.

On September 6, 2019, the Commission determined that the domestic interested party group response and the respondent interested party group responses to its notice of institution with respect to the countervailing duty order on OCTG from Turkey and the antidumping duty order on OCTG from Ukraine were adequate. Accordingly, the Commission decided to conduct full reviews concerning those orders. It further determined that the respondent interested party group responses with respect to the antidumping duty orders on OCTG from India, Korea, Turkey, and Vietnam and the countervailing duty order on OCTG from India were inadequate. However, the Commission determined to conduct full reviews concerning these orders to promote administrative efficiency.⁸

Domestic Producers submitted prehearing and posthearing briefs, final comments, written witness testimony, and responses to Commission questions. The Commission also received prehearing and posthearing briefs, final comments, and responses to Commission questions from the Government of Ukraine. Representatives of the Government of Ukraine

(Sept. 10, 2014); *Certain Oil Country Tubular Goods From India, the Republic of Korea, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Antidumping Duty Orders; and Certain Oil Country Tubular Goods From the Socialist Republic of Vietnam: Amended Final Determination of Sales at Less Than Fair Value*, 79 Fed. Reg. 53691 (Sept. 10, 2014).

⁵ *Certain Oil Country Tubular Goods From Taiwan: Notice of Court Decision Not in Harmony With Final Determination of Sales at Less Than Fair Value, Notice of Amended Final Determination and Revocation of Antidumping Duty Order*, 82 Fed. Reg. 35181 (Jul. 28, 2017).

⁶ *Termination of the Suspension Agreement on Certain Oil Country Tubular Goods From Ukraine, Rescission of Administrative Review and Issuance of Antidumping Duty Order*, 84 Fed. Reg. 33918 (Jul. 16, 2019).

⁷ *Oil Country Tubular Goods From India, Korea, Turkey, Ukraine, and Vietnam; Institution of Five-Year Reviews*, 84 Fed. Reg. 25570 (Jun. 3, 2019).

⁸ *Oil Country Tubular Goods From India, Korea, Turkey, Ukraine, and Vietnam; Notice of Commission Determinations to Conduct Full Five-Year Reviews*, 84 Fed. Reg. 50069 (Sept. 24, 2019).

and counsel for Domestic Producers appeared at the Commission’s hearing.⁹ The Government of Ukraine was the only respondent to submit briefs or participate in the hearing.

U.S. industry data are based on the questionnaire responses of 12 U.S. producers that are believed to account for the large majority of domestic production of OCTG in 2019.¹⁰ U.S. import data and related information are based on Commerce’s official import statistics and the questionnaire responses of 32 U.S. importers of OCTG that accounted for approximately two-thirds of imports of casing and tubing from all sources and approximately one-third of subject imports from subject sources in 2019.^{11 12} Foreign industry data and related information are based on the questionnaire responses of two responding producers in India accounting for an estimated *** percent of total OCTG production in India in 2019 and one responding producer in Ukraine believed to account for the vast majority of total production of OCTG in Ukraine in 2019.¹³ In addition, one subject producer in Turkey is estimated to account for *** production of subject merchandise in that country provided some data in its response to the notice of institution but did not submit a questionnaire response.¹⁴ No foreign producers from Korea or Vietnam responded to the Commission questionnaire.¹⁵

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”¹⁶ The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”¹⁷ The Commission’s

⁹ In light of restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its hearing by video conference, as set forth in procedures provided to the parties.

¹⁰ Confidential Report (“CR”) and Public Report (“PR”) at I-36. The Commission received usable responses from 12 U.S. producers. *Id.* at I-36, III-1, and III-23.

¹¹ CR/PR at I-13-14. Importers responding to the questionnaires accounted for 101.9 percent of subject imports from Turkey, 74.6 percent of subject imports from Ukraine, 17.4 percent of subject imports from Korea, and zero percent of subject imports from India and Vietnam in 2019. *Id.* at IV-1.

¹² The official U.S. import statistics and GTA export data discussed in these Views cover the major forms of OCTG, casing and tubing, but do not cover coupling stock. However, the volume of trade in coupling stock is extremely limited. *See, e.g.*, CR/PR at Table IV-4 (coupling stock is *** percent of U.S. importers’ U.S. shipments in 2019).

¹³ CR/PR at I-14. No foreign producers from Korea or Vietnam responded to the Commission questionnaire. *See id.* at IV-34, IV-46.

¹⁴ CR/PR at IV-37-38.

¹⁵ CR/PR at IV-34, IV-46.

¹⁶ 19 U.S.C. § 1677(4)(A).

¹⁷ 19 U.S.C. § 1677(10); *see, e.g.*, *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l

practice in five-year reviews is to examine the domestic like product definition from the original investigations and consider whether the record indicates any reason to revisit the prior findings.¹⁸

Commerce has defined the scope of the antidumping and countervailing duty orders in these five-year reviews as follows:

The merchandise covered by the orders is OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the orders also covers OCTG coupling stock.

Excluded from the scope of the orders are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.¹⁹

The scope has not changed since the original investigations. OCTG includes casing, tubing, and coupling stock of carbon and alloy steel used in oil and gas wells.²⁰ Casing is a circular pipe that serves as a structural retainer for the walls of the well. It typically has an outside diameter ranging from 4.5 inches to 20 inches and a length ranging from 34 feet to 48 feet. Casing provides a firm foundation for the drill string by supporting the walls of the hole to prevent caving in or wall collapse both during drilling and after the well is completed.²¹ Casing also serves as a surface pipe designed to prevent contamination of the recoverable oil and gas by surface water, gas, sand, or limestone.²² Tubing is a smaller-diameter pipe (between 1.050–

Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int'l Trade 1990), *aff'd*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

¹⁸ *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

¹⁹ *Certain Oil Country Tubular Goods From India, the Republic of Korea, Turkey, and the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Reviews of the Antidumping Duty Orders*, 85 Fed. Reg. 12774, 12775 (Mar. 4, 2020); *Oil Country Tubular Goods From India: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 84 Fed. Reg. 50001, 50002 (Sept. 24, 2019); *Oil Country Tubular Goods From the Republic of Turkey: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 84 Fed. Reg. 55139, 55140 (Oct. 15, 2019); *Oil Country Tubular Goods From Ukraine: Final Results of the First Five-Year Sunset Review of the Antidumping Duty Order*, 85 Fed. Reg. 27206, 27206-07 (May 7, 2020).

²⁰ CR/PR at I-20.

²¹ CR/PR at I-23.

²² CR/PR at I-24.

4.5 inches outside diameter) installed inside the larger-diameter casing that is used to conduct the oil or gas to the surface, either through natural flow or through pumping. Coupling stock is a thick-walled, seamless tubular product used to manufacture coupling blanks. Coupling blanks, in turn, are unthreaded tube blanks used to make individual couplings. Couplings are thick-walled and internally threaded seamless cylinders that are used for joining two lengths of threaded OCTG and, when unattached, are specifically excluded from the scope. Casing and tubing are usually produced in accordance with specification 5CT of the American Petroleum Institute (“API”).²³

In the original investigations, the Commission defined a single domestic like product encompassing all OCTG, coextensive with the scope. In doing so, the Commission rejected a respondent argument that the Commission should find a separate like product for U.S. heat-treated semi-finished OCTG or “green tubes.” The Commission found that there was not a clear dividing line between green tubes and finished OCTG.²⁴

Domestic Producers argue that in these reviews the Commission should adopt the like product definition from the original investigations.²⁵ No respondent has briefed the appropriate definition of the domestic like product. The record in these reviews indicates that the characteristics and uses of domestically produced OCTG have not changed since the original investigations.²⁶ Accordingly, we again define the domestic like product to include all OCTG coextensive with the scope.

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”²⁷ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the original investigations, the Commission found that processors that provide heat treatment engaged in sufficient production-related activities to be treated as domestic producers.²⁸ Accordingly, the Commission defined the domestic industry to include all U.S.

²³ CR/PR at I-25-26. API 5CT specifications require the seamless manufacturing process for grades ***, while grades *** can be produced using either the welded or seamless process. *Id.*

²⁴ *Original Determinations*, USITC Pub. 4489 at 11-12.

²⁵ Domestic Producers’ Prehearing Brief at 18.

²⁶ See generally CR/PR at I-35-36.

²⁷ 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.

²⁸ *Original Determinations*, USITC Pub. 4489 at 13-14

producers of OCTG, including both mills that produce OCTG and processors that engage in heat treatment.²⁹

The information in the current reviews indicates that the heat-treatment process has not changed materially since the original investigations,³⁰ and the record of these reviews contains no information that would warrant revisiting the decision to include processors in the domestic industry.³¹ In light of these considerations, we again find that processors that provide heat treatment engage in sufficient production-related activity to be considered domestic producers.

We must also 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.³² Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.³³

In the current reviews, Borusan falls under the related party provision because it imported subject merchandise from Turkey during the period of review and by virtue of its affiliation with ***, a Turkish producer of subject merchandise.³⁴ Domestic Producers assert that the Commission may exclude Borusan as a related party, but do not affirmatively take a position on whether appropriate circumstances exist for its exclusion.³⁵ Borusan commenced domestic production of OCTG at a new production facility in Baytown, Texas in the summer of 2014.³⁶ In 2019, it was the *** largest domestic mill producer, accounting for *** percent of

²⁹ *Original Determinations*, USITC Pub. 4489 at 14. There were no related party issues in the original final determinations. *Id.* at 14 n.75.

³⁰ See CR/PR at I-30-31.

³¹ Domestic Producers Prehearing Brief at 20-21.

³² 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).

³³ 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. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int'l Trade 2015); see also *Torrington Co. v. United States*, 790 F. Supp. at 1168.

³⁴ CR/PR at III-18 n.2, Table I-8.

³⁵ Domestic Producers' Prehearing Brief at 21-24.

³⁶ CR/PR at Tables III-1-2.

U.S. mill production.³⁷ Borusan's production increased from *** short tons in 2014 to *** short tons in 2019.³⁸ The ratio of Borusan's imports of subject merchandise to U.S. production declined during *** of the 2014-2019 period of review, falling from *** percent in 2014, its first year of U.S. production, to *** percent in 2019.³⁹ The firm reported significant capital expenditures during the period of review and has added ***.⁴⁰ Borusan reported that its reasons for importing were to ***.⁴¹ Borusan *** the continuation of the *** and *** on continuation of the other orders in these reviews.⁴²

The record indicates that Borusan's principal interest is in domestic production, as its production increased throughout the period of review, its ratio of subject imports to U.S. production declined, and it engaged in appreciable capital expenses. We therefore determine that appropriate circumstances do not exist to exclude Borusan from the domestic industry.

Accordingly, given our domestic like product definition, we define the domestic industry as all U.S. producers of OCTG, including both mills that produce OCTG and processors that engage in heat treatment.

III. Cumulation

A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows: the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.⁴³

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.⁴⁴ The Commission may exercise its

³⁷ CR/PR at Table I-7.

³⁸ CR/PR at Table III-14.

³⁹ CR/PR at Table III-14.

⁴⁰ CR/PR at Tables III-2, III-21.

⁴¹ CR/PR at Table III-14.

⁴² CR/PR at Table I-7; Borusan's U.S. Producer Questionnaire at 5.

⁴³ 19 U.S.C. § 1675a(a)(7).

⁴⁴ 19 U.S.C. § 1677(7)(G)(i); *see also, e.g., Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate

discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

In the original investigations, the Commission determined that there was a reasonable overlap of competition and cumulated subject imports from the five subject countries for purposes of analyzing material injury by reason of subject imports.⁴⁵

In these reviews, the statutory threshold for cumulation is satisfied because all reviews were initiated on the same day, June 1, 2019.⁴⁶ In addition, we consider the following issues in deciding whether to exercise our discretion to cumulate the subject imports: (1) whether imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among subject imports from the subject countries and the domestic like product; and (3) whether subject imports are likely to compete in the U.S. market under different conditions of competition.

B. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.⁴⁷ Neither the statute nor the Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“SAA”) provides specific guidance on what factors the Commission is to consider in determining that imports “are likely to have no discernible adverse impact” on the domestic industry.⁴⁸ With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations. We consider the data pertinent to each subject country below.

India. In the original investigations, subject imports from India increased from *** short tons in 2011 to *** short tons in 2012, but decreased to *** short tons in 2013; market penetration decreased from *** percent in 2011 to *** percent in 2013.⁴⁹ During the current review period, the quantity of subject imports from India ranged from 777 short tons in 2019 to

subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int’l Trade 2008).

⁴⁵ *Original Determinations*, USITC Pub. 4489 at 21-23.

⁴⁶ *Initiation of Five-Year (Sunset) Reviews*, 84 Fed. Reg. 25741 (Jun. 4, 2019).

⁴⁷ 19 U.S.C. § 1675a(a)(7).

⁴⁸ SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

⁴⁹ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Tables IV-15, IV-

61,723 short tons in 2015; market penetration ranged between 0.0 percent, in 2019, and 1.7 percent, in 2015.⁵⁰

In the current reviews, the Commission received foreign producer questionnaire responses from two firms, which are believed to account for *** percent of total OCTG production in India during 2019.⁵¹ Capacity for the responding Indian producers remained stable at *** short tons from 2014 through 2019. Capacity utilization of the responding producers increased irregularly, from *** percent in 2014 to *** percent in 2019.⁵² Responding Indian producers' share of exports to total shipments declined irregularly, from *** percent of total shipments in 2014 to *** percent in 2019. The United States was the Indian producers' largest export market in 2014 and 2015, but accounted for only *** percent of shipments in 2017 and *** percent in 2018 and 2019.⁵³

According to Global Trade Atlas ("GTA") data, India was not among the top ten global exporters of casing and tubing in 2019.⁵⁴ Exports of casing and tubing from India decreased irregularly from 48,448 short tons in 2014 to 17,794 short tons in 2019 and India's exports of casing and tubing to the United States decreased irregularly from 57.9 percent of its total exports in 2014 to 0.2 percent in 2019. Indian producers' leading export market of casing and tubing in 2019 was Canada.⁵⁵

In the current reviews, subject imports from India were priced below the domestic like product in *** of *** instances, with underselling margins between *** and *** percent. In the remaining *** instances, prices for OCTG from India were between *** and *** percent above prices for the domestic like product.⁵⁶ Subject imports from India were priced below the domestic like product in 37 of 46 quarterly comparisons during the original investigations.⁵⁷

Based on the foregoing, particularly the existence of some level of subject imports from India throughout the period of review that undersold the domestic like product in most comparisons notwithstanding the discipline of the orders, and the level of the subject industry's excess capacity, we find that revocation of the antidumping and countervailing duty orders on subject imports from India is not likely to have no discernible adverse impact on the domestic industry.

Korea. In the original investigations, subject imports from Korea increased from *** short tons in 2011 to *** short tons in 2012 and *** short tons in 2013; market penetration increased from *** percent in 2011 to *** percent in 2013.⁵⁸ During the current review period, the quantity of subject imports from Korea ranged between 345,997 short tons, in 2016, to 1.6

⁵⁰ CR/PR at Table I-11.

⁵¹ CR/PR at I-14.

⁵² CR/PR at Table IV-13.

⁵³ CR/PR at Table IV-13.

⁵⁴ CR/PR at Table IV-30.

⁵⁵ CR/PR at Table IV-15.

⁵⁶ CR/PR at Table V-11.

⁵⁷ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Table V-14.

⁵⁸ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Tables IV-15, IV-

million short tons, in 2014; market penetration ranged between 8.6 percent, in 2019, and 20.7 percent, in 2014.⁵⁹

Seven producers of subject merchandise in Korea accounting for virtually all production of OCTG from Korea responded to the Commission questionnaire in the original investigations.⁶⁰ In the current reviews, the Commission received no questionnaire responses from producers of OCTG from Korea. Domestic Producers identified ten firms that they believe currently produce subject merchandise in Korea.⁶¹ Information regarding the Korean industry from GTA shows that in 2019 Korea was the fifth largest global exporter of casing and tubing; it was previously the second largest global exporter as recently as 2017.⁶² During the period of review, the United States was the top export market for casing and tubing from Korea.⁶³

In the current reviews, subject imports from Korea were priced below the domestic like product in *** of *** instances, with underselling margins between *** and *** percent. In the remaining *** instances, prices for OCTG from Korea were between *** and *** percent above prices for the domestic like product.⁶⁴ Subject imports from Korea were priced below the domestic like product in 42 of 46 quarterly comparisons during the original investigations.⁶⁵

Based on the foregoing, particularly the existence of appreciable levels of subject imports from Korea throughout the period of review, the pricing data that show that Korean imports undersold the domestic like product in most comparisons notwithstanding the discipline of the order, and the export orientation of the subject industry, we find that revocation of the antidumping duty order on subject imports from Korea is not likely to have no discernible adverse impact on the domestic industry.

Turkey. In the original investigations, subject imports from Turkey rose from *** short tons in 2011 to *** short tons in 2012, and fell to *** short tons in 2014; market penetration decreased from *** percent in 2011 to *** percent in 2013.⁶⁶ During the current review period, the quantity of subject imports from Turkey ranged from 28,402 short tons in 2016 to 96,749 short tons in 2014; market penetration ranged between 1.0 percent, in 2019, and 1.5 percent, in 2015.⁶⁷

In the current reviews, the Commission received no questionnaire responses from producers of OCTG from Turkey. In response to the notice of institution, BMB provided certain data regarding its production, capacity, and exports to the United States in 2018. BMB estimated that it accounted for *** OCTG production in Turkey during 2019.⁶⁸ Its capacity increased from *** short tons in 2013 to *** short tons in 2018, and capacity utilization

⁵⁹ CR/PR at Table I-11.

⁶⁰ *Original Determinations*, USITC Pub. 4489 at 4.

⁶¹ CR/PR at IV-34.

⁶² CR/PR at IV-53 and Table IV-30.

⁶³ CR/PR at Table IV-17.

⁶⁴ CR/PR at Table V-11.

⁶⁵ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Table V-14.

⁶⁶ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Tables IV-15, IV-

16.

⁶⁷ CR/PR at Table I-11.

⁶⁸ CR/PR at IV-37.

decreased from *** percent in 2013 to *** percent in 2018. BMB's exports to the United States were *** short tons in 2018.⁶⁹

According to GTA data, Turkey was not among the top ten global exporters of casing and tubing in 2019.⁷⁰ Exports of casing and tubing from Turkey ranged between 31,241 short tons, in 2016, to 103,010 short tons, in 2014. Exports of casing and tubing to the United States constituted at least 81.4 percent of Turkey's total OCTG exports for each year from 2014 to 2019.⁷¹

In the current reviews, subject imports from Turkey were priced below the domestic like product in *** of *** instances, with underselling margins between *** and *** percent. In the remaining *** instances, prices for OCTG from Turkey were between *** and *** percent above prices for the domestic like product.⁷² Subject imports from Turkey were priced below the domestic like product in 40 of 48 quarterly comparisons during the original investigations.⁷³

Based on the foregoing, particularly the existence of some level of subject imports from Turkey throughout the period of review that undersold the domestic like product in most comparisons notwithstanding the discipline of the orders, and the level of the subject industry's excess capacity, we find that revocation of the antidumping and countervailing duty orders on subject imports from Turkey is not likely to have no discernible adverse impact on the domestic industry.

Ukraine. In the original investigations, subject imports from Ukraine increased from *** short tons in 2011 to *** short tons in 2012, before falling to *** short tons in 2013; market penetration decreased irregularly from *** percent in 2011 to *** percent in 2013.⁷⁴ During the current review period, the quantity of subject imports from Ukraine ranged between 4,416 short tons, in 2016, and 112,609 short tons, in 2019; market penetration ranged between 0.2 percent, in 2016, and 2.1 percent, in 2019.⁷⁵

In the current reviews, the Commission received a foreign producer questionnaire response from Interpipe, which is believed to account for the vast majority of total OCTG production in Ukraine during 2019.⁷⁶ Interpipe's capacity remained stable at *** short tons throughout the period of review. Its capacity utilization ranged between *** percent, in 2016, and *** percent, in 2018. Each year of the period of review, it exported at least *** percent of its total shipments. Since 2017, the United States has been the largest individual export market for Interpipe's OCTG.⁷⁷

In the current reviews, subject imports from Ukraine were priced below the domestic like product in *** of *** instances, with underselling margins between *** and *** percent.

⁶⁹ CR/PR at Table IV-18.

⁷⁰ CR/PR at Table IV-30.

⁷¹ CR/PR at Table IV-19.

⁷² CR/PR at Table V-11.

⁷³ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Table V-14.

⁷⁴ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Tables IV-15, IV-

16.

⁷⁵ CR/PR at Table I-11.

⁷⁶ CR/PR at IV-40.

⁷⁷ CR/PR at Table IV-23.

In the remaining *** instances, prices for OCTG from Ukraine were between *** and *** percent above prices for the domestic like product.⁷⁸ Subject imports from Ukraine were priced below the domestic like product in 19 of 20 quarterly comparisons during the original investigations.⁷⁹

In light of the increasing and appreciable quantities of subject imports from Ukraine during the period of review, the Ukrainian industry's excess capacity and export orientation with the United States as its largest export market, and its pricing behavior in the original investigation, we find that revocation of the antidumping duty order on subject imports from Ukraine is not likely to have no discernible adverse impact on the domestic industry.⁸⁰

Vietnam. In the original investigations, subject imports from Vietnam rose from *** short tons in 2011 to *** short tons in 2012 and fell to *** short tons in 2013; market penetration rose from *** percent in 2011 to *** percent in 2012 and fell to *** percent in 2013.⁸¹ During the current review period, the quantity of subject imports from Vietnam ranged between *** short tons, in 2015 and 2016, to *** short tons in 2019; market penetration ranged between 0, in 2015 and 2016, to 0.8 percent, in 2019.⁸²

One producer of subject merchandise in Vietnam responded to the Commission questionnaire in the original investigations, accounting for *** percent of OCTG production in Vietnam.⁸³ In the current reviews, the Commission received no questionnaire responses from producers of OCTG from Vietnam. Domestic Producers identified eight firms in Vietnam they believed to be exporters of subject merchandise.⁸⁴ Domestic Producers reported that the tubular products industry in Vietnam possessed *** metric tons of production capacity, and SeAH Steel Vina Corp. completed construction of a second pipe plant in 2019 with production capacity of 100,000 metric tons per year.⁸⁵

Information from GTA shows that exports of casing and tubing from Vietnam fluctuated during the period of review, falling sharply from 2014 to 2016 before increasing thereafter. The leading export market by quantity for casing and tubing from Vietnam in 2019 was the United States, which was the destination for at least 82.0 percent of total exports of this product from

⁷⁸ CR/PR at Table V-11.

⁷⁹ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Table V-14.

⁸⁰ While the Government of Ukraine alleges that revocation will have no discernible adverse impact because metallurgical industries in that country are suffering a downturn and cannot increase production or exports, the record indicates that exports of subject merchandise from Ukraine to the United States have increased during the latter portion of the period of review. See Government of Ukraine Posthearing Brief at 4 and CR/PR at Table I-11.

⁸¹ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Tables IV-15, IV-16.

⁸² CR/PR at Table I-11.

⁸³ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at VII-51.

⁸⁴ CR/PR at IV-46.

⁸⁵ CR/PR at IV-47, Table IV-26 (citing Domestic Producers' response to the notice of institution, July 3, 2019 at 18).

Vietnam since 2017.⁸⁶ Vietnam was not among the top ten global export sources of casing and tubing in 2019 identified by GTA.⁸⁷

Subject imports from Vietnam undersold the domestic like product in 27 of 29 quarterly comparisons during the original investigations.⁸⁸ There are no pricing data for subject imports from Vietnam in the current reviews.

Based on the foregoing, particularly the facts available indicating that the United States is the principal export market for casing and tubing from Vietnam, and its pricing behavior in the original investigation, we find that revocation of the antidumping duty order on subject imports from Vietnam is not likely to have no discernible adverse impact on the domestic industry.

C. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.⁸⁹ Only a “reasonable overlap” of competition is required.⁹⁰ In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.⁹¹

Fungibility. In the original investigations, the Commission found that there was interchangeability among subject imports from different sources and between imports from each subject country and the domestic like product, as all casing and tubing products were generally produced in accordance with API standards. The Commission analyzed several factors

⁸⁶ CR/PR at Table IV-27.

⁸⁷ CR/PR at Table IV-30.

⁸⁸ Confidential Report from the Original Investigations, EDIS Doc. No. 681281, at Table V-14.

⁸⁹ The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

⁹⁰ *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom., Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

⁹¹ *See generally, Cheflin Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

that may have limited fungibility, including distinctions between welded and seamless OCTG, propriety and non-proprietary connections, and different grades and degrees of finishing, and found a sufficient degree of substitutability between and among imports from each subject country and the domestic like product to establish that products from different sources were fungible. In particular, the Commission found fungibility notwithstanding that all subject imports from Ukraine were seamless OCTG and nearly all subject imports from Korea, Turkey, and Vietnam were welded OCTG.⁹²

The record in these reviews indicates OCTG products sold in the United States, whether domestically produced or imported, are generally produced in accordance with API specification 5CT. Additionally, most API grades of OCTG (including high-volume grades) can be produced using either the seamless or welded methods of production.⁹³ The majority of U.S. producers reported that the domestic like product and imports from each subject country were always interchangeable, and the majority of importers reported that the domestic like product and imports from each of the subject countries were always or frequently interchangeable. A majority of purchasers reported that the products were frequently or sometimes interchangeable.⁹⁴ Pluralities or majorities of purchasers reported that domestically produced OCTG is comparable with subject imports from India in eight out of 18 factors, Korea in 16 out of 18 factors, Turkey in eight out of 18 factors, Ukraine in nine out of 18 factors, and Vietnam in six out of 18 factors.⁹⁵

The Government of Ukraine argues that OCTG from Ukraine lacks fungibility with OCTG from other subject countries, because Ukraine produced exclusively seamless OCTG, whereas other subject country's imports were exclusively or primarily welded.⁹⁶ While the record shows that in 2019 Ukraine was the sole subject source whose imports were principally seamless OCTG,⁹⁷ this does not meaningfully limit its fungibility with other subject imports. Although welded and seamless OCTG are not interchangeable for all applications, the record indicates that either form can be used in the most common grades for most applications.⁹⁸ Indeed, in 2019 there was substantial overlap in the grade of shipments from other subject sources and Ukraine, with Ukraine shipping all grades of OCTG that were also shipped by other subject sources.⁹⁹ In the original investigations there was a similar distinction between exclusively

⁹² *Original Determinations*, USITC Pub. 4489 at 21-22.

⁹³ CR/PR at I-25. The record contains un rebutted declarations by two representatives of the Domestic Producers that grades J-55, L-80, and P-110 can all be made to meet the relevant API specifications as either welded or seamless products. Domestic Producers' Posthearing Brief at Exhibits 2, 3.

⁹⁴ CR/PR at Table II-11.

⁹⁵ CR/PR at Table II-10.

⁹⁶ Government of Ukraine's Prehearing Brief at 10-11; Government of Ukraine's Posthearing Brief at 12-13.

⁹⁷ CR/PR at Table IV-2.

⁹⁸ The record indicates that seamless OCTG can be used to meet any API grade, while welded OCTG can be used to meet the majority of grades, including those sold in the largest volumes in the United States. CR/PR at I-25-26.

⁹⁹ CR/PR at Table IV-3.

seamless subject imports from Ukraine and exclusively or predominantly welded imports from other subject sources that the Commission found did not preclude a finding of fungibility.¹⁰⁰ The record in these reviews does not support a contrary conclusion.

Channels of Distribution. In the original investigations, the Commission found that all domestically-produced OCTG and most subject imports from each source were shipped to distributors.¹⁰¹ In these reviews, the vast majority of U.S. shipments, whether by U.S. processors or importers from each subject country, were shipped to distributors in each year for which an observation was available, with the exception of U.S. imports from India in ***.¹⁰²

Geographic Overlap. In the original investigations, the Commission found that imports from subject countries were concentrated in the Central Southwest and Pacific Coast, with all responding U.S. purchasers making sales to the Central Southwest and a majority making sales to the Pacific Coast.¹⁰³ The record in the current reviews indicates that the domestic like product was sold nationwide, and imports from each subject country were sold in multiple regions. The domestic like product and OCTG from each subject source were sold in the Midwest and Central Southwest regions.¹⁰⁴

Simultaneous Presence in Market. In the original investigations, imports from each subject country were present in the United States throughout the period of investigation.¹⁰⁵ In the current reviews, the domestic like product was present throughout the period of review.¹⁰⁶ Between January 2014 and April 2020, subject imports from India were present in the U.S. market for 62 of 76 months, subject imports from Korea were present in 75 of 76 months, subject imports from Turkey were present in 58 of 76 of months, subject imports from Ukraine were present in 60 of 76 months, and subject imports from Vietnam were present in 24 of 76 months.¹⁰⁷

Conclusion. We find a likely reasonable overlap of competition among subject imports from India, Korea, Turkey, Ukraine, and Vietnam and between the domestic like product and subject imports from each source. Both domestically-produced OCTG and subject imports from all sources are fungible. Both the patterns displayed by the subject imports present in the U.S. market during the period of review and the evidence from the original investigations indicate that, upon revocation, the domestic like product and imports from each subject country would likely have similar channels of distribution, geographic overlaps in sales, and simultaneous presence in the U.S. market. Accordingly, we find a likely reasonable overlap in competition among subject imports from each country and the domestic like product, as well as among subject imports from each country should the orders under review be revoked.

¹⁰⁰ *Original Determinations*, USITC Pub. 4489 at 21-22.

¹⁰¹ *Original Determinations*, USITC Pub. 4489 at 23.

¹⁰² CR/PR at Table II-2. In 2015, a *** of U.S. imports from India were shipped to end users. *Id.*

¹⁰³ *Original Determinations*, USITC Pub. 4489 at 23.

¹⁰⁴ CR/PR at Table II-3.

¹⁰⁵ *Original Determinations*, USITC Pub. 4489 at 23.

¹⁰⁶ *See, e.g.*, CR/PR at Tables V-3-7.

¹⁰⁷ CR/PR at IV-20 and Table IV-7.

D. Likely Conditions of Competition

The record in these reviews does not indicate that there would likely be any significant difference in the conditions of competition among subject imports from each subject country if the orders were revoked. In this regard, we have considered the Government of Ukraine's contention that subject imports from that country would likely compete under different conditions of competition upon revocation than imports from other subject sources. Its arguments are principally based on steelmaking capabilities in Ukraine generally.¹⁰⁸ Our analysis, however, focuses on OCTG, the specific product at issue in these reviews. Furthermore, information on the record from Interpipe, the exclusive Ukrainian producer of OCTG, does not specifically support the arguments of the Government of Ukraine, and in fact this subject producer exported appreciable and increasing quantities of subject merchandise to the United States during the period of review.¹⁰⁹ Given this and the general fungibility of OCTG from different sources, we do not find subject imports from Ukraine will likely enter under different conditions of competition than imports from the other subject sources.¹¹⁰

E. Conclusion

Based on the foregoing, we find that subject imports from India, Korea, Turkey, Ukraine, and Vietnam would not be likely to have no discernible adverse impact on the domestic industry if the pertinent orders under review were revoked. We also find a likely reasonable overlap of competition among subject imports from different sources and between the subject imports from each subject country and the domestic like product. We further find that the record in these reviews does not indicate that there would likely be any significant difference in the conditions of competition among subject imports upon revocation. We therefore exercise our discretion to cumulate subject imports from India, Korea, Turkey, Ukraine, and Vietnam.

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

A. Legal Standards

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

¹⁰⁸ See Government of Ukraine Posthearing Brief at 5-6.

¹⁰⁹ CR/PR at Tables I-11, IV-23.

¹¹⁰ Further, the experience during the period in which the suspension agreement on OCTG from Ukraine was in effect does not support a contrary conclusion, because this does not address the likely behavior of subject imports absent a trade remedy. In fact, the volume of subject imports from Ukraine was substantial after the suspension agreement was terminated. CR/PR at Table IV-7.

time.”¹¹¹ 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.”¹¹² Thus, the likelihood standard is prospective in nature.¹¹³ The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.¹¹⁴

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.”¹¹⁵ 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.”¹¹⁶

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.”¹¹⁷ It directs the Commission to take into account its prior injury

¹¹¹ 19 U.S.C. § 1675a(a).

¹¹² 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.

¹¹³ 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.

¹¹⁴ 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’”).

¹¹⁵ 19 U.S.C. § 1675a(a)(5).

¹¹⁶ 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.*

¹¹⁷ 19 U.S.C. § 1675a(a)(1).

determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).¹¹⁸ 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.¹¹⁹

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.¹²⁰ 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.¹²¹

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.¹²²

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,

¹¹⁸ 19 U.S.C. § 1675a(a)(1). Commerce made duty absorption findings against NEXTEEL Co. and SeAH Steel Corp. during the second administrative review of the antidumping duty order on OCTG from Korea. *Certain Oil Country Tubular Goods From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016*, 83 Fed. Reg. 17146 (April 18, 2018). Commerce has not made duty absorption findings with respect to any of the other orders under review. See CR/PR at I-14.

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

¹²⁰ 19 U.S.C. § 1675a(a)(2).

¹²¹ 19 U.S.C. § 1675a(a)(2)(A-D).

¹²² 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.

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.¹²³ 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 order under review and whether the industry is vulnerable to material injury upon revocation.¹²⁴

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.”¹²⁵ The following conditions of competition inform our determinations.

1. Demand Conditions

a. Original Investigations

In the original investigations, the Commission found that demand for OCTG was cyclical, largely driven by the level of activity in the U.S. economy, and derived from demand for oil and natural gas exploration and drilling. The quantity of OCTG used was determined by the number of rigs that were operating, which typically responds to the price of natural gas and oil, as well as the length and depth of the wells being drilled.¹²⁶ The Commission found the rig count increased between 2011 and 2012, and then fell in late 2012, before stabilizing in 2013. Most responding producers, importers, and purchasers reported that OCTG demand in the United States increased from 2011 to 2013. Market participants attributed this trend to shale plays, increased drilling, and increased OCTG requirements per rig due to horizontal drilling.¹²⁷ As measured by apparent U.S. consumption, U.S. OCTG demand rose from 6.0 million short tons in 2011 to 7.0 million short tons in 2012 and 2013.¹²⁸

¹²³ 19 U.S.C. § 1675a(a)(4).

¹²⁴ 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.

¹²⁵ 19 U.S.C. § 1675a(a)(4).

¹²⁶ *Original Determinations*, USITC Pub. 4489 at 27.

¹²⁷ *Original Determinations*, USITC Pub. 4489 at 28.

¹²⁸ *Original Determinations*, USITC Pub. 4489 at 27. As noted above, in the original determinations, the Commission defined the domestic industry producing OCTG to include not only mills that roll OCTG, but also processors that engage in heat treatment. In measuring apparent U.S. consumption by quantity, however, the Commission included the U.S. shipments of only the mills and not the processors. The Commission did this because including all U.S. shipments of processors would

b. Current Reviews

The drivers of demand for OCTG have not changed from the original investigations. OCTG demand continues to be cyclical and largely driven by oil and natural gas activity.¹²⁹ During the period of review, market participants had mixed views on demand trends, with almost half of all market participants reporting fluctuating U.S. demand and most of the remaining firms reporting a decline in U.S. demand.¹³⁰ Most firms reported that fluctuating or decreasing oil prices drove the changes in demand.¹³¹ Domestic Producers stated that the decline in OCTG demand was due to a decline in oil prices, which in turn caused a decline in the overall rig count.¹³² Since 2014, the prices for crude oil and natural gas, and thus the number of operating oil and gas rigs, have declined significantly, reaching its lowest point during the period of review in 2016, the same year U.S. apparent consumption of OCTG was at its lowest point.¹³³ Apparent U.S. consumption of OCTG dropped from 7.6 million short tons in 2014 to 2.3 million short tons in 2016, before gradually increasing to 5.8 million short tons in 2018, then falling to 5.3 million short tons in 2019.¹³⁴

The record indicates that the U.S. oil and gas rig count and U.S. drilling footage have declined significantly since January 2020.¹³⁵ Demand for OCTG also declined significantly since the beginning of 2020, and projections indicate mixed future trends.¹³⁶ Domestic Producers claim that oversupply of oil by OPEC, combined with the global COVID-19 pandemic, impacted demand for OCTG in the spring of 2020.¹³⁷ Domestic Producers assert that downturns in economic activity related to the pandemic depressed demand for OCTG because the decline in transportation decreased demand for oil and gas products, thereby impacting oil production.¹³⁸ Domestic Producers state the oversupply of oil combined with the pandemic caused rigs to be shut down almost instantaneously, and had a near instant impact on OCTG producers,¹³⁹ noting the number of rigs in May 2020 was the lowest ever recorded in the history of the Baker Hughes rig count.¹⁴⁰

lead to double counting on a quantity basis because all OCTG shipped by processors had already been counted as a shipment by a U.S. mill or as an import. *Id.* at 28 n.154. We have followed the same approach for computing apparent U.S. consumption in these reviews. See CR/PR at Table I-11 note.

¹²⁹ CR/PR at II-12.

¹³⁰ CR/PR at II-18 and Table II-5.

¹³¹ CR/PR at II-18.

¹³² Hearing Transcript at 46 (Shagrin).

¹³³ CR/PR at II-12 and Tables I-11 and II-2.

¹³⁴ CR/PR at Table I-11.

¹³⁵ CR/PR at Figures II-2, II-5.

¹³⁶ CR/PR at II-16-17, Figures II-3, II-5, II-6.

¹³⁷ Hearing Transcript at 45 (Getlan).

¹³⁸ Hearing Transcript at 21 (Schagrin); CR/PR at II-17.

¹³⁹ Hearing Transcript at 38 (Getlan).

¹⁴⁰ Hearing Transcript at 21 (Schagrin). According to Domestic Producers, the Baker Hughes rig count dropped to 329 rigs in May 2020 compared to 944 rigs in 2019. Compare *id.* with CR/PR at Table IV-31.

Demand for OCTG, which has historically been characterized by boom and bust cycles, is currently in a bust period. The Energy Information Administration projects that crude oil and natural gas prices will not return to near January 2020 levels until the end of 2021.¹⁴¹ Domestic Producers project that at least several months of lower oil production and therefore lower demand for OCTG,¹⁴² but suggest that OCTG demand may begin to recover in the next six to 12 months.¹⁴³

2. Supply Conditions

a. Original Investigations

During the original investigations, the Commission observed that the domestic industry was the largest supplier of OCTG in the U.S. market. The domestic industry increased its U.S. mill capacity from 5.0 million short tons in 2011 to 5.8 million short tons in 2013. Its share of apparent U.S. consumption fell from 52.5 percent in 2011 to 48.7 percent in 2012, but rose to 53.5 percent in 2013.¹⁴⁴ U.S. producers stated that they planned further expansions and additional plant openings in 2014 but had shut down and idled some facilities.¹⁴⁵

Cumulated subject imports held *** percent of apparent U.S. consumption in 2013, while nonsubject imports accounted for *** percent that year.¹⁴⁶ The Commission found that a sizeable portion of imports from both subject and nonsubject sources were further processed in the United States.¹⁴⁷

The Commission indicated that inventories of domestically-produced OCTG and OCTG from subject and nonsubject countries held by purchasers were an additional source of supply. U.S. inventory levels expressed in months of supply on hand reached a trough of 4.2 months in January 2012.¹⁴⁸

b. Current Reviews

During the period of review, the U.S. OCTG market was again supplied by the domestic industry, subject imports, and imports from nonsubject sources. The domestic industry was the largest supplier of OCTG to the U.S. market during the period of review. Its share of the U.S.

¹⁴¹ CR/PR at Figure II-3.

¹⁴² Hearing Transcript at 32 (Spak). Tenaris projects that current inventory will take 16.8 months at current consumption levels to use all the OCTG that is already in the country. One year prior, Tenaris calculated the current inventory levels at 6.6 months. *Id.*; Domestic Producer's Testimony, Exhibit 3 at 4 (Cura).

¹⁴³ Domestic Producers' Posthearing Brief at I-8; Domestic Producers' Testimony, Exhibit 5 at 2 (Polk).

¹⁴⁴ *Original Determinations*, USITC Pub. 4489 at 29, 35.

¹⁴⁵ *Original Determinations*, USITC Pub. 4489 at 29.

¹⁴⁶ *Original Determinations*, USITC Pub. 4489 at 34-35; Confidential Original Determinations, EDIS Doc. No. 681373, at 53.

¹⁴⁷ *Original Determinations*, USITC Pub. 4489 at 29-30.

¹⁴⁸ *Original Determinations*, USITC Pub. 4489 at 30.

market fluctuated from 50.0 percent in 2014 to 42.3 percent in 2015, 51.0 percent in 2016, 41.7 percent in 2017, 53.1 percent in 2018, and 57.0 percent in 2019.¹⁴⁹ The domestic industry includes both mills and toll processors.¹⁵⁰ During the period of review there was one new entrant, and several expansions and acquisitions.¹⁵¹ U.S. mill capacity, which was 5.8 million short tons in 2014, reached a period high of 6.4 million short tons in 2019.¹⁵²

Cumulated subject imports were the smallest source of supply to the U.S. market during the period of review. Their share of apparent U.S. consumption decreased irregularly, from 23.5 percent in 2014 to 21.9 percent in 2015, 17.1 percent in 2016, 22.0 percent in 2017, 11.7 percent in 2018, and 12.5 percent in 2019.¹⁵³

Nonsubject imports were the second largest source of supply of OCTG to the U.S. market during the period of review. They accounted for 26.5 percent of apparent U.S. consumption in 2014, 35.8 percent in 2015, 31.9 percent in 2016, 36.3 percent in 2017, 35.2 percent in 2018, and 30.5 percent in 2019.¹⁵⁴ Russia, Mexico, Taiwan, and Argentina were the leading suppliers of nonsubject imports in 2019.¹⁵⁵ There have been antidumping and countervailing duty orders on OCTG from China since 2009.¹⁵⁶

3. Substitutability and Other Conditions

a. Original Investigations

In the original investigations, the Commission found a moderate to high degree of substitutability between domestically-produced OCTG and imported OCTG of the same API grade and type.¹⁵⁷ While the Commission recognized that substitutability between subject imports and the domestic like product could be somewhat limited by a number of factors, it found that these factors did not significantly attenuate competition between the subject imports and the domestic like product.¹⁵⁸ Instead, the Commission found that the record indicated significant competition between the domestic like product and the cumulated subject imports.¹⁵⁹

¹⁴⁹ CR/PR at Table I-11.

¹⁵⁰ CR/PR at III-1, III-8.

¹⁵¹ CR/PR at Table III-1.

¹⁵² CR/PR at Table III-4. U.S. toll processors' capacity decreased from *** short tons in 2014 and 2015 to *** short tons for the remainder of the review period. *Id.*

¹⁵³ CR/PR at Table I-11.

¹⁵⁴ CR/PR at Table I-11.

¹⁵⁵ CR/PR at II-9, Table IV-1 note.

¹⁵⁶ CR/PR at Table I-1. These orders are currently under review by the Commission. *Oil Country Tubular Goods From China; Institution of Five-Year Reviews*, 85 Fed. Reg. 18268 (April 1, 2020).

¹⁵⁷ *Original Determinations*, USITC Pub. 4489 at 30.

¹⁵⁸ *Original Determinations*, USITC Pub. 4489 at 31-33. These factors included differences between seamless and welded OCTG, upgradeable and finished OCTG, concentration of OCTG in different grades, limitation of proprietary connections, and the use of program sales of OCTG. *Id.*

¹⁵⁹ *Original Determinations*, USITC Pub. 4489 at 33-34.

b. Current Reviews

The record in these reviews indicates that there remains a high degree of substitutability between the domestic like product and cumulated subject imports.¹⁶⁰ As discussed above, OCTG products sold in the United States, whether domestically-produced or imported, are generally produced in accordance with API specification 5CT.¹⁶¹ During 2019, domestically produced OCTG and cumulated subject imports were concentrated in the same grades: ***.¹⁶² The majority of U.S. producers reported that the domestic like product and imports from each subject country were always interchangeable, and the majority of importers reported that the domestic like product and subject imports are always or frequently interchangeable. A majority of purchasers reported that the products were frequently or sometimes interchangeable.¹⁶³

The record in these reviews indicates that price remains an important factor in purchasing decisions. Purchasers most frequently cited price/cost, quality, and availability/supply as the three most important factors in purchasing decisions.¹⁶⁴ Additionally, 20 of 21 reporting U.S. purchasers named price as a very important factor in purchasing decisions.¹⁶⁵ The majority of purchasers reported that they usually purchase the lowest-priced product.¹⁶⁶

Raw materials, which are primarily hot-rolled steel or billets, accounted for more than 40 percent of the total cost of goods sold (“COGS”) in each year during the review period. Prices of hot-rolled steel fluctuated from January 2014 to March 2020, peaking in mid-2015, decreasing until mid-2018, and subsequently rising to levels approximately 20 percent higher than in 2014.¹⁶⁷ Most responding U.S. producers and importers confirmed that raw material prices fluctuated during the period of review.¹⁶⁸ One U.S. producer reported that hot-rolled coil and hot-rolled billet prices followed steel scrap market trends.¹⁶⁹ For long-term contracts, firms reported indexing the price of OCTG to raw materials.¹⁷⁰

Subject imports from India, Turkey, Ukraine, and Vietnam have generally been subject to additional 25 percent *ad valorem* duties pursuant to section 232 of the Trade Expansion Act of 1962, as amended,¹⁷¹ (“section 232 tariffs”) since March 2018. Subject imports from Korea

¹⁶⁰ CR/PR at II-19.

¹⁶¹ CR/PR at I-25.

¹⁶² CR/PR at Table IV-3.

¹⁶³ CR/PR at Table II-11.

¹⁶⁴ CR/PR at Table II-7.

¹⁶⁵ CR/PR at Table II-8.

¹⁶⁶ CR/PR at II-21.

¹⁶⁷ CR/PR at V-1-2.

¹⁶⁸ CR/PR at V-1.

¹⁶⁹ CR/PR at V-1.

¹⁷⁰ CR/PR at V-4.

¹⁷¹ 19 U.S.C. § 1862.

have been exempted from section 232 tariffs since March 23, 2018 and since May 1, 2018 have instead been subject to an annual quota limit.¹⁷²

C. Likely Volume of Subject Imports

1. The Original Investigations

The Commission found that the volume and increase in volume of cumulated subject imports from India, Korea, Turkey, Ukraine, and Vietnam were significant in absolute terms over the period of investigation.¹⁷³ Cumulated subject import volume increased from 2011 to 2012, and remained at that level in 2013.¹⁷⁴ The Commission observed that cumulated subject import volume rose much faster than apparent U.S. consumption over the period of investigation.¹⁷⁵

The total market share held by subject imports increased from 2011 to 2012 and then decreased slightly in 2013. The Commission found that subject imports' gain in market share came mostly at the expense of the domestic industry, whose market share declined from 2011 to 2012. Further, the Commission found that the domestic industry's gain in market share in 2013 came at the expense of nonsubject imports. Nonsubject imports' market share decreased from 2011 to 2013.¹⁷⁶

2. The Current Reviews

In these reviews, the record indicates that the orders have had a disciplining effect on the volume of cumulated subject imports, whose volume and market share in 2019 were appreciably below the levels they reached prior to imposition of the orders in September 2014. Cumulated subject imports ranged from 385,908 short tons in 2016 to 1.3 million short tons in 2017, and were 660,787 short tons in 2019; market share ranged from 11.7 percent in 2018 to

¹⁷² CR/PR at I-19-20. *Presidential Proclamation 9711 of March 22, 2018: Adjusting Imports of Steel Into the United States*, 83 Fed. Reg. 13361, 13363 (Mar. 28, 2018) (exempting subject imports from Korea from section 232 tariffs from March 23, 2018 through May 1, 2018); *Presidential Proclamation 9740 of April 30, 2018: Adjusting Imports of Steel into the United States*, 83 Fed. Reg. 20683, 20685 (May 7, 2018) (continuing the section 232 tariffs exemption on subject imports from Korea, effective March 23, 2018, and setting a quota for subject imports from Korea); *Presidential Proclamation 9772 of August 10, 2018: Adjusting Imports of Steel Into the United States*, 83 Fed. Reg. 40429, 40430 (Aug. 15, 2018) (increasing the section 232 tariffs for subject imports from Turkey to 50 percent *ad valorem* between August 13, 2018 and May 20, 2019).

¹⁷³ *Original Determinations*, USITC Pub. 4489 at 35.

¹⁷⁴ *Original Determinations*, USITC Pub. 4489 at 34.

¹⁷⁵ *Original Determinations*, USITC Pub. 4489 at 34.

¹⁷⁶ *Original Determinations*, USITC Pub. 4489 at 34-35.

22.0 percent in 2017, and was 12.5 percent in 2019.¹⁷⁷ By contrast, cumulated subject imports were *** short tons in 2013, and accounted for *** percent of apparent U.S. consumption.¹⁷⁸

As previously stated, the Commission has relatively complete information concerning the subject industry in Ukraine, substantial information concerning the industry in India, very limited information concerning the subject industry in Turkey, and no information from producers or exporters of subject merchandise from Korea or Vietnam.¹⁷⁹ The lack of respondent participation has prevented the Commission from assembling a comprehensive set of production and capacity data for producers in certain subject countries. Nonetheless, the record demonstrates that the subject industries possessed significant production capacity, maintained significant unused capacity, and exported substantial volumes of OCTG during the period of review.

The record indicates that subject industries are generally large or have available capacity to expand production. The Ukrainian industry has significant capacity, and a Ukrainian OCTG producer reported multiple enhancements to its production operations during the review period.¹⁸⁰ Notwithstanding the circumstances described by the government of Ukraine purportedly affecting the broader steelmaking industry's ability to increase production and export capacity,¹⁸¹ Interpipe's capacity utilization in 2019 was not at its highest level of the period of review, indicating that it can produce more OCTG and therefore possesses some practical excess capacity.¹⁸²

During the period of review, two Indian producers of OCTG reported enhancement of production operations or planned expansions.¹⁸³ Although the reported capacity of the subject industry in India remained constant during the period, capacity utilization never exceeded *** percent; consequently, producers in India possess substantial excess capacity.¹⁸⁴

Available data concerning Korean producers' export levels indicate that the subject industry in Korea is large and that Korean producers' global export levels have been declining since 2017.¹⁸⁵

The Turkish industry reported greater capacity of OCTG and smaller production in 2018 than in 2013, resulting in a lower capacity utilization and considerable excess capacity in 2018.¹⁸⁶ Additionally, one Vietnamese producer of OCTG expanded its operations during the period of review.^{187 188}

¹⁷⁷ CR/PR at Tables I-11, IV-1.

¹⁷⁸ CR/PR at C-21-22; Confidential Original Determinations at 53. In 2014, when the orders were implemented, cumulated subject imports were at their highest level at 1.8 million short tons and 23.5 percent of apparent U.S. consumption. CR/PR at Table IV-1.

¹⁷⁹ CR/PR at I-14.

¹⁸⁰ CR/PR at Tables IV-21-23.

¹⁸¹ See *generally* Government of Ukraine Prehearing Brief.

¹⁸² CR/PR at Table IV-23.

¹⁸³ CR/PR at Tables IV-11-12.

¹⁸⁴ CR/PR at Table IV-13.

¹⁸⁵ CR/PR at Table IV-17.

¹⁸⁶ CR/PR at Table IV-18.

¹⁸⁷ CR/PR at Table IV-26.

We find that, without the restraining effect of the orders, subject producers would likely use their substantial available capacity on a cumulated basis to increase exports to the U.S. market. Notwithstanding recent fluctuations in demand, there is still considerable oil and gas production in the United States, relative to the rest of the world,¹⁸⁹ and the United States has the world's largest count of rigs¹⁹⁰ and among the world's largest well footage.¹⁹¹ Consequently, due to its relative size, the United States remains an attractive export market. On a cumulated basis, the industries in the subject countries are export-oriented and have continued to participate in, and in some instances focus on, the U.S. market, even with the orders in place. The subject industries in Korea and Ukraine are large and export-oriented. They were the fifth and ninth largest global exporters of casing and tubing, respectively, in 2019.¹⁹² Imports from each of the subject countries were present in the U.S. market throughout the period of review, indicating that each of the subject countries maintains distribution channels in the U.S. market, and subject imports from Korea and Ukraine, in particular, remained at appreciable levels.¹⁹³ During 2019, the United States was the largest export market for subject imports from Korea, Turkey, Ukraine, and Vietnam despite the orders and suspension agreement.¹⁹⁴

Antidumping duty orders are in effect in Canada for imports of certain OCTG from all subject countries. Additionally, an antidumping duty order is in effect in the European Union for imports of certain seamless pipes and tubes from Ukraine.¹⁹⁵ These barriers to entry would create additional incentives for subject producers to direct exports to the U.S. market if the orders under review were revoked.¹⁹⁶

¹⁸⁸ We have also considered the potential for product shifting by subject producers. One of two responding Indian producers and the one responding Ukrainian producer indicated that they could switch production from other products to OCTG. CR/PR at IV-31, IV-43, Tables II-4, IV-14, IV-24.

¹⁸⁹ CR/PR at Figures II-4-6.

¹⁹⁰ CR/PR at Table IV-32.

¹⁹¹ CR/PR at Table IV-33.

¹⁹² CR/PR at Table IV-30.

¹⁹³ CR/PR at Table I-11.

¹⁹⁴ CR/PR at Tables IV-17, IV-19, IV-25, IV-27. Moreover, despite import restrictions under section 232 coming into force during 2018, from 2018 to 2019 cumulated subject import quantity declined only marginally, and subject imports from Ukraine and Vietnam increased. CR/PR at Table IV-1. Domestic Producers argue that the section 232 quota on subject imports from Korea was not filled in 2019, indicating that the antidumping duty order has an independent disciplining effect. Domestic Producers Posthearing Brief at I-12. We consequently find that section 232 import restrictions are not likely to impede increased volumes of cumulated subject imports upon revocation. We also observe that Commerce does not examine duty absorption for Section 232 and 301 tariffs.

¹⁹⁵ CR/PR at IV-52.

¹⁹⁶ Information concerning inventories shows that U.S. inventories of cumulated subject imports ranged from *** short tons in 2018 to *** short tons in 2015 and were *** short tons in 2019. CR/PR at Table IV-9. Inventories of the subject merchandise in India rose in absolute terms during the period of review but declined irregularly as a percentage of production or total shipments. CR/PR at Table IV-13. Inventories of the subject merchandise in Ukraine were at very low levels throughout the period of

In light of these factors, we find that subject producers are likely, absent the restraining effects of the orders, to direct significant volumes of OCTG to the U.S. market, as they did during the original period of investigation. We find that the likely volume of subject imports, both in absolute terms and relative to consumption in the United States, would be significant if the orders were revoked.

D. Likely Price Effects

1. The Original Investigations

In the original investigations, the Commission found that there was a moderate to high degree of substitutability between subject imports and domestically-produced OCTG, and that price was an important factor in purchasing decisions. U.S. purchasers most frequently reported that quality was the most important factor in purchasing decisions, followed by price. However, the importance of quality as a purchasing factor that might distinguish OCTG from different sources was mitigated somewhat by the fact that all OCTG, regardless of source, was produced to API specifications.¹⁹⁷

The Commission collected quarterly pricing data for six OCTG products. The Commission observed that cumulated subject imports undersold the domestic like product in 165 of 189 possible comparisons at an average margin of underselling of *** percent.¹⁹⁸ The Commission found the underselling to be significant.¹⁹⁹

The Commission rejected respondents' argument that the observed underselling was attributable to price premiums commanded by the domestic like product. Almost an equal number of purchasers reported that they were not willing to pay a price premium for domestically-produced OCTG as reported that they were willing to pay such a premium. The Commission indicated that because price was important to purchasing decisions, domestic producers needed to set prices for purchasers generally, including the substantial numbers of purchasers who would not pay higher prices. Additionally, the Commission found that subject imports from Korea, the largest individual source of subject imports, undersold the domestic like product in the vast majority of comparisons at an average margin that was higher than the premiums indicated by some purchasers.²⁰⁰

The Commission also found that the subject imports depressed prices for the domestic like product to a significant degree. As support, the Commission observed that prices for domestic products began to decline at a time of robust increases in demand.²⁰¹ The Commission found that the evidence did not support respondents' argument that these price

review. CR/PR at Table IV-12. The record does not contain information about inventories of subject merchandise in Korea, Turkey, or Vietnam. *Id.*

¹⁹⁷ *Original Determinations*, USITC Pub. 4489 at 36.

¹⁹⁸ *Original Determinations*, USITC Pub. 4489 at 36-37; Confidential Original Determinations at 55.

¹⁹⁹ *Original Determinations*, USITC Pub. 4489 at 37.

²⁰⁰ *Original Determinations*, USITC Pub. 4489 at 37-38.

²⁰¹ *Original Determinations*, USITC Pub. 4489 at 38.

declines did not correlate with trends in subject import volume. Instead, when prices for domestic products decreased sharply in 2012, subject imports rose by *** percent, showing a correlation.²⁰² The Commission also rejected respondents' argument that declining prices were caused by falling raw material costs. In 2011, raw material price trends for scrap and hot-rolled sheet diverged from price trends for the six pricing products, and although the trends moved in a manner more similar to the six pricing products from 2012 through the first quarter of 2014, raw material cost changes could not account fully for the six products' price movements.²⁰³ Finally, the Commission rejected respondents' argument that declines in domestic OCTG prices were attributable to the domestic industry's capacity expansions. The growth in production capacity of U.S. OCTG mills was not appreciably greater than the growth in demand, and mostly occurred in 2013, whereas prices for domestically produced products began to fall in late 2011 and early 2012.²⁰⁴

The Commission therefore determined that there had been significant price underselling by the subject imports and that subject imports depressed domestic prices to significant degree.²⁰⁵

2. The Current Reviews

As discussed above, the record in the current reviews indicates that there is a high degree of substitutability among subject imports from India, Korea, Turkey, Ukraine, and Vietnam, and between these imports and the domestic like product, and that price is an important factor in purchasing decisions.

The Commission collected pricing data on sales of six products in these reviews.²⁰⁶ Seven U.S. producers and five importers provided usable pricing data accounting for approximately 10.5 percent of U.S. producers' shipments of OCTG and 1.3 percent of U.S. shipments of subject imports in 2019.²⁰⁷ There were no pricing data for sales of subject imports from Vietnam.²⁰⁸

Cumulated subject imports undersold the domestic like product in 62 of 93 instances with underselling margins between 0.0 and 29.7 percent.²⁰⁹ This predominant underselling

²⁰² *Original Determinations*, USITC Pub. 4489 at 38; Confidential *Original Determinations* at 58.

²⁰³ *Original Determinations*, USITC Pub. 4489 at 38-39.

²⁰⁴ *Original Determinations*, USITC Pub. 4489 at 39.

²⁰⁵ *Original Determinations*, USITC Pub. 4489 at 39.

²⁰⁶ CR/PR at V-6. The six pricing products for which data were collected were:

Product 1.-- Tubing, Grade L-80, 2 7/8" O.D., 6.5 lbs./ft., threaded and coupled, range 2, seamless.

Product 2.-- Tubing, Grade J-55, 2 3/8" O.D., 4.7 lbs./ft., threaded and coupled, range 2, welded.

Product 3.-- Casing, Grade P-110, 5 1/2" O.D., 20.0 lbs./ft., threaded and coupled, range 3, welded.

Product 4.-- Casing, Grade P-110, 5 1/2" O.D., 17.0 lbs./ft., threaded and coupled, range 3, seamless.

Product 5.-- Casing, Grade J-55, 8 5/8" O.D., 32.0 lbs./ft., threaded and coupled, range 3, welded.

Product 6.-- Casing, Grade J-55, 9 5/8" O.D., 36.0 lbs./ft., threaded and coupled, range 3, welded. *Id.*

²⁰⁷ CR/PR at V-6. Not all firms reported pricing for all products for all quarters. *Id.*

²⁰⁸ CR/PR at V-6.

²⁰⁹ CR/PR at Table V-11.

occurred despite the disciplining effects of the orders under review. Given the predominant underselling during the period of review and the significant underselling in the original investigations, as well as our finding that the volume of subject imports would likely increase upon revocation, we find that significant underselling would likely recur if the antidumping and countervailing duty orders were revoked. Because of the importance of price in purchasing decisions, this underselling in turn would likely cause the domestic industry to consider either reducing its prices or foregoing price increases to maintain market share, as was the case in the original investigations, or risk losing sales and market share to subject imports.

We therefore conclude that if the orders were revoked, the likely significant volume of cumulated subject imports would likely undersell the domestic like product to a significant degree to gain market share and would also have likely significant price depressing or suppressing effects.

E. Likely Impact

1. The Original Investigations

In the original investigations, the Commission found that cumulated subject imports had a significant impact on the domestic industry. Although the domestic industry's trade and employment indicators grew reflecting a period of strong demand, its financial performance deteriorated between 2011 and 2013.²¹⁰ While the net sales values of U.S. mills increased by 11.4 percent from 2011 to 2013, COGS increased by 19.3 percent, resulting in declining operating income. U.S. mills' operating income fell from \$614 million in 2011 to \$613 million in 2012 and \$312 million in 2013. Their operating income ratio followed a similar trend, declining from 11.5 percent in 2011 to 9.8 percent in 2012 and 5.0 percent in 2013. Capital expenditures also declined over the period of investigation.²¹¹ The Commission found that the effect on processors, which made up a much smaller part of the domestic industry, was less discernible than that on mills.²¹²

The Commission found the significant and increasing volume of low-priced subject imports caused domestic producers significantly to lower their prices. As a result, the domestic industry's revenues did not increase commensurately with either output or costs, and the industry exhibited significant declines in operating performance.²¹³

In its non-attribution analysis, the Commission observed that nonsubject imports had a declining presence in the U.S. market during most of the period of investigation. Moreover, the pricing data in the record showed that nonsubject imports undersold the domestic product less frequently than subject imports and were frequently priced higher than subject imports and thus could not explain the observed price depression.²¹⁴ The Commission rejected respondents' argument that the domestic industry's profitability was adversely impacted by the

²¹⁰ *Original Determinations*, USITC Pub. 4489 at 40.

²¹¹ *Original Determinations*, USITC Pub. 4489 at 41-42.

²¹² *Original Determinations*, USITC Pub. 4489 at 42.

²¹³ *Original Determinations*, USITC Pub. 4489 at 42-43.

²¹⁴ *Original Determinations*, USITC Pub. 4489 at 43.

start-up operations of new domestic mills. As noted above, the domestic industry's new mill capacity was commensurate with rising demand for OCTG, and the bulk of the capacity expansions occurred in 2013, well after subject imports had caused depression of domestic prices in 2012. Moreover, the costs of the mills' new capacity could not account for the sharp deterioration in the domestic industry's financial condition. Based on the foregoing analysis, the Commission concluded that the domestic industry was materially injured by reason of subject imports.²¹⁵

2. The Current Reviews

The domestic industry's trade indicators generally started at a high point in 2014 and decreased substantially, generally through 2016, before recovering somewhat by 2019. U.S. mills' capacity ranged from 5.6 million short tons in 2016 to 6.3 million short tons in 2019.²¹⁶ U.S. mills' production ranged from 1.2 million short tons in 2016 to 4.1 million short tons in 2014 and was 2.9 million short tons in 2019.²¹⁷ Capacity utilization of U.S. mills ranged during the period of review between 21.2 percent, in 2016, and 69.4 percent, in 2014, and was 46.5 percent in 2019.²¹⁸ U.S. mills' U.S. shipments ranged from 1.2 million short tons, in 2016, to 3.8 million short tons, in 2014, and were 3.0 million short tons in 2019.²¹⁹ Inventories of U.S. mills ranged from a period low of *** short tons in 2016 to a period high of *** short tons in 2018, and were *** short tons in 2019.²²⁰ The industry's share of the quantity of apparent U.S. consumption ranged between 41.7 percent, in 2017, and 57.0 percent, in 2019.²²¹

The domestic industry's employment data fluctuated during the period of review. The number of production and related workers for U.S. mills ranged between 3,199 workers, in

²¹⁵ *Original Determinations*, USITC Pub. 4489 at 43-44.

²¹⁶ CR/PR at Table III-4. U.S. processors' capacity decreased from *** short tons in 2014 and 2015 to *** short tons in 2016 through 2019. *** surplus heat treatment capacity decreased from *** short tons in 2014 to *** short tons in 2019. *Id.*

²¹⁷ CR/PR at Table III-4. U.S. processors' production ranged from a period low of *** short tons in 2016 to a period high of *** short tons in 2014 and was *** short tons in 2019. *** surplus heat treatment production ranged from a period low of *** short tons in 2016 to a period high of *** short tons in 2014 and was *** short tons in 2019. *Id.*

²¹⁸ CR/PR at Table III-4. U.S. processors' capacity utilization ranged from a period low of *** percent in 2016 to a period high of *** percent in 2014 and was *** percent in 2019. *** surplus heat treatment capacity utilization ranged from a period low of *** percent in 2015 to a period high of *** percent in 2019. *Id.*

²¹⁹ CR/PR at Table III-8. U.S. processors' U.S. shipments ranged from a period low of *** short tons in 2016 to a period high of *** short tons in 2014 and were *** short tons in 2019. *Id.* at Table III-10. *** heat treated U.S. shipments ranged from a period low of *** short tons in 2016 to a period high of *** short tons in 2014 and were *** short tons in 2019. *Id.* at Table III-9.

²²⁰ CR/PR at Table III-12.

²²¹ CR/PR at Table I-11.

2016, to 8,124 workers, in 2014; there were 6,116 workers in 2019.²²² The total hours worked for U.S. mills ranged between 7.1 million hours, in 2016, to 17.5 million hours, in 2014, and were 14.3 million hours in 2019.²²³ Hourly wages increased, from \$35.34 in 2014 to \$37.43 in 2019.²²⁴ Wages paid ranged between \$260.8 million, in 2016, and \$620.1 million, in 2014, and were \$535.3 million in 2019.²²⁵ Productivity as measured in short tons per 1,000 hours worked ranged between 151.4, in 2015, and 238.7, in 2017, and was 209.0 in 2019.²²⁶

The domestic industry, and mill operations in particular, displayed poor financial performance during most of the period of review. U.S. mills' net sales revenues ranged between \$1.3 billion, in 2016, and \$6.7 billion, in 2014, and was \$4.4 billion in 2019.²²⁷ U.S. mills' gross profit ranged between negative \$398.8 million, in 2016, and \$865.5 million, in 2014, and was negative \$22.6 million in 2019.²²⁸ U.S. mills' ratio of COGS to net sales ranged between 87.1 percent, in 2014, and 130.3 percent, in 2016, and was 100.5 percent in 2019.²²⁹ U.S. mills' operating income followed a similar trend, ranging between negative \$768.1 million, in 2016, to (positive) \$386.5 million, in 2014, and was negative \$413.0 million in 2019.²³⁰ U.S. mills' ratio of operating income to sales ranged between negative 58.4 percent, in 2016, and 5.8 percent, in 2014, and was negative 9.4 percent in 2019.²³¹ Their net income ranged between negative \$1.5 billion, in 2015, and \$249.1 million, in 2014, and was negative \$438.9 million in

²²² CR/PR at Table III-15. U.S. processors' production and related workers ranged from a period low of *** workers in 2016 to a period high *** workers in 2014; there were *** workers in 2019. *Id.* *** employment data are included in the U.S. mill data presented in the text.

²²³ CR/PR at Table III-15. U.S. processors' total hours worked ranged from a period low of *** hours in 2016 to a period high of *** hours in 2014 and totalled *** hours in 2019. *Id.*

²²⁴ CR/PR at Table III-15. U.S. processors' hourly wage ranged from a period low of *** in 2015 to a period high of *** in 2019. *Id.*

²²⁵ CR/PR at Table III-15. U.S. processors' wages paid ranged from a period low of \$*** in 2016 to a period high of \$*** in 2014 and were \$*** in 2019. *Id.*

²²⁶ CR/PR at Table III-15. U.S. processors' productivity as measured in short tons per 1,000 hours ranged from a period low of *** in 2015 to a period high of *** in 2018 and was *** in 2019. *Id.*

²²⁷ CR/PR at Table III-16. U.S. processors' net tolling revenue ranged from a period low of \$*** in 2016 to a period high of \$*** in 2014 and was \$*** in 2019. *Id.* at Table III-20.

²²⁸ CR/PR at Table III-16. U.S. processors' gross profit ranged from a period low of \$*** in 2016 to a period high of \$*** in 2014 and was \$*** in 2019. *Id.* at Table III-20.

²²⁹ CR/PR at Table III-16. U.S. processors' cost of tolling services to net sales ratio ranged from a period low of *** percent in 2014 to a period high of *** percent in 2016 and was *** percent in 2019. *Id.* at Table III-20.

²³⁰ CR/PR at Table III-16. U.S. processors' operating income ranged from a period low of *** in 2016 to a period high of \$*** in 2014 and was \$*** in 2019. *Id.* at Table III-20.

²³¹ CR/PR at Table III-16. U.S. processors' ratio of operating income to tolling revenue ranged from a period low of *** percent in 2016 to a period high of *** percent in 2014 and was *** percent in 2019. *Id.* at Table III-20.

2019.²³² U.S. mills' capital expenditures ranged between \$242.2 million, in 2019, and \$762.0 million, in 2015.²³³

In assessing the question of the vulnerability of the domestic industry, we observe that the record indicates disparate trends. On the one hand, the industry had generally increasing market share and most measures of output increased from 2016 to 2019. On the other hand, in every year after 2014 the industry experienced poor financial performance, a very high COGS to sales ratio, and in 2019 experienced a loss at the gross level. The Commission finds the industry to be vulnerable based on its poor financial performance during the past five years. Available data for the period after 2019 do not indicate that the domestic industry's condition has subsequently improved.²³⁴

As explained above, we find that cumulated subject import volume will likely be significant in the reasonably foreseeable future if the orders under review were revoked. The domestic industry supplies the majority of the U.S. market, and because subject imports are good substitutes for the domestic like product, an increase in cumulated subject imports would likely lead to declines in the domestic industry's production, shipments, market share, and employment.

We have further found that these additional volumes of cumulated subject imports would be priced in a manner that would likely undersell the domestic like product to a significant degree and likely have significant depressing or suppressing effects on prices of the domestic like product. Consequently, to compete with the likely additional volumes of subject imports, the domestic industry would need to cut prices, forego needed price increases, or lose sales, as it did in the original investigations. The resulting loss of revenues would likely cause further deterioration in the financial performance of the domestic industry that would result in likely reductions in employment and, ultimately, likely losses in output and market share. Therefore, we find that revocation of the orders under review would likely have a significant impact on the domestic industry.

We have also considered the role of factors other than subject imports so as not to attribute likely injury from other factors to the subject imports. The domestic industry supplies the majority of apparent U.S. consumption. Given the high substitutability of OCTG from all sources, if the orders on subject imports were revoked, the likely significant volume of cumulated subject imports would likely compete with both the domestic like product and nonsubject imports. As was the case in the original investigations, the continued presence of nonsubject imports in the U.S. market would not preclude subject imports from taking market

²³² CR/PR at Table III-16.

²³³ CR/PR at Table III-21. U.S. mills' research and development ("R&D") expenses ranged from a period low of \$*** in 2018 to a period high of \$*** in 2014 and were \$*** in 2019. *Id.* U.S. processors' capital expenditures ranged from a period low of \$*** in 2019 to a period high of \$*** in 2014 and were \$*** in 2019. U.S. processors reported *** R&D expenses during the period of review. *Id.*

²³⁴ CR/PR at Tables III-1, F-1. Many U.S. producers indicated that they had reduced operations, the number of employees and also idled plants since the end of 2019. *Id.* In addition, Domestic Producers argue that demand in 2020 is at historic lows, leaving the industry in a vulnerable position. However, Domestic Producers also note that they expect demand to recover in a reasonably foreseeable time. Domestic Producers' Posthearing Brief at I-7-8, 14.

share from the domestic industry or forcing the domestic industry to lower prices in order to compete.²³⁵ Moreover, even with the orders in place, average unit values (“AUVs”) of nonsubject imports were above the AUVs for cumulated subject imports throughout the period of review.²³⁶ Given this, subject imports are likely to have effects that are distinct from nonsubject imports.

Accordingly, we conclude that, if the antidumping and countervailing duty orders were revoked, cumulated subject imports from India, Korea, Turkey, Ukraine, and Vietnam would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

V. Conclusion

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

²³⁵ We also observe that such a market share decline is likely irrespective of changes in demand.

²³⁶ CR/PR at Table IV-1. We examine AUV data with caution as we recognize that differences in AUVs may reflect differences in product mix.

Part I: Introduction

Background

On June 3, 2019, 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 reviews to determine whether revocation of the countervailing duty orders on oil country tubular goods (“OCTG”) from India and Turkey and the antidumping duty orders on OCTG from India, Korea, Turkey, Ukraine, and Vietnam would likely lead to the continuation or recurrence of material injury to a domestic industry.^{2 3} On September 6, 2019, the Commission determined that it would conduct full reviews pursuant to section 751(c)(5) of the Act.⁴ The following tabulation presents information relating to the background and schedule of this proceeding:⁵

¹ 19 U.S.C. 1675(c).

² *Oil Country Tubular Goods from India, Korea, Turkey, Ukraine, and Vietnam; Institution of Five-Year Reviews*, 84 FR 25570, June 3, 2019. All interested parties were requested to respond to this notice by submitting the information requested by the Commission.

³ In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping and countervailing duty orders. *Initiation of Five-Year (Sunset) Reviews*, 84 FR 25741, June 4, 2019.

⁴ *Oil Country Tubular Goods From India, Korea, Turkey, Ukraine, and Vietnam; Notice of Commission Determinations to Conduct Full Five-Year Reviews*, 84 FR 50069, September 24, 2019. The Commission decided to conduct full reviews based on the group response to the notice of institution it received from the domestic interested parties and respondent interested parties Borusan – Turkey, Interpipe – Ukraine, the Government of Turkey, and the Government of Ukraine, stating their willingness to participate in this proceeding. The Commission deemed all responses to be adequate, based on the substantial share of production accounted for by each group, as well as complete and full information based upon the Commission’s request of information outlined in the notice of institution.

⁵ The Commission’s notice of institution, notice to conduct full reviews, scheduling notice, and statement on adequacy are referenced in appendix A and may also be found at the Commission’s web site (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 providing testimony for the Commission’s hearing.

Effective date	Action
July 10, 2014	Suspension of antidumping investigation of OCTG from Ukraine (79 FR 41959, July 18, 2014)
September 10, 2014	Commerce's countervailing duty orders on OCTG from India and Turkey (79 FR 53688) and antidumping duty orders on OCTG from India, Korea, Turkey, and Vietnam (79 FR 53691)
June 1, 2019	Notice of initiation by Commerce (84 FR 25741, June 4, 2019)
June 3, 2019	Notice of institution by Commission (84 FR 25570)
July 10, 2019	Termination of the Suspension Agreement on OCTG from Ukraine, Rescission of Administrative Review and Issuance of Antidumping Duty Order (84 FR 33918, July 16, 2019)
September 6, 2019	Commission's determinations to conduct full five-year reviews (84 FR 50069, September 24, 2019)
September 24, 2019	Commerce's final results of expedited five-year reviews of the countervailing duty order on India (84 FR 50001)
October 15, 2019	Commerce's final results of the expedited five-year reviews of the countervailing duty order on Turkey (84 FR 55139)
January 15, 2020	Commission's scheduling of the full reviews (85 FR 3419, January 21, 2020)
March 4, 2020	Commerce's final results of the expedited five-year reviews of the antidumping duty orders on India, Korea, Turkey, and Vietnam (85 FR 12774)
May 7, 2020	Commerce's final results of the first five-year reviews of the antidumping duty order on Ukraine (85 FR 27206)
May 21, 2020	Commission's hearing
July 8, 2020	Commission's vote
July 29, 2020	Commission's determinations and views

The original investigations

The original investigations resulted from petitions filed by the United States Steel Corporation ("U.S. Steel"), Pittsburgh, Pennsylvania; Maverick Tube Corporation ("Maverick"), Houston, Texas; Boomerang Tube LLC ("Boomerang"), Chesterfield, Missouri; EnergeX, a division of JMC Steel Group ("EnergeX"), Chicago, Illinois; Northwest Pipe Company ("Northwest"), Vancouver, Washington; Tejas Tubular Products Inc. ("Tejas"), Houston, Texas; TMK IPSCO, Houston, Texas; Vallourec STAR ("Vallourec"), L.P., Houston, Texas; and Welded Tube USA ("Welded Tube"), Inc.; Lacawanna, New York, on July 2, 2013, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized imports of OCTG from India and Turkey and less-than-fair-value ("LTFV") imports of OCTG from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam. Following notification of final determinations by Commerce that imports of OCTG were being subsidized by the governments of India and Turkey, and that imports of OCTG from India, Korea, Turkey, and Vietnam were being sold at LTFV, the Commission determined on September 2, 2014 that a domestic industry was materially injured by reason of subsidized

imports of OCTG by the governments of India and Turkey and LTFV imports of OCTG from India, Korea, Turkey, Ukraine, and Vietnam, and threatened with material injury by reason of imports from Taiwan.⁶ On July 10, 2014, Commerce suspended its antidumping investigation on imports of OCTG from Ukraine.⁷ The terms of the Agreement stipulated that the Agreement would be terminated on July 10, 2017.⁸ Commerce published the countervailing duty orders on subject imports of OCTG from India and Turkey on September 10, 2014.⁹ Commerce published the antidumping duty orders on OCTG from India, Korea, Turkey, Taiwan, and Vietnam on September 10, 2014.¹⁰

On July 10, 2017, Commerce and Interpipe signed an amendment extending the Agreement by an additional one-year period such that the Agreement would terminate, and Commerce would issue an antidumping duty order on July 10, 2018.¹¹ On June 28, 2018, Commerce and Interpipe signed an amendment extending the Agreement by an additional one-year period such that the Agreement would terminate, and Commerce would issue an antidumping duty order on July 10, 2019.¹² On July 10, 2019, Commerce terminated the

⁶ On August 19, 2014, the Commission terminated its antidumping duty investigation of OCTG from Saudi Arabia. On September 2, 2014, the Commission also determined that the domestic industry was threatened with material injury by reason of LTFV imports of OCTG from Taiwan. The Commission further determined that imports of OCTG from the Philippines and Thailand were negligible and terminated its antidumping duty investigations of OCTG from these countries. *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, pp. 1-2.

⁷ Commerce and Interpipe reached an agreement wherein Interpipe agreed to make any necessary price revisions to eliminate completely any amount by which the normal value of this merchandise exceeds the U.S. price of its merchandise subject to the agreement. *Suspension of Antidumping Investigation: Certain Oil Country Tubular Goods From Ukraine*, 79 FR 41959, July 18, 2014.

⁸ Ibid.

⁹ *Certain Oil Country Tubular Goods From India and the Republic of Turkey: Countervailing Duty Orders and Amended Affirmative Final Countervailing Duty Determination for India*, 79 FR 53688, September 10, 2014.

¹⁰ *Certain Oil Country Tubular Goods From India, the Republic of Korea, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Antidumping Duty Orders; and Certain Oil Country Tubular Goods From the Socialist Republic of Vietnam: Amended Final Determination of Sales at Less Than Fair Value*, 79 FR 53691, September 10, 2014.

¹¹ *Amendment to the Agreement Suspending the Antidumping Duty Investigation on Certain Oil Country Tubular Goods From Ukraine*, 82 FR 32681, July 17, 2017.

¹² *Amendment to the Agreement Suspending the Antidumping Duty Investigation on Certain Oil Country Tubular Goods From Ukraine*, 83 FR 31369, July 5, 2018.

(continued...)

suspension agreement and issued an antidumping duty order on imports of OCTG from Ukraine.¹³

Actions pertaining to court decisions involving these proceedings are discussed below. On February 22, 2016, the United States Court of International Trade (“CIT”) affirmed Commerce’s final results of a redetermination with respect to its final determination of the countervailing duty investigation of OCTG from Turkey.¹⁴ Commerce, therefore, amended the net countervailable subsidy rates from the final determination, effective March 3, 2016.¹⁵

On May 10, 2016, the CIT sustained the final remand redetermination pertaining to the LTFV investigation of OCTG from the Republic of Turkey.¹⁶ Commerce notified the public that the CIT’s final judgment in this case was not in harmony with the final determination, and amended the dumping margins from the final determination.¹⁷

On August 2, 2016, the CIT sustained Commerce’s final results of redetermination concerning the LTFV investigation of OCTG from the Republic of Korea.¹⁸ Commerce notified the public that the CIT’s final judgment in this case was not in harmony with Commerce’s final

¹³ *Termination of the Suspension Agreement on Certain Oil Country Tubular Goods From Ukraine, Rescission of Administrative Review and Issuance of Antidumping Duty Order*, 84 FR 33918, July 16, 2019.

¹⁴ *Oil Country Tubular Goods From the Republic of Turkey: Amendment of Countervailing Duty Order*, 82 FR 46483, October 5, 2017.

¹⁵ Commerce revised Borusan’s net countervailable subsidy rate from 15.89 percent to 2.39 percent and Toscelik’s net countervailable subsidy rate from 2.53 percent to 0.95 percent. On May 30, 2017, the United States Court of Appeals for the Federal Circuit affirmed Commerce’s remand determination concerning the CVD investigation of OCTG from Turkey, which became final and conclusive on August 28, 2017. Since Toscelik’s revised subsidy rate became *de minimis*, and the period for appeal had passed, Commerce amended the countervailing duty order on OCTG from Turkey to exclude subject merchandise produced and exported by Toscelik, effective March 3, 2016. *Oil Country Tubular Goods From the Republic of Turkey: Amendment of Countervailing Duty Order*, 82 FR 46483, October 5, 2017.

¹⁶ *Certain Oil Country Tubular Goods From the Republic of Turkey: Notice of Court Decision Not in Harmony With the Final Determination of the Less Than Fair Value Investigation and Notice of Amended Final Determination of Sales at Less Than Fair Value*, 81 FR 36876, June 8, 2016.

¹⁷ Commerce revised the weighted-average dumping margin for Cayirova Boru Sanayi ve Ticaret A.S. and Yucel Boru Ithalat-Ihracat ve Pazarlama A.S., collectively (“Yucel”) from 35.86 percent to 13.59 percent, effective May 20, 2016. *Ibid.*

¹⁸ *Certain Oil Country Tubular Goods From the Republic of Korea: Notice of Court Decision Not in Harmony With Final Determination*, 81 FR 59603, August 30, 2016.

(continued...)

determination in the LTFV investigation, and amended the weighted-average dumping margins from the final determination.¹⁹

On March 16, 2017, the CIT sustained Commerce's final results of redetermination concerning the LTFV investigation of OCTG from India, which became final and conclusive on May 15, 2017.²⁰ Commerce, therefore, notified the public that the final judgement in this case was not in harmony with the Department's final determination in the LTFV investigation of OCTG from India and amended the weighted-average dumping margins from the final determination.²¹

On July 12, 2017, the CIT entered its final judgment sustaining the final results of remand redetermination pursuant to court order by Commerce pertaining to the LTFV investigation of OCTG from Taiwan.²² Commerce notified the public that the final judgment in this case was not in harmony with Commerce's final determination in the LTFV investigation of OCTG from Taiwan. Pursuant to the CIT's final judgment, both mandatory respondents in the LTFV investigation of OCTG from Taiwan received weighted-average dumping margins of zero and, therefore, Commerce revoked the order in full.²³

¹⁹ Commerce amended the weighted-average dumping margin for Hyundai HYSCO from 15.75 percent to 6.49 percent and the weighted-average dumping margin for NEXTEEL Co. Ltd from 9.89 percent to 3.98 percent, effective August 12, 2016. *Ibid.*

²⁰ *Certain Oil Country Tubular Goods From India: Notice of Court Decision Not in Harmony With Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances and Notice of Amended Final Determination*, 82 FR 17631, April 12, 2017; and *Certain Oil Country Tubular Goods From India: Amendment of Antidumping Duty Order*, 82 FR 28045.

²¹ Commerce amended the weighted-average dumping margin for Jindal Saw Ltd. from 9.91 percent to 11.24 percent and the weighted-average dumping margin for GVN Fuels Limited from 2.05 percent to 1.07 percent. Since Commerce calculated a *de minimis* margin for GVN Fuels Limited and the revised weighted-average dumping margin was not appealed, Commerce amended the antidumping duty order on OCTG from India to exclude subject merchandise produced and exported by GVN Fuels Limited, effective March 26, 2017. *Certain Oil Country Tubular Goods From India: Notice of Court Decision Not in Harmony With Final Determination of Sales at Less Than Fair Value and Final Negative Determination of Critical Circumstances and Notice of Amended Final Determination*, 82 FR 17631, April 12, 2017; and *Certain Oil Country Tubular Goods From India: Amendment of Antidumping Duty Order*, 82 FR 28045, June 20, 2017.

²² *Certain Oil Country Tubular Goods From Taiwan: Notice of Court Decision Not in Harmony With Final Determination of Sales at Less Than Fair Value, Notice of Amended Final Determination and Revocation of Antidumping Duty Order*, 82 FR 35181, July 28, 2017.

²³ *Ibid.*

Previous and related investigations

OCTG has been the subject of several previous investigations conducted by the Commission. Table I-1 presents a listing of those proceedings.

Table I-1
OCTG: Previous and related Commission proceedings, since 1984

Original investigations				Commission reviews		Current status
Date	Number	Country	Outcome	Dates ¹	Outcomes	
1984	701-TA-215	Brazil	Affirmative	-	-	ITA revoked 8/21/85
1984	701-TA-216	Korea	Negative	-	-	-
1984	701-TA-217	Spain	Affirmative	-	-	ITA revoked 7/31/85
1984	731-TA-191	Argentina	Negative	-	-	-
1984	731-TA-192	Brazil	Affirmative ²	-	-	Petition withdrawn
1984	731-TA-193	Korea	Affirmative ²	-	-	Petition withdrawn
1984	731-TA-194	Mexico	Affirmative ²	-	-	Petition withdrawn
1984	731-TA-195	Spain	Affirmative	-	-	ITA revoked 6/30/85
1985	701-TA-240	Austria	Affirmative ²	-	-	Petition withdrawn
1985	701-TA-241	Venezuela	Affirmative ²	-	-	Petition withdrawn
1985	701-TA-255	Canada	Affirmative	-	-	ITA revoked 7/10/91
1985	701-TA-256	Taiwan	Negative	-	-	-
1985	731-TA-249	Austria	Affirmative ²	-	-	Petition withdrawn
1985	731-TA-251	Venezuela	Affirmative ²	-	-	Petition withdrawn
1985	731-TA-275	Argentina	Affirmative ²	-	-	Terminated
1985	731-TA-276	Canada	Affirmative	1999	Negative	Revoked
1985	731-TA-277	Taiwan	Affirmative	1999	Negative	Revoked
1986	701-TA-271	Israel	Affirmative	-	-	ITA revoked 3/1/93
1986	731-TA-318	Israel	Affirmative	-	-	ITA revoked 7/27/99
1995	701-TA-363	Austria	Negative	-	-	-
1995	701-TA-364	Italy	Affirmative	2001	Affirmative	ITA revoked 12/26/06
1995	731-TA-711	Argentina	Affirmative	2001 / 2006	Affirmative/Negative	Revoked
1995	731-TA-712	Austria	Negative	-	-	-
1995	731-TA-713	Italy	Affirmative	2001 / 2006	Affirmative/Negative	Revoked
1995	731-TA-714	Japan	Affirmative	2001 / 2006	Affirmative/Negative	Revoked
1995	731-TA-715	Korea	Affirmative	2001 / 2006	Affirmative/Negative	Revoked
1995	731-TA-716	Mexico	Affirmative	2001 / 2006	Affirmative/Negative	Revoked
1995	731-TA-717	Spain	Negative	-	-	-

Table continued on next page.

Table I-1--Continued

OCTG: Previous and related Commission proceedings, since 1984

Original investigations				Commission reviews		Current status
Date	Number	Country	Outcome	Dates ¹	Outcomes	
2002	701-TA-428	Austria	Negative ²	-	-	-
2002	731-TA-992	Austria	Negative ²	-	-	-
2002	731-TA-993	Brazil	Negative ²	-	-	-
2002	731-TA-994	China	Negative ²	-	-	-
2002	731-TA-995	Colombia	(³)	-	-	-
2002	731-TA-996	France	Negative ²	-	-	-
2002	731-TA-997	Germany	Negative ²	-	-	-
2002	731-TA-998	India	Negative ²	-	-	-
2002	731-TA-999	Indonesia	Negative ²	-	-	-
2002	731-TA-1000	Romania	Negative ²	-	-	-
2002	731-TA-1001	South Africa	Negative ²	-	-	-
2002	731-TA-1002	Spain	Negative ²	-	-	-
2002	731-TA-1003	Turkey	Negative ²	-	-	-
2002	731-TA-1004	Ukraine	Negative ²	-	-	-
2002	731-TA-1005	Venezuela	Negative ²	-	-	-
2009	701-TA-463	China	Affirmative	2020	Affirmative/instituted	Order in place
2009	731-TA-1159	China	Affirmative	2020	Affirmative/instituted	Order in place

¹ Dates refers to the year in which the investigation, first review, or second review was instituted by the Commission.

² Preliminary determination.

³ Following the withdrawal of the petition on Colombia and Commerce's decision not to institute an investigation on OCTG from that country, the Commission discontinued its investigation No. 731-TA-995 (OCTG from Colombia).

Note: On June 22, 2001, the Commission instituted investigation No. TA-201-73, Steel, under section 202 of the Trade Act of 1974, to determine whether certain steel products, including seamless and welded OCTG, were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industries producing articles like or directly competitive with the imported article. On December 20, 2001, the Commission issued its determinations and remedy recommendations. The Commission made a negative determination with respect to OCTG.

Source: *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, pp. I-5-I-6; and *Oil Country Tubular Goods from China, Inv. Nos. 701-TA-463 and 731-TA-1159 (Review)*, USITC Publication 4532, May 2015, p. 1.

Summary data

Table I-2 presents a summary of data from the original investigations and the current reviews. U.S. producers' U.S. shipments, by quantity, was 56.9 percent lower in 2019 than 2013. U.S. producers' share of apparent consumption, by quantity, was 3.5 percentage points higher in 2013 compared to 2019. The domestic industry's production and profitability were each lower in 2019 compared to 2013.

Table I-2
OCTG: Summary data from current and prior proceedings, 2013 and 2019

Item	Original investigations	First reviews
	2013	2019
	Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton)	
U.S. producers' U.S. shipments	3,736,381	3,007,270
Value	5,833,652	4,335,719
Unit value	\$1,561	\$1,442
U.S. imports.--		
India:		
Quantity	***	777
Value	***	637
Unit value	***	\$821
Korea:		
Quantity	***	450,982
Value	***	398,963
Unit value	***	\$885
Philippines:		
Quantity	73,969	
Value	60,391	
Unit value	\$816	
Saudi Arabia:		
Quantity	***	
Value	***	
Unit value	***	
Taiwan subject:		
Quantity	***	
Value	***	
Unit value	***	
Thailand:		
Quantity	33,741	
Value	39,752	
Unit value	\$1,178	

Table continued on next page.

Table I-2--Continued

OCTG: Summary data from current and prior proceedings, 2013 and 2019

Item	Original investigations	First reviews
	2013	2019
	Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton)	
Turkey:		
Quantity	133,773	52,286
Value	114,981	45,992
Unit value	\$860	\$880
Ukraine:		
Quantity	***	112,609
Value	***	120,849
Unit value	***	\$1,073
Vietnam:		
Quantity	144,871	44,134
Value	119,291	45,181
Unit value	\$823	\$1,024
Subject sources:		
Quantity	***	660,787
Value	***	611,623
Unit value	***	\$926
Taiwan Chung Hung nonsubject:		
Quantity	***	
Value	***	
Unit value	***	
All other sources:		
Quantity	***	
Value	***	
Unit value	***	
Nonsubject sources:		
Quantity	***	1,606,413
Value	***	2,033,519
Unit value	***	\$1,266
All import sources:		
Quantity	3,242,306	2,267,200
Value	3,997,131	2,645,142
Unit value	\$1,233	\$1,167

Table continued on next page.

Table I-2--Continued

OCTG: Summary data from current and prior proceedings, 2013 and 2019

Item	Original investigations	First reviews
	2013	2019
	Quantity (short tons)	
U.S. consumption quantity	6,978,687	5,274,470
	Share of quantity (percent)	
Share of U.S. consumption:		
U.S. producers' share	53.5	57.0
U.S. importers' share:		
India	***	0.0
Korea	***	8.6
Philippines	1.1	
Saudi Arabia	***	
Taiwan subject	***	
Thailand	0.5	
Turkey	1.9	1.0
Ukraine	***	2.1
Vietnam	2.1	0.8
Subject sources	***	12.5
Nonsubject sources	***	30.5
All import sources	***	43.0
	Value (1,000 dollars)	
U.S. consumption	***	***
	Share of value (percent)	
Share of U.S. consumption:		
U.S. producers' U.S. shipments share of fully domestic value	57.8	***
Incremental value from heat treating imports	2.6	***
Total value	60.4	***
U.S. importers' share:		
India	***	***
Korea	***	***
Philippines	0.6	
Saudi Arabia	***	
Taiwan subject	***	
Thailand	0.4	
Turkey	1.1	***
Ukraine	***	***
Vietnam	1.2	***
Subject sources	***	***
Taiwan Chung Hung nonsubject	***	
All other nonsubject sources	***	
Nonsubject sources	***	***
All import sources	39.6	***

Table continued on next page.

Table I-2--Continued
OCTG: Summary data from current and prior proceedings, 2013 and 2019

Item	Original investigations	First reviews
	2013	2019
	Quantity (short tons); Value (1,000 dollars); and Unit Value (dollars per short ton)	
U.S. industry:		
Capacity (quantity)	5,804,450	6,328,687
Production (quantity)	4,107,433	2,943,773
Capacity utilization (percent)	70.8	46.5
U.S. shipments:		
Quantity	3,736,381	3,007,270
Value	5,833,652	4,335,719
Unit value	\$1,561	\$1,490
Ending inventory	365,485	***
Inventories/total shipments	9.1	***
Production workers	6,891	7,467
Hours worked (1,000)	16,015	18,244
Wages paid (1,000 dollars)	507,746	596,449
Hourly wages	\$31.70	\$32.69
Financial data:		
Net sales:		
Quantity	4,010,042	3,093,545
Value	6,229,566	4,373,002
Unit value	\$1,553	1,414
Cost of goods sold	5,411,229	4,395,577
Gross profit or (loss)	818,337	(22,575)
SG&A expense	506,639	390,394
Operating income or (loss)	311,698	(412,969)
Unit COGS	\$1,349	\$1,421
Unit operating income	\$126	\$(133)
COGS/ Sales (percent)	86.9	100.5
Operating income or (loss)/ Sales (percent)	5.0	(9.4)

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Office of Investigations memorandum INV-MM-074 (August 1, 2014), compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020.

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 these reviews that relate to the statutory criteria is presented throughout this report. A summary of trade and financial data for OCTG as collected in these reviews is presented in appendix C. U.S. industry data are based on the questionnaire responses of 12 U.S. producers of OCTG that are believed to have accounted for the large majority of OCTG production in 2019. U.S. import data and related information are based on Commerce’s official import statistics and the questionnaire responses of 32 importers of OCTG that are believed to have accounted for approximately two-thirds of imports of casing and tubing from all sources and approximately one-third of such imports from subject sources

during 2019. Foreign industry data and related information are based on the questionnaire responses of three producers/exporters of OCTG. Two producers in India provided the Commission with usable data concerning their OCTG operations: ISMT Limited (“ISMT”) and Maharashtra Seamless Limited (“Maharashtra”) estimate that they account for *** percent of total OCTG production in India during 2019. One producer in Ukraine provided the Commission with usable data concerning their OCTG operations: Interpipe Ukraine LLC (“Interpipe”) is estimated to account for the vast majority of total production of OCTG in Ukraine during 2019. No producers in Korea, Turkey, or Vietnam provided the Commission with information concerning their OCTG operations.²⁴ Responses by U.S. producers, importers, purchasers, and foreign producers of OCTG 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.

Commerce’s reviews

Commerce has not conducted any scope rulings since the completion of the original investigations. Commerce has issued duty absorption findings against NEXTEEL Co. and SeAH Steel Corp. during the second administrative review of the antidumping duty order on Korea for the period of September 1, 2015 through August 31, 2016.²⁵ In addition, Commerce has not issued any company revocations or anti-circumvention findings since the imposition of the orders.

Administrative reviews

Commerce has completed multiple countervailing and antidumping duty administrative reviews with respect to imports of OCTG from India, Korea, Turkey, and Vietnam. Commerce has not conducted any administrative reviews concerning imports of OCTG from Ukraine. Commerce has not conducted any countervailing duty administrative reviews concerning

²⁴ With respect to Turkey, Borusan operates as a foreign producer and stated its willingness to participate in the notice of institution. However, it indicated to staff that it would not be providing a foreign producer questionnaire response due to the COVID-19 pandemic. With respect to Korea and Vietnam, SeAH Steel Corp. – Korea and SeAH Steel VINA Corp. – Vietnam (same parent firm) operate as foreign producers and participated in the original investigations. However, after multiple attempts of communication, staff was unable to obtain responses for any foreign producers for the above countries.

²⁵ *Certain Oil Country Tubular Goods From the Republic of Korea: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016*, 83 FR 17146, April 18, 2018.

imports of OCTG from India. The results of Commerce’s countervailing duty order administrative reviews are presented in table I-3, while the results of Commerce’s antidumping duty order administrative reviews are presented in table I-4.

Table I-3

OCTG: Final results of Commerce’s countervailing duty order administrative reviews, by country

Country	Period of review	Producer/exporter	Margin (percent)
Turkey	01/01/2015 – 12/31/2015 (83 FR 65111, February 14, 2018)	Borusan Mannesmann Boru Sanayi ve Ticaret A.S	0.48
Turkey	01/01/2016 – 12/31/2016 (84 FR 11504, March 27, 2019)	Borusan Mannesmann Boru Sanayi ve Ticaret A.S	0.66
Turkey	01/01/2017 – 12/31/2017 (84 FR 68115, December 13, 2019)	Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Borusan Istikbal Ticaret T.A.S., Borusan Mannesmann Boru Yatirim Holding A.S., and Borusan Holding A.S., (collectively, Borusan)	0.90

Source: 83 FR 65111, February 14, 2018; 84 FR 11504, March 27, 2019; and 84 FR 68115, December 13, 2019.

Table I-4

OCTG: Final results of Commerce’s antidumping duty order administrative reviews, by country

Country	Period of review	Producer/exporter	Margin (percent)
Korea	07/18/2014 – 08/31/2015 (82 FR 18105, April 17, 2017)	NEXTEEL Co., Ltd.	24.92
		SeAH Steel Corporation	2.76
		Non-examined companies	13.84
Vietnam	02/25/2014 – 08/31/2015 (82 FR 18611, April 20, 2017)	SeAH Steel VINA Corporation	0.00
Korea (Amended)	07/18/2014 – 08/31/2015 (82 FR 31750, July 10, 2017)	NEXTEEL Co., Ltd.	29.76
		Non-examined companies	16.26
Turkey	09/01/2015 – 08/31/2016 (83 FR 1240, January 10, 2018)	Toscelik Profil ve Sac Endustrisi A.S	9.13
Korea	09/01/2015 – 08/31/2016 (83 FR 17146, April 14, 2018)	NEXTEEL Co., Ltd.	75.81
		SeAH Steel Corporation	6.75
		Non-examined companies	6.75
Turkey	09/01/2016 – 08/31/2017 (83 FR 64107, December 13, 2018)	Çayirova Boru Sanayi ve Ticaret A.Ş. and Yücel Boru İthalat-İhracat ve Pazarlama A.Ş	1.59
		Çayirova Boru San A.Ş	1.59
		HG Tubulars Canada Ltd	1.59
		Yücelboru İhracat, İthalat	1.59
Korea	09/01/2016 – 08/31/2017 (84 FR 24085, May 24, 2019)	NEXTEEL Co., Ltd.	32.24
		SeAH Steel Corporation	16.73
		Non-examined companies	24.49

Source: 82 FR 18105, April 17, 2017; 82 FR 18611, April 20, 2017; 82 FR 31750, July 10, 2017; 83 FR 1240, January 10, 2018; 83 FR 17146, April 14, 2018; 83 FR 64107, December 13, 2018; and 84 FR 24085, May 24, 2019;

Changed circumstances reviews

Commerce has completed one changed circumstances review with respect to the antidumping duty order on OCTG from Korea. On February 24, 2016, Hyundai Steel informed Commerce, effective July 1, 2015, that it had merged with HYSCO, requesting Commerce to confirm that Hyundai Steel is the successor-in-interest to HYSCO for purposes of determining antidumping duty cash deposits and liabilities.²⁶ Having received no comments from interested parties, Commerce determined that Hyundai Steel is the successor-in-interest to HYSCO.²⁷ As a result of the determination, Commerce assigned Hyundai Steel the cash deposit rate assigned to HYSCO in the most recently completed segment of the antidumping duty order on OCTG from Korea.²⁸

Five-year reviews

Commerce has issued the final results of its expedited reviews with respect to all subject countries.²⁹ Table I-5 presents the countervailable subsidy margins calculated by Commerce in its original investigations and first five-year reviews, while table I-6 presents the dumping margins calculated by Commerce in its original investigations and first five-year reviews.

²⁶ *Certain Oil Country Tubular Goods From the Republic of Korea: Initiation and Expedited Preliminary Results of Changed Circumstances Review*, 81 FR 46645, July 18, 2016.

²⁷ *Notice of Final Results of Antidumping Duty Changed Circumstances Review: Oil Country Tubular Goods From Korea*, 81 FR 64873, September 21, 2016.

²⁸ *Ibid.*

²⁹ *Oil Country Tubular Goods From India: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 84 FR 50002, September 30, 2019; *Oil Country Tubular Goods From the Republic of Turkey: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order*, 84 FR 55139, October 15, 2019; *Certain Oil Country Tubular Goods From India, the Republic of Korea, Turkey, and the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Reviews of the Antidumping Duty Orders*, 85 FR 12774, March 4, 2020.

Table I-5**OCTG: Commerce's original and first five-year countervailable subsidy margins for producers/exporters in India and Turkey**

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
India		
Jindal SAW	19.57	26.60
GVN/MSL/JPL	5.67	13.13
All others	12.62	19.87
Turkey		
Borusan Mannesmann Boru Sanayi ve Ticaret A.S., and cross-owned affiliates Borusan Istikbal Ticaret, Borusan Mannesmann, Boru Yatirim Holding A.S., and Borusan Holding A.S. (collectively, Borusan)	15.89	2.71
Tosyali Dis Ticaret A.S, Tosçelik Profil ve Sac Endustrisi A.S., Tosyali Elektrik Enerjisi Toptan Satis Ith. Ihr. A.S., Tosyali Demir Celik San. A.S., and Tosyali Holding A.S.	2.53	2.71
All others	9.21	2.71

Source: *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, pp. I-11—I-12; 84 FR 50002, September 30, 2019; 84 FR 55139, October 15, 2019.

Table I-6**OCTG: Commerce's original and first five-year dumping margins for producers/exporters in India, Korea, Turkey, Ukraine, and Vietnam**

Producer/exporter	Original margin (percent)	First five-year review margin (percent)
India		
Jindal SAW	9.91	(¹)
GVN/MSL/JPL	2.05	(¹)
All others	5.79	11.24
Korea		
Hyundai HYSCO	15.75	(¹)
NEXTEEL Co., Ltd.	9.89	(¹)
All others	12.82	6.49
Turkey		
Borusan Mannesmann Boru Sanayi ve Ticaret A.S., and cross-owned affiliates Borusan Istikbal Ticaret, Borusan Mannesmann, Boru Yatirim Holding A.S., and Borusan Holding A.S. (collectively, Borusan)	0.00	(¹)
All others	35.86	35.86
Ukraine		
Interpipe Europe S.A; Interpipe Ukraine LLC; PJSC Interpipe Niznedneprovsky Tube Rolling Pipe (aka Interpipe NTRP); LLC Interpipe Niko Tube	6.73	(¹)
All others	6.73	7.47
Vietnam		
SeAH Steel VINA Corporation	24.22	(¹)
Vietnam-wide entity rate	111.47	111.47

¹ Individual company information was not specified in Commerce's Federal Register notice concerning the final results of the expedited sunset reviews of the antidumping duty orders for the above countries.

Source: *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, pp. I-11—I-12; 85 FR 12774, March 4, 2020; 85 FR 27206, May 7, 2020.

The subject merchandise

Commerce's scope

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

The merchandise covered by the order is OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (e.g., whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of the order also covers OCTG coupling stock.

Excluded from the scope of the order are: casing or tubing containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to the order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.10.10, 7304.29.10.20, 7304.29.10.30, 7304.29.10.40, 7304.29.10.50, 7304.29.10.60, 7304.29.10.80, 7304.29.20.10, 7304.29.20.20, 7304.29.20.30, 7304.29.20.40, 7304.29.20.50, 7304.29.20.60, 7304.29.20.80, 7304.29.31.10, 7304.29.31.20, 7304.29.31.30, 7304.29.31.40, 7304.29.31.50, 7304.29.31.60, 7304.29.31.80, 7304.29.41.10, 7304.29.41.20, 7304.29.41.30, 7304.29.41.40, 7304.29.41.50, 7304.29.41.60, 7304.29.41.80, 7304.29.50.15, 7304.29.50.30, 7304.29.50.45, 7304.29.50.60, 7304.29.50.75, 7304.29.61.15, 7304.29.61.30, 7304.29.61.45, 7304.29.61.60, 7304.29.61.75, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.29.10.30, 7306.29.10.90, 7306.29.20.00, 7306.29.31.00, 7306.29.41.00, 7306.29.60.10, 7306.29.60.50, 7306.29.81.10, and 7306.29.81.50.

The merchandise subject to the order may also enter under the following HTSUS item numbers: 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.39.00.36, 7304.39.00.40, 7304.39.00.44, 7304.39.00.48, 7304.39.00.52, 7304.39.00.56, 7304.39.00.62, 7304.39.00.68, 7304.39.00.72, 7304.39.00.76, 7304.39.00.80, 7304.59.60.00, 7304.59.80.15, 7304.59.80.20, 7304.59.80.25, 7304.59.80.30, 7304.59.80.35, 7304.59.80.40, 7304.59.80.45, 7304.59.80.50, 7304.59.80.55, 7304.59.80.60, 7304.59.80.65, 7304.59.80.70, 7304.59.80.80, 7305.31.40.00, 7305.31.60.90, 7306.30.50.55, 7306.30.50.90, 7306.50.50.50, and 7306.50.50.70.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.³⁰

³⁰ *Oil Country Tubular Goods From India: Final Results of the Expedited Sunset Review of the Countervailing Duty Order*, 84 FR 50001, September 24, 2019.

Tariff treatment

OCTG is classifiable in the Harmonized Tariff Schedule of the United States (“HTS”) under subheadings 7304.29.10, 7304.29.20, 7304.29.31, 7304.29.41, 7304.29.50, 7304.29.61, 7305.20.20, 7305.20.40, 7305.20.60, 7305.20.80, 7306.29.10, 7306.29.20, 7306.29.31, 7306.29.41, 7306.29.60, and 7306.29.81, and reported for statistical purposes under statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150. OCTG imported from India, Korea, Turkey, Ukraine, and Vietnam enter the U.S. market at a column 1-general duty rate of “free.” Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Section 232 tariff treatment

OCTG imports produced in India, Turkey, Ukraine, and Vietnam are subject to a 25 percent ad valorem duty under Section 232 of the Trade Expansion Act of 1962, as amended.³¹ The history of Section 232 Presidential proclamations is included in appendix E. OCTG imports produced in Korea are exempt from the 25 percent ad valorem duty under Section 232, but are instead subject to an aggregate absolute import quota of 460,867,818 kilograms (508,020 short tons) per year.³² Section 232 import duties cover all countries of origin except Argentina,

³¹ Adjusting Imports of Steel Into the United States, Presidential Proclamation 9705, March 8, 2018, 83 FR 11625, March 15, 2018. OCTG imports produced in Turkey were subject to a 50 percent ad valorem duty under Section 232 from August 13, 2018, through May 20, 2019. Beginning on May 21, 2019, the 232 duty for Turkey returned to 25 percent. U.S. Customs and Border Protection, “Trade Remedies,” <https://www.cbp.gov/trade/programs-administration/trade-remedies>, retrieved June 16, 2020.

³² See U.S. note 16(e), subchapter III of chapter 99 of the HTSUS. Also, see U.S. Customs and Border Protection, QB 18-118 Steel Mill Articles (AMENDED), <https://www.cbp.gov/trade/quota/bulletins/qb-18-118-steel-mill-articles>, retrieved April 6, 2020.

(continued...)

Australia, Brazil, Canada, Mexico, and Korea. Section 232 absolute quotas cover imports from Argentina, Brazil, and Korea.³³

The product

Description and applications³⁴

Steel pipe and tubes are made in circular, rectangular, or other cross sections, and are generally manufactured by either the welded or seamless process. Steel pipe and tube manufactured by either process can be categorized by the carbon and alloy grades used in steel production. In addition, steel pipe and tube can be further categorized by end use. The American Iron and Steel Institute (AISI) has defined six such end use categories: standard pipe, line pipe, structural pipe and tubing, mechanical tubing, pressure tubing, and oil country tubular goods.³⁵

Steel pipe and tubes are generally produced according to standards and specifications published by a number of organizations, including the American Society for Testing and Materials (ASTM), the American Society of Mechanical Engineers (ASME), and the API. Comparable organizations in the United Kingdom, Japan, and Russia, and other countries also have developed standard specifications for steel pipe and tubes.

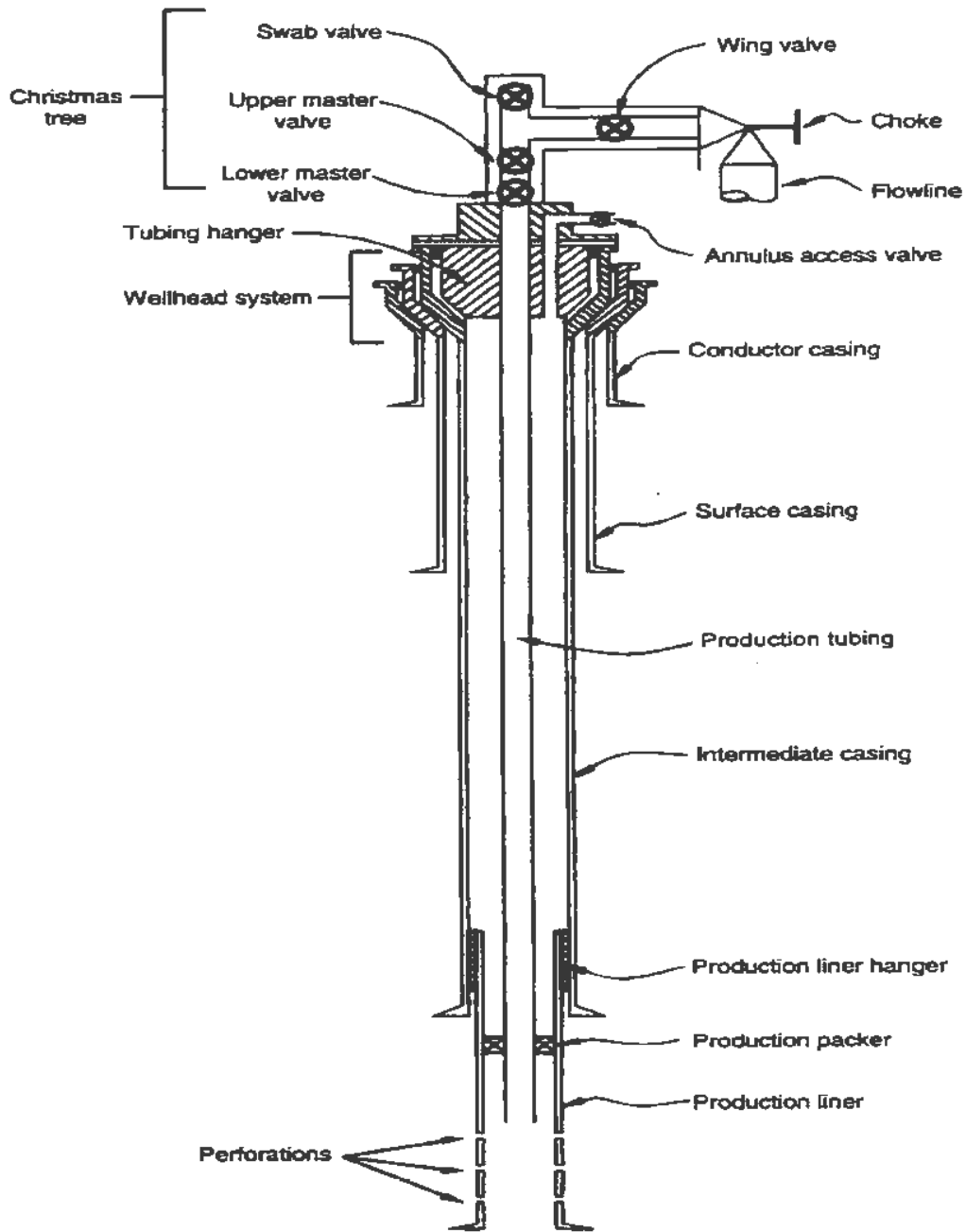
OCTG includes casing and tubing of carbon and alloy steel used in oil and gas wells. Figure I-1 shows a simplified schematic arrangement of a typical well with a system of casing and tubing. Figure I-2 presents a more detailed representation of an oil or gas well, including descriptions of different types of casing by depth and function.

³³ U.S. Customs and Border Protection, Section 232 Tariffs on Aluminum and Steel, <https://www.cbp.gov/trade/programs-administration/trade-remedies/section-232-trade-remedies-aluminum-and-steel>, retrieved April 6, 2020. Australia, Canada, and Mexico were exempted from duties and quotas.

³⁴ Unless otherwise noted, this information is based on *Certain oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, pp. I-13 through I-20.

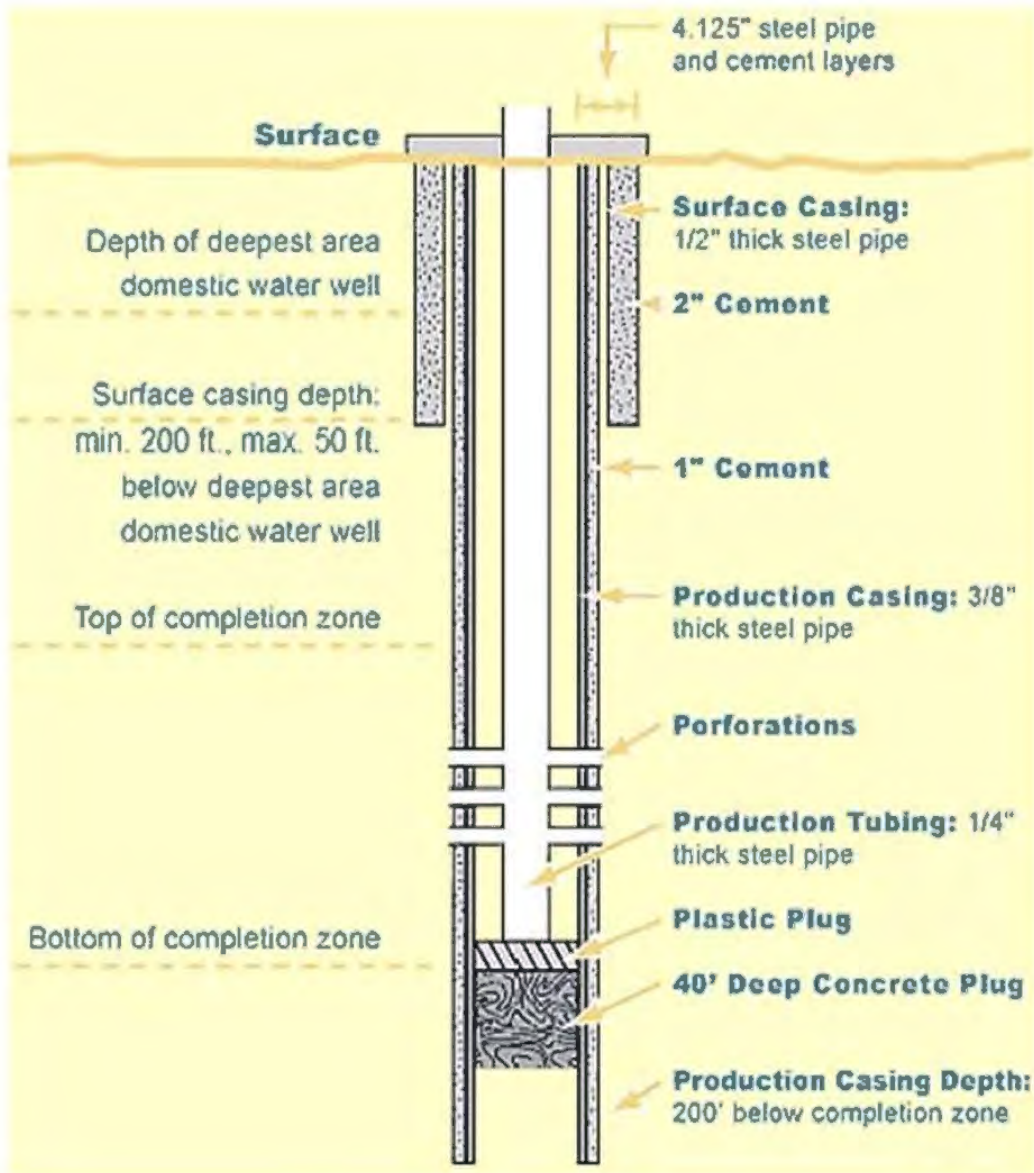
³⁵ OCTG are steel pipe and tubes used in the drilling of oil and gas wells and in the conveying of oil and gas from within the well to ground level. Standard, line, and pressure pipe is generally intended to convey liquids and is typically tested and rated for its ability to withstand hydrostatic pressure. Structural pipe and tubing are used for load-bearing purposes and construction, and only small amounts of seamless pipe are used in structural applications. Seamless mechanical tubing is typically a custom-designed product employed within the automotive industry and by equipment manufacturers.

Figure I-1
Casing and tubing: Simplified diagrammatic representation of a well showing the casing strings and production tubing



Source: Introduction to Oil and Gas Production, Fifth Edition, American Petroleum Institute, June 1996, p. 11.

Figure I-2
Casing and tubing: Subsurface components of an oil or gas well, including descriptions of different types of casing by depth and function



Source: The Energy Council, "Facts," found at <https://energycouncil.org/facts/#about-natural-gas>, retrieved April 6, 2020.

Advancements in oil and gas exploration technologies, including advanced horizontal drilling³⁶ and hydraulic fracturing (figure I-3),³⁷ have enabled oil and gas wells to reach locations that were previously deemed cost-prohibitive. In addition, the application of new technologies permits more wells per acre, thus increasing oil and gas production and recoverable reserves.

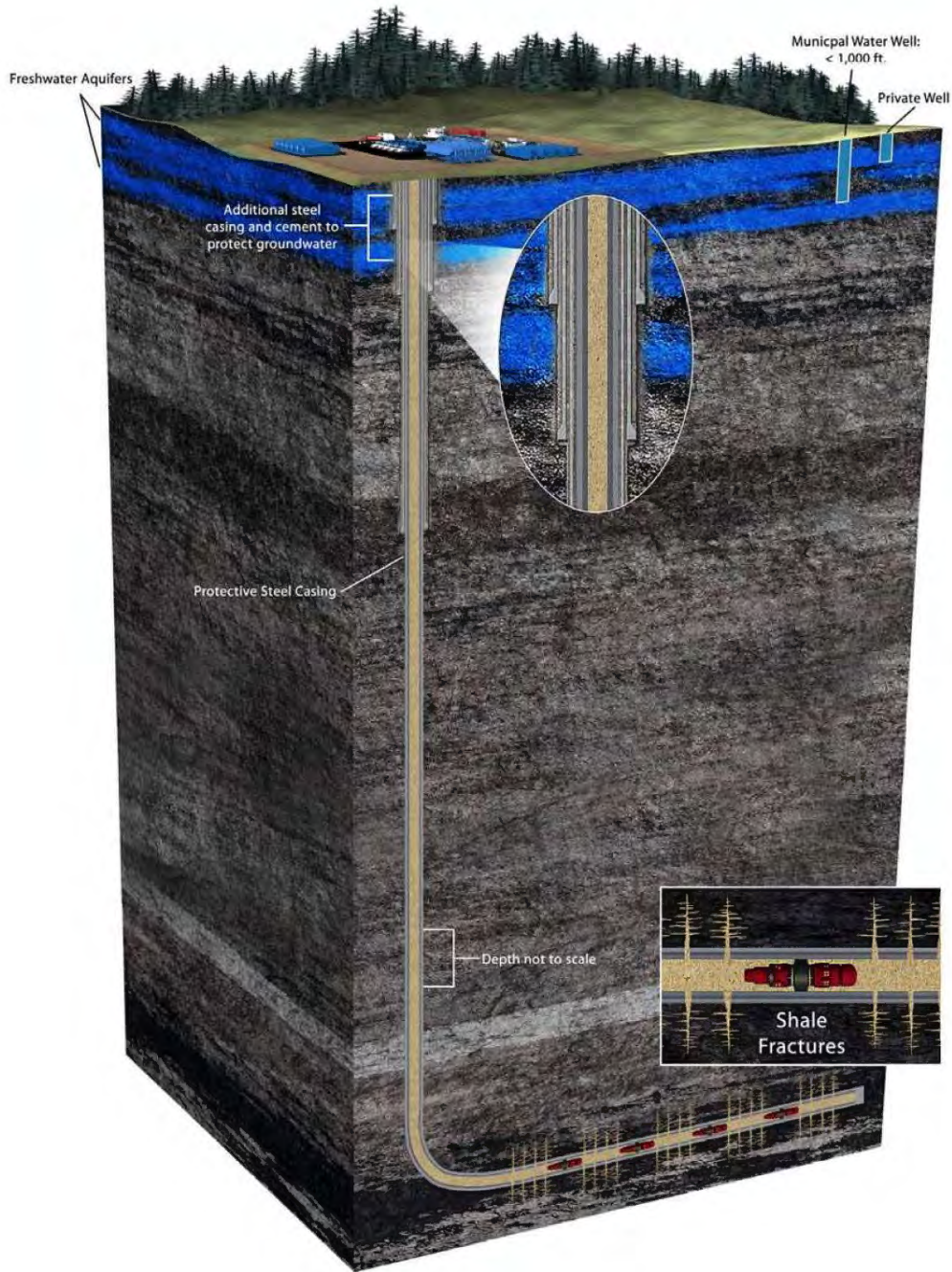
Casing is a circular pipe that serves as a structural retainer for the walls of the well. Casing typically has an outside diameter (OD) ranging from 4.5 inches to 20 inches and a length typically ranging from 34 feet to 48 feet. Casing provides a firm foundation for the drill string³⁸ by supporting the walls of the hole to prevent caving in or wall collapse both during drilling and after the well is completed. After the casing is set in the well hole, concrete is usually pumped down through the casing to the bottom of the well and then up the annulus (the space between the well wall and the casing) until the annulus is filled.

³⁶ Horizontal drilling is a variant of directional drilling in which vertical drilling within a well turns horizontal with the reservoir rock to expose more of the wellbore to the oil or natural gas. More oil and natural gas can be produced from fewer wells with less surface disturbance. American Petroleum Institute (API), “Advanced Drilling Techniques,” found at <http://www.api.org/oil-and-natural-gas-overview/exploration-and-production/natural-gas/advanced-drilling>, retrieved April 6, 2020. The number of active drilling rigs has decreased since the original investigation. On August 22, 2014, 70 percent of active rotary rigs (1,321 rigs) in the United States employed horizontal drilling, while 11 percent (209 rigs) employed directional drilling; the remaining 19 percent (366 rigs) employed vertical drilling. However, as of May 29, 2020, 90 percent of active rotary rigs (271 rigs) in the United States employed horizontal drilling, while 8 percent (23 rigs) employed directional drilling; the remaining 2 percent (7 rigs) employed vertical drilling. Baker Hughes International Inc., “North American Rotary Rig Count (Jan 2000 – Current),” May 29, 2020, found at <https://rigcount.bhge.com/na-rig-count>, retrieved June 2, 2020. The footage of onshore wells drilled in the United States *** from *** feet in 2014 to *** feet in 2019. Footage drilled was projected to *** to *** feet in 2020. ***.

³⁷ Hydraulic fracturing (commonly referred to as “fracking”) requires the high-pressure injection of a mixture of water, sand, and chemicals through the well and into the surrounding shale rock formations, creating a network of narrow fractures in the rock. The fractures allow more oil and natural gas to enter through perforations made in the casing and tubing.

³⁸ The drill string consists of three different nonsubject products: drill pipe, drill collars, and the drill bit.

Figure I-3
Casing and tubing: Horizontal drilling and hydraulic fracturing



Source: American Petroleum Institute (API), "The Facts About Hydraulic Fracturing and Seismic Activity," 2013.

Casing also serves as a surface pipe designed to prevent contamination of the recoverable oil and gas by surface water, gas, sand, or limestone. Casing must be sufficiently strong to carry its own weight, as well as to resist both external pressure and pressure within the well. Casing can be threaded at both ends and connected with other casing pieces with

couplings or connectors. Because the amount of open hole that can be drilled at any one time is limited, larger wells require a string of concentric layers of casing rather than a single casing. Several sizes of casing may be set inside the well after it has been drilled, with the larger sizes set at the top of the well, and the smaller sizes set toward the bottom.

Tubing is a smaller-diameter pipe (between 1.050–4.5 inches OD) installed inside the larger-diameter casing that is used to conduct the oil or gas to the surface, either through natural flow or through pumping. Substances such as lubricants are also pumped into the well through the tubing for well treatment. Tubing must be strong enough to support its own weight, that of the oil or gas, and that of any pumping equipment suspended on the string. Tubing, like casing, usually is produced in accordance with API specification 5CT.

The API specification 5CT designates 10 separate grades of casing and tubing, identified by a letter and a number: H40, J55, K55, N80, L80, C90, R95, T95, P110, and Q125.³⁹ The API grade letter is an arbitrary designation, while the number refers to minimum yield strength in thousands of pounds per square inch, or “ksi”.⁴⁰ In addition, an API grade may be further delineated by chemical composition, method of production (i.e., seamless or welded), dimension, heat treatment, testing procedures, and other engineering specifications, depending on customers’ requirements.⁴¹ According to industry representatives, API grades H40, J55, and K55 generally refer to carbon grades that have lower minimum yield strengths and that do not require heat treatment. API grades N80, L80, P110, and Q125 generally refer to alloy grades (due to the inclusion of additional alloying elements in the steel) that have minimum yield strengths greater than 80,000 ksi and require heat treatment. Heat treatment enhances particular physical characteristics, including greater yield and tensile strengths.

API 5CT specifications require the seamless manufacturing process for grades ***, while grades *** can be produced using either the welded seamless process.⁴² Seamless OCTG can be used to meet any API grade, while welded OCTG can be used to meet the majority of API grades, including those sold in the largest volumes in the United States.⁴³

³⁹ Techstreet Store, “API SPEC 5CT,” https://www.techstreet.com/standards/api-spec-5ct?product_id=2016190, retrieved June 3, 2020.

⁴⁰ Thus, Q125 has a higher yield strength than grade J55 or K55 (J55 and K55 differ with respect to minimum tensile strengths).

⁴¹ For example, Grade L80, type 9Cr must contain 8-10 percent chromium by weight, be produced by the seamless manufacturing process, and be tempered and quenched.

⁴² Grade *** must be produced by the seamless manufacturing process, while grade *** can be produced using either the welded seamless process. Domestic interested parties’ posthearing brief, Exhibit 4.

⁴³ Domestic interested parties’ posthearing brief, pp. I-5; Exhibits 2 and 3.

As noted above, not all OCTG requires heat treatment. For OCTG that does require heat treatment there are two categories of tubular products. Tubular products in the first category are often referred to as “green tube” (or less frequently “green pipe”) and typically meet certain basic API requirements, such as those for diameter and wall thickness. The underlying steel is produced to a customer’s specification so that the green tube can be converted into the required casing or tubing product, but the green tube itself is not sold “at grade.”

Tubular products in the second category already meet and are certified to API 5CT specifications for casing and tubing but are produced with a steel chemistry that allows them to be upgraded. Such upgradeable OCTG is sometimes referred to as green tube, but industry practice is less consistent, since the upgradeable product is certified to chemical and mechanical properties, has an API monogram, and (as discussed below) does not require heat treatment.

Upgradeable OCTG that meets the minimum specifications for lower-grade API 5CT casing and tubing (i.e., H40 and J55) can be certified to those grades and used in applications not requiring additional heat treatment.⁴⁴ Alternatively, depending on its steel composition and wall thickness, upgradeable OCTG that meets non-heat treatable API grades of casing and tubing can be subsequently heat treated to increase yield and tensile strengths in order to meet the minimum specifications for higher-grade API 5CT casing and tubing (e.g., L80 and P110).⁴⁵

Finally, finished casing and tubing typically refers to product that has been heat treated (if required), tested, threaded, and coupled.

Coupling stock is a thick-walled, seamless tubular product used to manufacture coupling blanks. Coupling blanks, in turn, are unthreaded tube blanks used to make individual couplings. Couplings are thick-walled and internally threaded seamless cylinders that are used for joining two lengths of threaded OCTG. Couplings are produced and certified to the same API grade and type as the OCTG to which the couplings are joined. Coupling typically accounts for 2-3 percent of the weight of end-finished tubing or casing.

⁴⁴ Green tube certified to these grades undergo further finishing operations, including threading.

⁴⁵ API 5CT grades H40, J55, and K55 do not require heat treatment (although grades J55 and K55 can be heat treated at the manufacture’s option). API grades N80 (types I and II), L80, C90, R95, T95, P110, and Q125 require some form of heat treatment. All grades are threaded in one form or another to finish the pipe. Domestic interested parties’ posthearing brief, pp. I-4, June 1, 2020.

(continued...)

Manufacturing processes⁴⁶

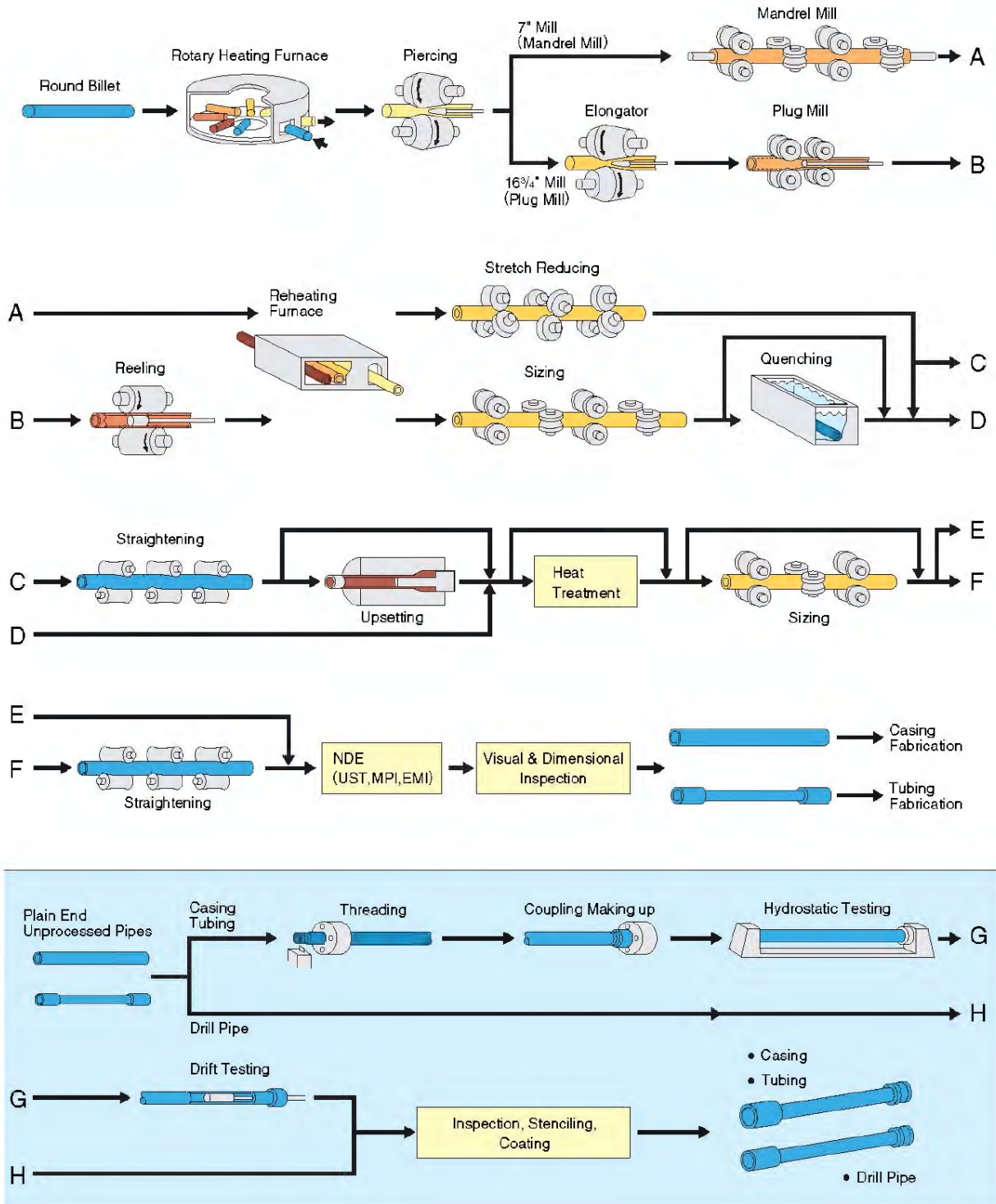
OCTG mills manufacture casing and tubing either by the seamless process or by the electric-resistance-welding (“ERW”) process, a lower-cost method than the seamless process, depending on the service requirements. By contrast, mills manufacture coupling stock for OCTG couplings exclusively through the seamless process.

Seamless OCTG is manufactured by either of two high-temperature methods to form a central cavity in a solid steel billet; namely, the rotary piercing method and the hot extrusion method. Round or square billets serve as the input for seamless tubing (figure I-4). If a square billet is used, it is first forced through a circular roll pass, which transforms the billet from square to round for the piercing operation. In the rotary piercing method, the heating billet is gripped by angled rolls, which cause the billet to rotate and advance over a piercer point, forming a hole through the length of the billet. In the extrusion method, the billet is hot punch-pierced and then extruded axially through a die and over a mandrel, forming a hollow shell. The hollow shell produced by either method is then rolled with a fixed plug or with a continuous mandrel inside the shell to reduce the wall thickness and increase the shell’s length. Finally, the shell is rolled in a sizing mill or a stretch-reducing mill where it is formed to size.

Welded OCTG is manufactured from steel sheet in coil form (figure I-5). The steel sheet is slit to the width that corresponds to the desired diameter of tube. The slit sheet passes through a series of rollers while at ambient temperature and forms a tubular shape. The edges are then heated by electric resistance and welded together by heat and pressure, without the addition of filler metal. The welding pressure causes some of the metal to be squeezed from the welding joint, forming a bead of metal on the inside and outside of the tube. This bead, or welding flash, is usually trimmed from both the outside and the inside surfaces.

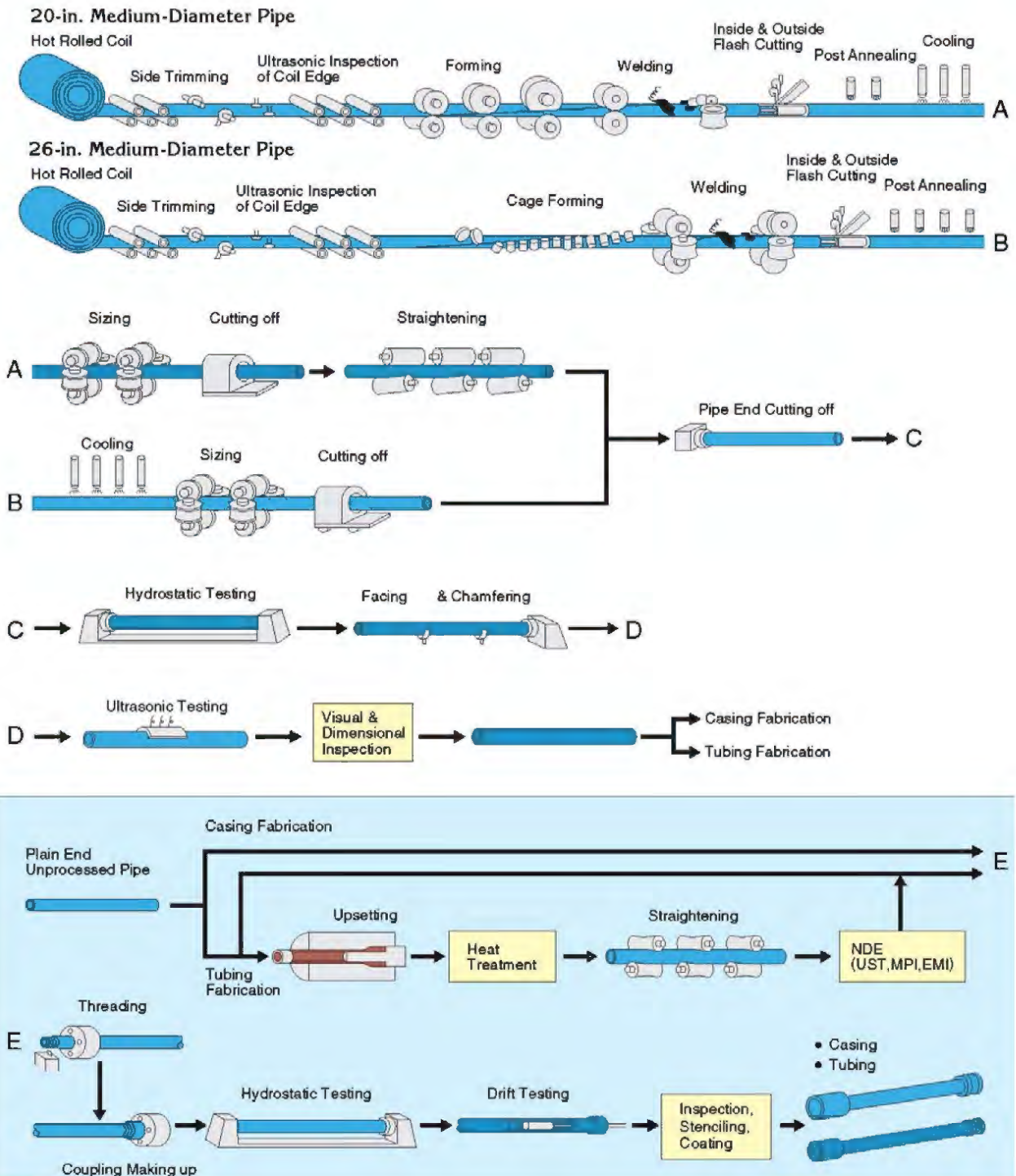
⁴⁶ Unless otherwise noted, this information is based on *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1217 and 1219-1223 (Final)*, USITC Publication 4489, September 2014, p. I-21-28.

Figure I-4
Casing and tubing: Seamless manufacturing process



Source: JFE Steel Corporation, OCTG (Product Catalog).

Figure I-5
Casing and tubing: General schematic of the ERW manufacturing process



Source: JFE Steel Corporation, OCTG (Product Catalog).

Finishing phase

After the forming phase, the pipe body is heat-treated, and its ends upset, threaded and coupled, as needed. U.S. pipe mills typically are equipped with the facilities necessary to perform these processes. Independent processors operate facilities that are capable of full-body heat treatment and that may upset pipe ends.⁴⁷ Threaders are capable of threading and coupling, hydrostatic testing, and measuring the length of OCTG products. Some processors and threaders may also manufacture couplings that become part of finished OCTG. Processors and threaders mainly serve imports, since OCTG are often imported with plain ends, and are heat treated, upset, and threaded in the United States. This approach provides the flexibility to offer casing and tubing in compliance with a variety of specifications, thus allowing them to serve a wide range of consumer needs.

Heat treatment

In the steel manufacturing process, specific engineering characteristics and mechanical properties of the steel can be achieved through the application of different heat treatments. Heat treating may involve one or more heating cycles in either a continuous or batch furnace, with controlled rates of cooling. Specific heat treating requirements depend on the grade of steel being processed. For welded pipe, the heat treatment may cover the welded seam only, or the full cross section of the pipe. API standards specify a documented procedure for every particular grade and type of pipe. API-specific heat treatment processes in the production of casing and tubing include annealing, normalizing, and quench and tempering.

Annealing is a single heat treatment process that prepares the steel for fabrication or service. The steel is heated to a temperature in or near a specific range and cooled at a predetermined rate or cycle. Annealing relieves internal residual stresses or hardness induced by welding, by cold working, or by machining.

In the normalizing process, the pipe is heated above a specific temperature, held at this temperature for a specified time, and then air-cooled. Normalizing refines the steel grain size

⁴⁷ API defines a processor as: “firm, company, or corporation that operates facilities capable of heat treating pipe made by a pipe mill.” Most processors typically perform threading operations, although many threaders do not perform processing operations. Discussion of independent threaders is limited in this report, as the Commission in recent OCTG investigations has not deemed independent threaders to be part of the domestic industry producing casing and tubing. *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Investigation Nos. 731-TA-1215-1217 and 1219-1223 (Final)*, USITC Publication 4489, September 2014, pp. 13, I-24. *Certain Oil Country Tubular Goods from China, Investigation Nos. 701-TA-463 and 731-TA-1159 (Review)*, USITC Publication 4532, May 2015, p. 23.

and obtains a carbide size and distribution that is more suitable for future heat treatment than the as-rolled structure.

Quenching and tempering is a sequential process in which the pipe is heated to a specific temperature for a specified time period to modify the steel's microstructure, and then "quenched" in a cooling medium such as water, oil, or air, depending on the thickness of the pipe. After quenching, the steel is very brittle and must be reheated and then cooled under specific conditions. This process is called "tempering." The pipe must undergo a specified process of quenching and tempering in order to qualify for certain API grades.

Depending on the pipe design, API standards may specify a single heat treatment process or combination of processes for the pipe, such as normalizing and tempering, or quenching and tempering. After heat treatment, sizing rolls shape the tube to accurate diameter tolerances. The product is cooled and then cut to length at the end of the tube mill.

Coupling stock is made to the same grade and type specifications as casing and tubing. It must also be subject to the same heat treatment as pipe, except where specified by the purchaser.

Upsetting and threading

Casing and tubing are finished by threading and the attachment of a suitable coupling to one end of each length. If additional strength in the joint is required, such as for some casing or tubing that is subject to severe or sour service,⁴⁸ the ends of the pipe are upset before threads are cut. In the upsetting process, the end of the pipe is heated to forging temperature, and then inserted endwise into an upsetting machine. The machine pushes the hot metal back, creating a thicker wall at the end of the pipe. The upsetting may be controlled to displace the extra thickness to the inside or the outside of the pipe.

Casing and tubing can be joined directly using male (outer) and female (inner) threading, or by using couplings with female threads on each end. Typically, the pipe is mounted on a lathe and threads are cut by using sharp steel cutting tools (called chasers), which are mounted on a threading die surrounding the pipe. As the pipe is turned on the lathe, the threading die moves along the pipe's axis, producing the required spiral cut on the inner or outer surface of the pipe. Threading can be made to meet API standards, or made to proprietary standards that

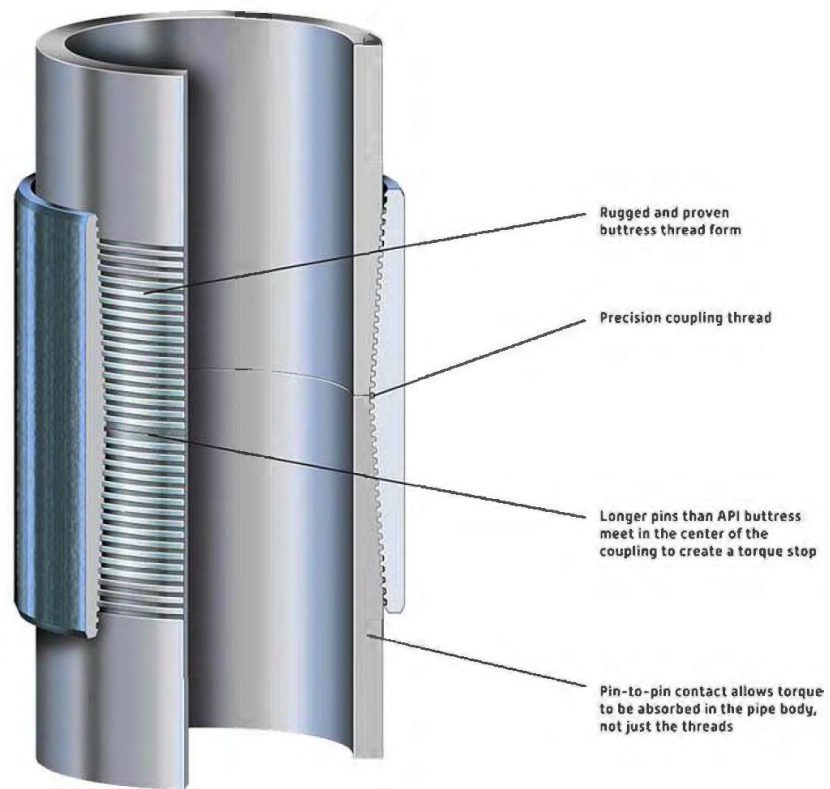
⁴⁸ Sour crude oil or sour gas is defined as an oil/gas containing common impurities such as water, carbon dioxide, hydrogen sulfide, and oxygen, which are mixed in with the oil/gas during extraction. These impurities corrode or cause cracking in steel; albeit, without any observable change in appearance prior to failure.

are designed, registered, and protected by patents or other intellectual property rights mechanism and that are not specified by API standards. For instance, OCTG producers may market proprietary “semi-premium” or “premium” threaded connections that provide higher torsional loads, bending resistance, or greater sealability for casing in challenging drilling environments. Premium threaded connections generally refer to OCTG connections that have a metal-to-metal, gas type seal to ensure pressure integrity. Semi premium connections generally refer to connections that do not have a metal-to-metal seal, yet maintain water-type sealability, and thus may be used in less demanding wells with no gas-type sealability requirements. Examples of threaded and coupled semi premium and premium connections are shown in figures I-6 and I-7. After threading, a thread protector is applied to the threaded pipe ends during handling, transportation, or storage.⁴⁹

⁴⁹ Threading can be performed after transportation to avoid damage caused by movement, water, or weather. Damaged threads can cause expensive ruptures of the pipe string in casing and tubing applications where pipes are connected to one another by threaded joints.

Figure I-6
Casing and tubing: Threaded and coupled semi-premium connection

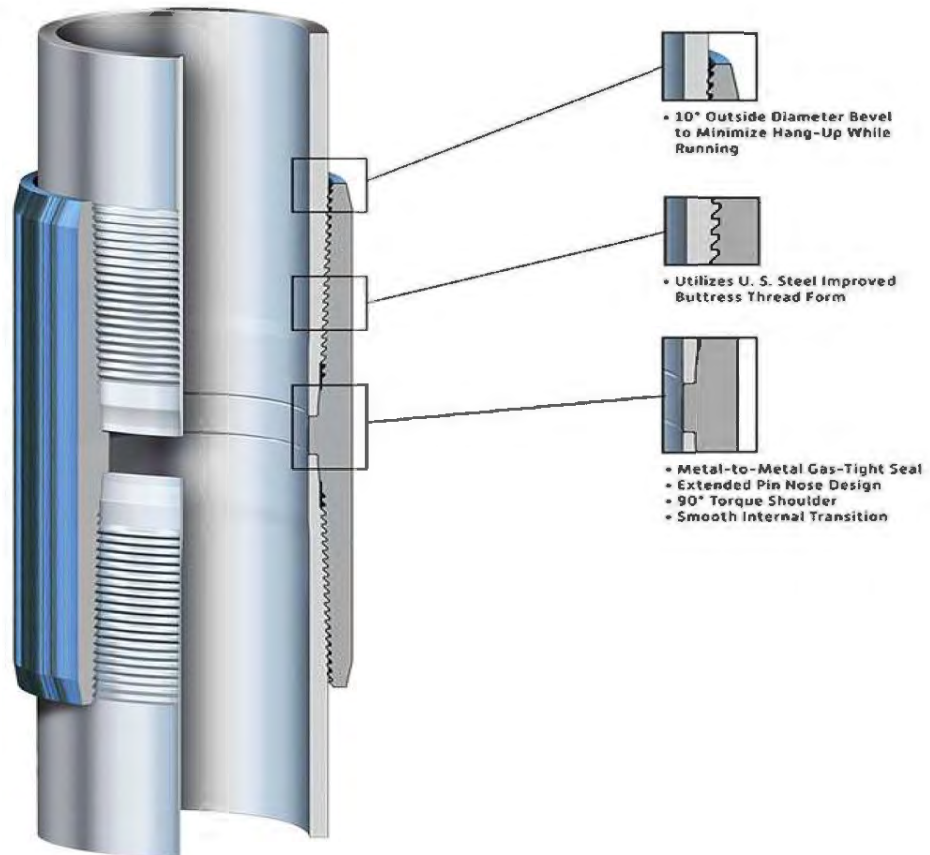
USS-CDC™



Source: U.S. Steel Tubular Products, found at <http://usstubular.com/octg-products-and-services/octgconnections>, retrieved June 18, 2014.

Figure I-7
Casing and tubing: Threaded and coupled premium connection

USS-Patriot EBM™



Source: U.S. Steel Tubular Products, found at <http://usstubular.com/octg-products-and-services/octgconnections>,
retrieved June 18, 2014.

Domestic like product issues

In its original determinations, the Commission defined a single domestic like product consisting of all OCTG, coextensive with the scope.⁵⁰ The Commission considered ILJIN Steel Corporation's request to treat "green tubes subject to heat treatment in the United States prior to sale to the merchant market" as a separate domestic like product. The Commission found that there was not a clear dividing line between green tubes and finished OCTG and did not find them to be separate domestic like products.⁵¹ Additionally, the Commission defined the domestic industry to include all U.S. producers of OCTG, including both mills that produce OCTG and processors that engage in heat treatment.⁵²

In its notice of institution in these current five-year reviews, the Commission solicited comments from interested parties regarding what they deemed to be the appropriate definitions of the domestic like product and domestic industry and inquired as to whether any related party issues existed. The domestic interested parties agreed with the Commission's definitions of the domestic like product and the domestic industry from the original investigations.⁵³ Additionally, the domestic interested parties stated that the Commission should consider Borusan to be a related party and may exclude them from the domestic industry.⁵⁴

Respondent interested party, Borusan, indicated that it is evaluating issues relating to the domestic like product and the domestic industry and may address them at a later date if necessary.⁵⁵ Respondent interested party Interpipe does not have any comments on the definition of the domestic like product and the domestic industry.⁵⁶ The Government of Turkey does not disagree with the Commission's definitions of the domestic like product and the domestic industry and the Government of Ukraine does not have any statements on the

⁵⁰ *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1217 and 1219-1223 (Final)*, USITC Publication 4489, September 2014, pp. 13-17. The Commission rejected respondent ILJIN's argument that green tubes subject to heat treatment in the United States prior to sale to the merchant market should be treated as a separate like product from finished OCTG.

⁵¹ *Ibid.*, pp. 16-17.

⁵² *Ibid.*, pp. 19-20.

⁵³ Domestic interested parties' prehearing brief, pp. 17-19, May 12, 2020.

⁵⁴ Domestic interested parties' prehearing brief, pp. 21-24, May 12, 2020.

⁵⁵ *Substantive Response* of respondent interested party Borusan, July 3, 2019, p. 5.

⁵⁶ *Substantive Response* of respondent interested party Interpipe, July 3, 2019, p. 11.

definitions of the domestic like product and domestic industry at this time.⁵⁷ No party requested the Commission collect additional information regarding the domestic like product and/or a separate like product.

U.S. market participants

U.S. producers

During the original investigations, 17 firms (mills and processors) supplied the Commission with information on their U.S. operations with respect to OCTG. These firms accounted for the vast majority of U.S. production of OCTG in 2013.⁵⁸ In these current reviews, based on information provided by the domestic interested parties in their notice of institution, active API 5CT licenses through the API composite list, and through general staff research, the Commission issued U.S. producers' questionnaires to 38 firms, 12 of which provided the Commission with information on their OCTG operations.⁵⁹ These firms are believed to account for the large majority of U.S. production of OCTG in 2019. Presented in table I-7 is a list of current domestic producers (including mills and processors) of OCTG and each company's position on continuation of the orders, production location(s), and share of reported production of OCTG in 2019. Table I-8 presents a listing of U.S. producers' ownership and related and/or affiliated firms.

⁵⁷ *Supplemental Substantive Response* of the Government of Turkey, July 12, 2019, p. 3; and *Supplemental Substantive Response* of the Government of Ukraine, July 12, 2019, p. 14.

⁵⁸ The 17 U.S. producers that supplied the Commission with usable questionnaire information during the original investigations were: Boomerang Tube, Drill Pipe International, EnergeX Tube, Evraz Rocky Mountain, Laguna Tubular Products, Maverick, Northwest Pipe, Paragon Industries, RDT, Tejas Tubular, Texas Steel Conversion, Texas Tubular, TMK IPSCO, Tubular Services, U.S. Steel, Vallourec, and Welded Tube USA.

⁵⁹ U.S. producer *** provided a questionnaire response. However, staff deemed it unusable due to reporting inconsistencies.

Several mills and processors (Paragon Industries, Tejas Tubular, and Texas Tubular) did not provide timely usable data to the Commission. Combined, these firms accounted for approximately *** percent of mill operations and *** percent of processor operations in 2013. In addition, SeAH Steel USA, has been identified as U.S. producer during the course of these reviews (having acquired OMK's U.S. mill and the Laguna Tubular processing facility) and did not provide the Commission with usable information. Multiple attempts of communication were made with these firms; however, they were unsuccessful.

Table I-7

OCTG: U.S. producers, their position on the continuation of orders, location of production, and share of reported production, 2019

Firm	Position on continuation of orders	Production location(s)	Share of mill production (percent)	Share of toll processor production (percent)
Axis	***	Bryan, TX	***	***
Benteler	***	Shreveport, LA	***	***
Boomerang	***	Liberty, TX Houston, TX	***	***
Borusan	***	Baytown, TX	***	***
EVRAZ	***	Pueblo, CO	***	***
IPSCO	***	Blytheville, AR Ambridge, PA Koppel, PA	***	***
Paragon Industries	***	Sapulpa, OK Muskogee, OK	***	***
SeAH Steel USA	***	Houston, TX Houston, TX	***	***
Tenaris	***	Blytheville, AR Conroe TX Houston, TX Bay City, TX Koppel, PA Ambridge, PA	***	***
Tejas Tubular	***	Houston, TX Stephenville, TX New Carlisle, IN	***	***
Texas Tubular	***	Lone Star, TX	***	***
TSC	***	Houston, TX Houston, TX Houston, TX Bryan, TX	***	***
Tubular Services	***	Channelview, TX Houston, TX	***	***
U.S. Steel	***	Fairfield, AL Lorain, OH Lone Star, TX	***	***
Vallourec	***	Youngstown, OH Houston, TX Muskogee, OK	***	***
Welded Tube	***	Lackawanna, NY	***	***
Zekelman Industries	***	Thomasville, AL Warren, OH Blytheville, AR Niles, OH	***	***
Total			***	***

Note: The above does not include a distinct breakout on ***.

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

Table I-8

OCTG: U.S. producers' ownership, related and/or affiliated firms

Item / Firm	Firm Name	Affiliated/Ownership
Ownership:		
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
Related importers/exporters:		
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

Table continued on next page.

Table I-8--Continued

OCTG: U.S. producers' ownership, related and/or affiliated firms

Item / Firm	Firm Name	Affiliated/Ownership
Related producers:		
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

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

As indicated in table I-8, seven U.S. producers are related to foreign producers of the OCTG. Additionally, five U.S. producers are related to U.S. importers that import OCTG from nonsubject sources, while one U.S. producer is related to a U.S. importer that imports OCTG from subject sources. In addition, as discussed in greater detail in Part III, eight U.S. producers directly import OCTG from subject or nonsubject sources and one U.S. producer purchases OCTG from U.S. importers and U.S. producers.⁶⁰

U.S. importers

In the original investigations, 47 U.S. importers supplied the Commission with usable information on their operations involving the importation of OCTG, accounting for 67.8 percent of total imports from India, 97.0 percent of total imports from Korea, 82.7 percent of total imports from Turkey, all imports from Ukraine, 87.0 percent of total imports from Vietnam, and 88.4 percent of total imports from all other sources during 2013. Of the responding U.S. importers, five were also domestic producers: EnergeX Tube, Evraz Rocky Mountain, TMK IPSCO, Vallourec, and Welded Tube USA.

In these current reviews, the Commission issued U.S. importers' questionnaires to 93 firms believed to be importers of OCTG, as well as to all U.S. producers of OCTG. Usable questionnaire responses were received from 32 firms, representing 0.0 percent of U.S. imports from India, 17.4 percent of U.S. imports from Korea, 101.9 percent of U.S. imports from Turkey, 74.6 percent of U.S. imports from Ukraine, and 0.0 percent of U.S. imports from Vietnam.⁶¹ Table I-9 lists all responding U.S. importers of OCTG of subject countries, their locations, and their shares of U.S. imports in 2019, while table I-10 presents information concerning U.S. importers shares of total imports by source in 2019.

⁶⁰ U.S. producer, ***, purchased unfinished product from U.S. importer *** and U.S. producer *** totaling *** short tons during 2019.

⁶¹ According to official import statistics, reported imports from India during 2019 were relatively modest compared to imports during prior years for which data were collected for this proceeding. Four U.S. importers (***) reported imports of OCTG from India for years prior to 2019.

***.

The principal U.S. importers of imports from Korea during 2019 based on *** were ***. Multiple attempts of communication were made with these firms but were unsuccessful.

The principal U.S. importer of imports from Vietnam during 2019 based on *** was ***. Multiple attempts of communication were made with this firm but were unsuccessful.

Table I-9

OCTG: U.S. importers, U.S. headquarters, and shares of subject imports by source in 2019

Firm	Headquarters	Share of imports by source (percent)				
		India	Korea	Turkey	Ukraine	Vietnam
ArcelorMittal	Chicago, IL	***	***	***	***	***
Atlas Tubular	Robstown, TX	***	***	***	***	***
Axis	Bryan, TX	***	***	***	***	***
Benteler	Houston, TX	***	***	***	***	***
Borusan	Baytown, TX	***	***	***	***	***
CMC	Irving, TX	***	***	***	***	***
CSP	Dallas, TX	***	***	***	***	***
CPW America	Houston, TX	***	***	***	***	***
EVRAZ	Chicago, IL	***	***	***	***	***
Husteel	Houston, TX	***	***	***	***	***
IPSCO	Houston, TX	***	***	***	***	***
JFE Shoji	Long Beach, CA	***	***	***	***	***
Marubeni	Houston, TX	***	***	***	***	***
NOV	Houston, TX	***	***	***	***	***
Nexgen	Gardena, CA	***	***	***	***	***
Interpipe	Houston, TX	***	***	***	***	***
OFS	Houston, TX	***	***	***	***	***
OMK	Houston, TX	***	***	***	***	***
Optima Steel	Concord, CA	***	***	***	***	***
Salzgitter	Houston, TX	***	***	***	***	***
SDB	Houston, TX	***	***	***	***	***
Shinsho	Novi, MI	***	***	***	***	***
Stemcor	Fort Lauderdale, FL	***	***	***	***	***
Sumitomo	Houston, TX	***	***	***	***	***
Tata Steel	Schaumburg, IL	***	***	***	***	***
Tenaris	Houston, TX	***	***	***	***	***
Thyssenkrupp	Southfield, MI	***	***	***	***	***
Toyota Tsusho	Georgetown, KY	***	***	***	***	***
Vallourec STAR, L.P.	Houston, TX	***	***	***	***	***
Vallourec USA Corporation.	Houston, TX	***	***	***	***	***
Voestalpine	Houston, TX	***	***	***	***	***
Welded Tube	Concord, ON	***	***	***	***	***
Total		***	***	***	***	***

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

Table I-10

OCTG: U.S. importers, U.S. headquarters, and shares of total imports by source in 2019

Firm	Headquarters	Share of imports by source (percent)		
		Subject sources	Nonsubject sources	All import sources
ArcelorMittal	Chicago, IL	***	***	***
Atlas Tubular	Robstown, TX	***	***	***
Axis	Bryan, TX	***	***	***
Benteler	Houston, TX	***	***	***
Borusan	Baytown, TX	***	***	***
CMC	Irving, TX	***	***	***
CSP	Dallas, TX	***	***	***
CPW America	Houston, TX	***	***	***
EVRAZ	Chicago, IL	***	***	***
Husteel	Houston, TX	***	***	***
IPSCO	Houston, TX	***	***	***
JFE Shoji	Long Beach, CA	***	***	***
Marubeni	Houston, TX	***	***	***
NOV	Houston, TX	***	***	***
Nexgen	Gardena, CA	***	***	***
Interpipe	Houston, TX	***	***	***
OFS	Houston, TX	***	***	***
OMK	Houston, TX	***	***	***
Optima Steel	Concord, CA	***	***	***
Salzgitter	Houston, TX	***	***	***
SDB	Houston, TX	***	***	***
Shinsho	Novi, MI	***	***	***
Stemcor	Fort Lauderdale, FL	***	***	***
Sumitomo	Houston, TX	***	***	***
Tata Steel	Schaumburg, IL	***	***	***
Tenaris	Houston, TX	***	***	***
Thyssenkrupp	Southfield, MI	***	***	***
Toyota Tsusho	Georgetown, KY	***	***	***
Vallourec STAR, L.P.	Houston, TX	***	***	***
Vallourec USA Corporation.	Houston, TX	***	***	***
Voestalpine	Houston, TX	***	***	***
Welded Tube	Concord, ON	***	***	***
Total		***	***	***

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

U.S. purchasers

The Commission received 21 usable questionnaire responses from firms that bought OCTG since January 1, 2014. Sixteen responding purchasers are end users, six are distributors (including two purchasers that identified as master distributors, and one that identified as a trading company). In general, responding U.S. purchasers were located in the central Southwest. The responding purchasers primarily represented firms in the oil and natural gas extraction industry. The largest responding purchasers were ***, followed by ***.

Apparent U.S. consumption and market shares

Data concerning apparent U.S. consumption and market shares of OCTG are presented in table I-11. U.S. mill shipments and U.S. imports declined sharply between 2014 and 2016, then partially recovered between 2017 and 2019. U.S. producers' market share fluctuated between 2014 and 2019 but increased overall.

Table I-11
OCTG: Apparent U.S. consumption and market shares, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. producers' U.S. shipments	3,813,492	1,577,897	1,153,130	2,420,832	3,092,618	3,007,270
U.S. imports from.--						
India	47,950	61,723	7,093	9,423	3,637	777
Korea	1,575,866	678,730	345,997	1,150,842	504,222	450,982
Turkey	96,749	56,254	28,402	67,811	58,226	52,286
Ukraine	47,829	18,930	4,416	41,246	88,195	112,609
Vietnam	22,211	---	---	5,085	25,341	44,134
Subject sources	1,790,605	815,637	385,908	1,274,408	679,620	660,787
Nonsubject sources	2,019,667	1,336,226	720,548	2,105,781	2,047,804	1,606,413
All import sources	3,810,272	2,151,863	1,106,456	3,380,189	2,727,424	2,267,200
Apparent consumption	7,623,764	3,729,760	2,259,586	5,801,021	5,820,042	5,274,470
	Value (1,000 dollars)					
U.S. producers' U.S. shipments.--						
Fully domestic value	6,192,440	2,327,789	1,228,496	3,108,763	4,588,509	4,335,719
Incremental value from heat treating imports	***	***	***	***	***	***
Total value	***	***	***	***	***	***
U.S. imports from.--						
India	58,913	70,148	5,884	7,501	3,674	637
Korea	1,430,443	601,871	198,308	844,605	426,969	398,963
Turkey	83,552	49,663	16,343	50,356	55,097	45,992
Ukraine	59,768	23,519	3,012	31,763	84,395	120,849
Vietnam	17,729	---	---	3,762	22,882	45,181
Subject sources	1,650,405	745,201	223,547	937,988	593,017	611,623
Nonsubject sources	3,002,347	1,985,304	802,582	2,169,428	2,590,494	2,033,519
All import sources	4,652,753	2,730,506	1,026,129	3,107,415	3,183,510	2,645,142
Apparent consumption	***	***	***	***	***	***

Table continued on next page.

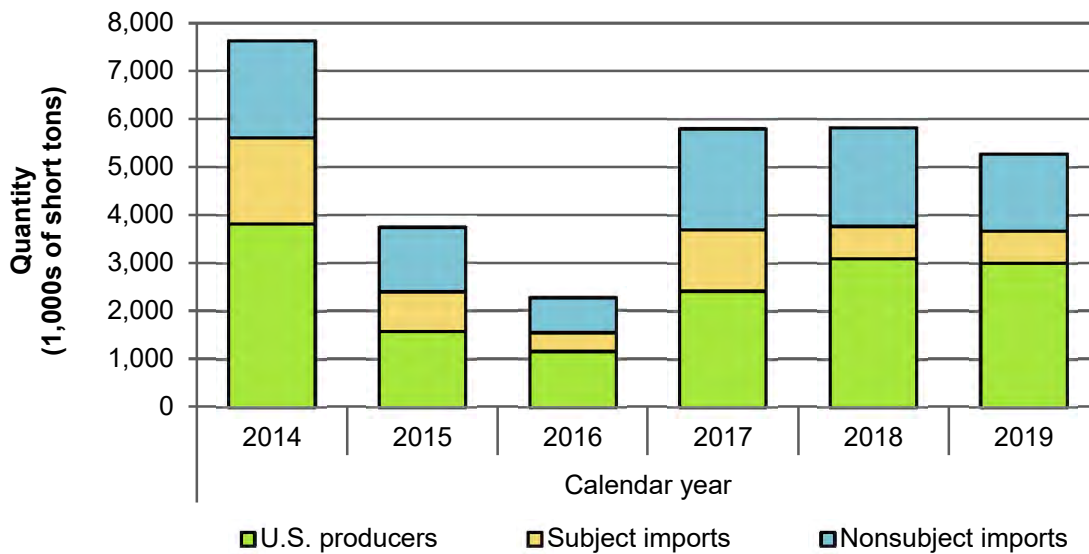
Table I-11--Continued
OCTG: Apparent U.S. consumption and market shares, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Share of quantity (percent)					
U.S. producers' U.S. shipments	50.0	42.3	51.0	41.7	53.1	57.0
U.S. imports from.--						
India	0.6	1.7	0.3	0.2	0.1	0.0
Korea	20.7	18.2	15.3	19.8	8.7	8.6
Turkey	1.3	1.5	1.3	1.2	1.0	1.0
Ukraine	0.6	0.5	0.2	0.7	1.5	2.1
Vietnam	0.3	---	---	0.1	0.4	0.8
Subject sources	23.5	21.9	17.1	22.0	11.7	12.5
Nonsubject sources	26.5	35.8	31.9	36.3	35.2	30.5
All import sources	50.0	57.7	49.0	58.3	46.9	43.0
Apparent consumption	100.0	100.0	100.0	100.0	100.0	100.0
	Share of value (percent)					
U.S. producers' U.S. shipments.--						
Fully domestic value	***	***	***	***	***	***
Incremental value from heat treating imports	***	***	***	***	***	***
Total value	***	***	***	***	***	***
U.S. imports from.--						
India	***	***	***	***	***	***
Korea	***	***	***	***	***	***
Turkey	***	***	***	***	***	***
Ukraine	***	***	***	***	***	***
Vietnam	***	***	***	***	***	***
Subject sources	***	***	***	***	***	***
Nonsubject sources	***	***	***	***	***	***
All import sources	***	***	***	***	***	***
Apparent consumption	100.0	100.0	100.0	100.0	100.0	100.0

Note: Quantity for U.S. producers' U.S. shipments reflects mills' U.S. shipment quantities. Value for U.S. producers' U.S. shipments reflects OCTG products sold in the United States from domestically manufactured OCTG (including the value of toll processing on domestic OCTG), as well as the incremental value to imported OCTG from U.S.-domiciled heat treatment (i.e., it excludes the value of the unprocessed imported OCTG used in domestic processing activities). In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020.

Figure I-8
OCTG: U.S. apparent consumption, 2014-19



Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020.

Part II: Conditions of competition in the U.S. market

U.S. market characteristics

Welded and seamless OCTG includes casing and tubing for use in oil and natural gas exploration and production. As a result, the demand for OCTG is closely associated with the amount of activity in these sectors. Both vertical drilling and horizontal drilling employ casing for structural integrity and tubing for liquid and gas flow (including traditional extraction and hydraulic fracturing or “fracking,” which requires a high-pressure injection of fracturing fluid into the well). As the use of hydraulic fracturing increases, so do the number of rigs and total footage of wells drilled. The amount of OCTG used in hydraulic fracturing can be greater than that used in traditional vertical wells.

Apparent U.S. consumption of OCTG decreased overall during January 2014-December 2019. During 2014-16, apparent U.S. consumption declined by 70 percent, rebounded in 2017, and decreased again in 2018 and 2019. Overall, apparent U.S. consumption in 2019 was approximately 31 percent lower than in 2014.

Five of 9 responding U.S. producers¹ and 10 of 29 importers² reported that there have been changes in the product range, product mix, or marketing of OCTG since January 1, 2014. U.S. producer and importer *** and importer *** reported that generally the product mix has moved to smaller diameter pipes to drill oil and gas wells with long lateral lengths, and U.S. producers *** and multiple importers reported that there has been a shift toward proprietary grades, semi-premium, and premium connections. Other importers reported that some operators have moved to lower grade materials, different OD sizes and requiring advanced grades with lower wall thicknesses for required performance properties while consuming less steel. Many firms anticipate that these trends will continue.

Firms were asked if the imposition of tariffs or other restrictions on imported steel and aluminum products associated with section 232 had an impact on the OCTG market in the United States (table II-1). Almost all U.S. producers and most importers and purchasers reported that section 232 tariffs did have an impact on the OCTG market. Most U.S. producers

¹ The following analysis includes a total of 12 U.S. producers. In cases where not all U.S. producers have responded to a specific question, only the number of U.S. producers that responded to that question are presented.

² The following analysis includes a total of 32 importers. In cases where not all U.S. importers have responded to a specific question, only the number of importers that responded to that question are presented.

and importers reported an increase in the supply of domestic OCTG and most purchasers reported either experiencing an increase or no change in the supply of domestic OCTG. Most U.S. producers, importers, and purchasers experienced a decrease in the supply of imported OCTG. Most purchasers reported experiencing increased OCTG prices, while U.S. producers and importers most frequently reported fluctuating prices.

Domestic interested parties argue that section 232 tariffs have been “helpful” to OCTG producers but that they have not insulated the industry from subject imports, and also argue that “there is no incentive to sell at higher prices by reason of 232 duties” but that existing AD/CVD duties have had a “price-stabilizing effect.”³

Table II-1
OCTG: U.S. producers’, importers’, and purchasers’ reported impact of section 232 tariffs on steel and aluminum

Item	Increase	No change	Decrease	Fluctuate
Producers				
Impact of 232				
Supply of domestic OCTG	6	2	1	---
Supply of imported OCTG	---	---	7	1
Prices of OCTG	2	1	1	5
Overall demand in market	1	4	4	---
Importers				
Impact of 232				
Supply of domestic OCTG	15	4	1	5
Supply of imported OCTG	---	3	16	7
Prices of OCTG	5	5	5	12
Overall demand in market	2	9	7	8
Purchasers				
Impact of 232				
Supply of domestic OCTG	7	7	2	1
Supply of imported OCTG	1	2	10	4
Prices of OCTG	10	2	2	4
Overall demand in market	1	8	5	4

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

³ Hearing transcript, p .70 (Getlan); domestic interested parties’ posthearing brief, pp. II-35-36.

U.S. purchasers

The Commission issued questionnaires to 134 purchasers⁴ and received responses from 21 firms that had purchased OCTG since January 2014.⁵ Sixteen responding purchasers are end users, six are distributors (including two purchasers that identified as master distributors, and one that identified as a trading company).⁶ In general, responding U.S. purchasers were located in the Central Southwest. The responding purchasers primarily represented firms in the oil and natural gas extraction industry, and purchasers reported selling to other distributors, end users in the oil and gas exploration, supply houses, and foundation contractors.

The largest responding purchasers were ***, followed by **. Sixteen purchasers reported that they had purchased OCTG produced in subject countries before the issuance of subject antidumping and countervailing duty orders. In 2019, however, approximately 70 percent of reported purchases were of U.S.-produced OCTG and approximately 20 percent of reported purchases were of OCTG from nonsubject sources. Most of the remaining purchases were of Korean OCTG. Purchasers most frequently reported purchasing finished OCTG and/or OCTG at the final API/proprietary grade, but still requiring end-finishing.⁷

Channels of distribution

U.S. producers and importers sold mainly to distributors, as shown in table II-2. Importers of OCTG from Korea, Turkey, Ukraine, and Vietnam sold *** to distributors, while some OCTG from India was sold to *** during 2014-19. Imports of OCTG from nonsubject countries were also mostly shipped to distributors, but several importers also reported some shipments to processors and end users.

⁴ This number includes some firms which had multiple contacts.

⁵ Of the 21 responding purchasers, 17 purchased the domestic OCTG, 12 purchased OCTG from Korea, 5 purchased OCTG from Turkey, 6 purchased OCTG from Ukraine, and 8 purchased OCTG from Vietnam. No responding purchasers reported purchasing OCTG from India. Eighteen purchasers reported purchasing OCTG from nonsubject countries including Austria, Argentina, Brazil, Borneo, Canada, China, the Czech Republic, France, Germany, Greece, Italy, Japan, Malaysia, Mexico, Philippines, Romania, Russia, Saudi Arabia, South Africa, Spain, Taiwan, Thailand, and the United Kingdom.

⁶ Ten of 19 responding purchasers reported that they may sometimes compete for sales with the manufacturers or importers from which they purchase OCTG.

⁷ Sixteen purchasers reported purchasing finished OCTG from domestic sources, and 12 purchasers reported purchasing finished OCTG from subject sources in 2019. Seven purchasers reported purchasing OCTG at the final API/proprietary grade, but requiring end-finishing from domestic sources, and five purchasers reported purchasing OCTG requiring end-finishing from subject sources.

Table II-2

OCTG: U.S. producers' and importers' share of reported U.S. shipments, by sources and channels of distribution, January 2014-December 2019

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Share of U.S. shipments (percent)					
U.S. producers: to Distributors	92.8	88.5	86.6	88.5	84.8	83.2
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: India to Distributors	***	***	***	***	***	***
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: Korea to Distributors	***	***	***	***	***	***
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: Turkey to Distributors	***	***	***	***	***	***
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: Ukraine to Distributors	***	***	***	***	***	***
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: Vietnam to Distributors	***	***	***	***	***	***
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***
U.S. importers: Nonsubject sources to Distributors	84.7	82.2	72.0	72.3	66.5	65.3
to Processors	***	***	***	***	***	***
to End users	***	***	***	***	***	***

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

Geographic distribution

U.S. producers reported selling OCTG to all regions in the contiguous United States (table II-3). Imported OCTG from Korea was sold throughout all regions in the United States, while imports from other subject countries were focused in particular regions. Imports of OCTG from *** were sold in all regions except the Southeast and imports of OCTG from *** were sold in all regions except the Mountains. Imports for OCTG from India were focused in the Midwest, Central Southwest and Pacific Coast, and imports of OCTG from *** were focused in the Midwest and Central Southwest.

Table II-3**OCTG: Geographic market areas in the United States served by U.S. producers and importers**

Region	U.S. producers	India	Korea	Turkey	Ukraine	Vietnam	Subject sources
Northeast	9	---	1	***	***	***	2
Midwest	8	1	1	***	***	***	2
Southeast	6	---	1	***	***	***	2
Central Southwest	9	2	4	***	***	***	7
Mountains	8	---	1	***	***	***	2
Pacific Coast	6	2	2	***	***	***	5
Other ¹	3	---	---	***	***	***	---
All regions (except Other)	5	---	1	***	***	***	1
Reporting firms	10	4	4	1	2	1	8

Note: Regions are defined as follows: Northeast (CT, ME, MA, NH, NJ, NY, PA, RI, and VT), Midwest (IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, and WI), Southeast (AL, DE, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA, and WV), Central Southwest (AR, LA, OK, and TX), Mountains (AZ, CO, ID, MT, NV, NM, UT, and WY), Pacific Coast (CA, OR, and WA). Other is all other U.S. markets, including AK, HI, PR, and VI.

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

For both U.S. producers and importers, approximately half of sales were between 101 and 1,000 miles of their production facilities. Most of U.S. producers' remaining sales shipped over 1,000 miles of their production facilities, while most U.S. importers' remaining sales were shipped between zero and 100 miles of point of importation or storage facility.

Supply and demand considerations

U.S. supply

Table II-4 provides a summary of the supply factors regarding OCTG from U.S. producers and from subject countries. No questionnaire data were received from foreign producers in Korea, Turkey, or Vietnam, so data are limited. However, based on available data, staff believe that U.S. producers and producers of OCTG from subject countries have the ability to respond to changes in demand with at least moderately large changes in the quantity of shipments to the U.S. market.

Table II-4

OCTG: Supply factors that affect the ability to increase shipments to the U.S. market

Item	Mill capacity (1,000 short tons)		Capacity utilization (percent)		Inventories as a ratio to total shipments (percent)		Home market shipments in 2019 (percent)	Shipments other than exports to the United States 2019 (percent)	Ability to shift to alternate product (number of firms reporting yes)
	2014	2019	2014	2019	2014	2019			
United States	5,845	6,329	69.4	46.5	***	***	***	***	7 of 10
India	***	***	***	***	***	***	***	***	1 of 2
Korea	***	***	***	***	***	***	***	***	0 of 0
Turkey	***	***	***	***	***	***	***	***	0 of 0
Ukraine	***	***	***	***	***	***	***	***	1 of 1
Vietnam	***	***	***	***	***	***	***	***	0 of 0

Note: Responding U.S. producers accounted for the large majority of U.S. production of OCTG in 2019. Responding foreign producer/exporter firms accounted for the majority of production in India and Ukraine; the Commission received no responses from producers in Korea, Turkey, and Vietnam. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, “Summary Data and Data Sources.”

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

Domestic production

Based on available information, U.S. producers of OCTG have the ability to respond to changes in demand with large changes in the quantity of shipments of U.S.-produced OCTG to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, the availability of inventories, and the ability to shift production to or from alternate products.

U.S. producers’ capacity increased between 2014 and 2019, while production dropped sharply in 2015 and 2016. Production increased during 2017-19 to reach levels at approximately 73 percent of production levels in 2014. Capacity utilization dropped over the period. Export shipments as a share of total shipments also decreased over the period to less than 1 percent in 2019. Primary export markets were Canada and Mexico. U.S. producers reported export constraints including local content rules, high transportation costs, and competition with lower-cost third countries and local producers.

Other products that producers reportedly can produce on the same equipment as OCTG include line pipe and mechanical pipe. U.S. producers reported that market conditions such as demand, price, and inventory levels affect their decision to shift production between OCTG and other products, and that shifting production requires minimal cost and down time. U.S.

producer *** reported that it may have some bottlenecks for certain production sizes and that some processes must be outsourced due to limited capacity and ***.

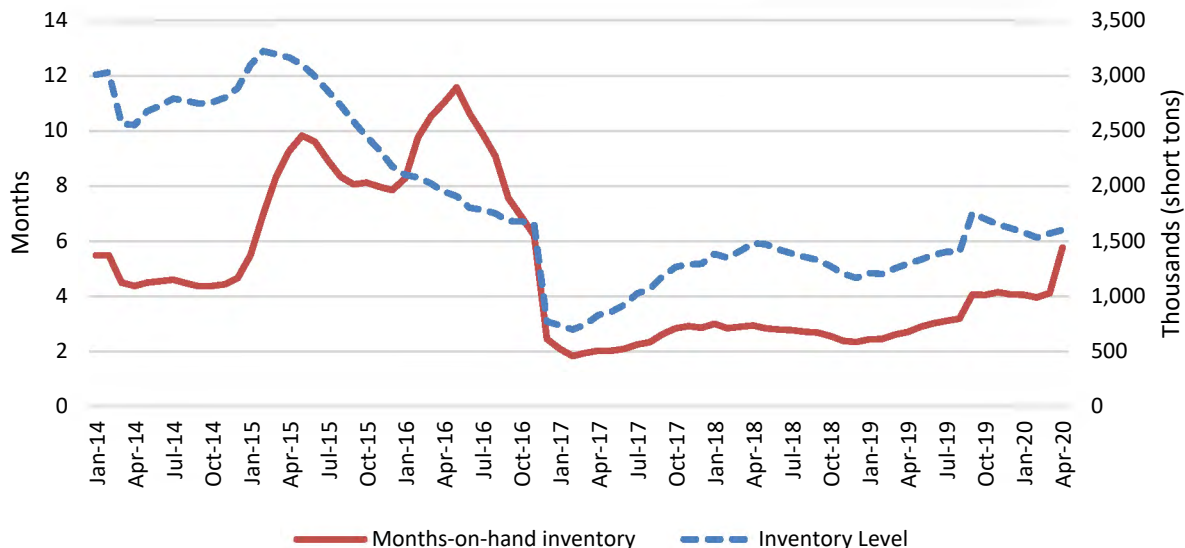
Inventories as a ratio to total shipments increased from *** percent in 2014 to *** percent in 2019 and were slightly higher than during the original investigations.⁸ Domestic interested parties suggested that normally, the OCTG market would have 3 to 6 months' worth of inventory on hand but calculated that the U.S. market currently has enough finished OCTG to supply projected U.S. OCTG consumption for approximately 17 months.⁹ While U.S. producers' inventories have increased over the period, data from Preston Publishing indicate that inventories held sector-wide, including those held by distributors and end users, have decreased since 2014 (figure II-1). Domestic interested parties estimated that inventories in 2019 were estimated to be enough that they would be drawn down in approximately six and a half months.¹⁰

⁸ In the original investigations, the ratio of mills' inventories to total shipments ranged from 9.1 percent to 10.8 percent.

⁹ Domestic interested parties' posthearing brief, Answers to Commission Questions, p.

¹⁰ Domestic interested parties' written hearing testimony, Exhibit 4, pp. 2, 4; Hearing transcript, pp. 58-59 (Spak, Schagrin).

Figure II-1
OCTG: U.S. inventories, months-on-hand and levels, monthly, January 2014-April 2020



Source: Preston Pipe and Tube Reports, March 2014, June 2014, September 2014, December 2014, March 2015, June 2015, September 2015, December 2015, March 2016, June 2016, September 2016, December 2016, March 2017, June 2017, September 2017, December 2017, March 2018, June 2018, September 2018, December 2018, March 2019, June 2019, September 2019, December 2019, March 2020, April 2020, May 2020, www.prestonpipe.com, accessed April 30, 2020 and June 2, 2020.

When asked if the availability of U.S.-produced OCTG in the U.S. market had changed since 2014, almost all responding U.S. producers, most importers (14 of 24), and most purchasers (12 of 21) reported that it had. Firms cited additional plants and capacity of Axis, Benteler, Boomerang, and Tenaris, reduced capacity when Tenaris acquired and shutdown some TMK IPSCO plants, and purchasers *** reported some difficulty in obtaining U.S.-produced OCTG due to increased demand resulting from section 232 tariffs. Most U.S. producers, importers, and purchasers reported that they do not anticipate changes in availability in the future.

Subject imports from India, Korea, Turkey, Ukraine, and Vietnam

Based on available information, producers of OCTG from India have the ability to respond to changes in demand with large changes in the quantity of shipments of OCTG to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, the availability of inventories, the ability to shift production to or from other markets, and some ability to shift production to or from alternate products. Indian producer *** reported that it is able to shift production to other products, but that production as an OCTG finishing line is optimal.

Based on available information, producers of OCTG from Ukraine have the ability to respond to changes in demand with large changes in the quantity of shipments of OCTG to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, and the ability to shift production to or from alternate products or alternate markets. Responding party Government of Ukraine argues that since 2014, it has lost control over steel plants in certain areas of Donestsk and Luhansk regions and Crimea, which has affected Ukrainian steel mill capacities, production, and export potential, and these declines have impacted downstream pipe production.¹¹ Government of Ukraine also argues that “lockdowns” associated with COVID-19 have further reduced output.¹²

No foreign producers from Korea, Turkey, or Vietnam responded to the Commission’s questionnaire with usable production, capacity, or trade data. During the original investigations, Korean producers reported low inventories and limited alternative markets, limiting its ability to respond to changes in demand. Lower capacity utilization enhanced Turkish producers’ ability to ship to the United States, while low inventories and limited alternative markets diminished it.¹³ Vietnamese producers exported all OCTG to the United States, and had very small inventories, which also limited Vietnamese producers’ ability to respond to changes in demand.¹⁴

Most U.S. producers reported that there were changes in availability of OCTG from subject countries. Firms that reported changes primarily cited decreased imports resulting from existing antidumping and countervailing duty orders and tariffs and other restrictions associated with section 232 measures. Purchasers *** reported that supply will fluctuate depending on oil prices, and *** reported that COVID-19 will likely cause variability as well.

Imports from nonsubject sources

Imports of OCTG from nonsubject sources accounted for 70.9 percent of total U.S. imports in 2019. The largest sources of such imports during 2019 were Russia, Mexico, and Taiwan, and these countries accounted for approximately 40 percent of nonsubject imports in 2019.

¹¹ Government of Ukraine’s prehearing brief, pp. 4-5; Hearing transcript, p. 10 (Yushchuk).

¹² Government of Ukraine’s prehearing brief, p. 7.

¹³ Domestic interested party estimates capacity for tubular steel products, including OCTG, to be *** short tons in 2019. Domestic interested parties’ prehearing brief, p. 51.

¹⁴ *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam*, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1217 and 1219-1223 (Final), USITC Publication 4489, September 2014 (“Original publication”), Table II-4.

Six of eight responding U.S. producers reported that there had been a change in the availability of OCTG imports from nonsubject sources since 2014. U.S. producer and importer *** reported that there were large volumes of imports from Tenaris facilities in Mexico, Canada, and Argentina, and U.S. producer and importer *** reported that imports from Russia, Taiwan, and Thailand were higher “due to section 232-related restrictions.” Most importers (12 of 21) and purchasers (8 of 15) reported that the availability of OCTG from nonsubject countries did not change. Of importers and purchasers that did report changes in availability also cited section 232-related tariffs, existing antidumping and countervailing duty orders on subject countries, and a slowing of oil and gas drilling. Four of seven responding U.S. producers reported that they anticipate changes in availability of imports from nonsubject sources in the future, while most importers (16 of 21) and purchasers (11 of 16) did not.

Supply constraints

Most U.S. producers (6 of 9) and importers (24 of 30) reported that they had not experienced supply constraints since 2014. Three of nine U.S. producers reported that they had refused, declined, or been unable to supply OCTG. U.S. producer and importer *** reported that its responses to changes in demand may take weeks or months to adjust and U.S. producer *** reported controlled order entry due to **. U.S. producer and importer *** reported that it has been operating at full capacity and that it has had to limit additional customers as a result. Other importers reported supply constraints including section 232 tariffs and quotas and decreased credit worthiness of its customers.

Similarly, most U.S. purchasers reported that they had not been refused or declined OCTG orders. Purchaser *** reported that it had been put on allocation; purchaser *** reported that it had experienced limited instances of controlled order entry due to demand spikes; and purchaser *** reported that it was placed on allocation for a brief period after section 232 tariffs were implemented, but that the allocation was removed within six months.

New suppliers

Eleven of 21 purchasers indicated that new suppliers entered the U.S. market since January 1, 2014, and five purchasers expect additional entrants. Purchasers cited low barriers to entry and that OCTG production is likely to move from countries with antidumping and countervailing duty orders to countries without them. Purchaser *** reported that it does not anticipate new suppliers in the next 12-18 months because of the current depression in oil and gas pricing and because of large domestic inventories.

Program sales

Program sales are non-contractual obligations between mills, distributors, and end users encompassing the type, timing, and price of OCTG to be supplied. Program sales can help minimize supply chain disruption, and were described by domestic interested parties as “planned sales” that can change quickly if there is a competitive product elsewhere.¹⁵ Most U.S. producers (8 of 10) reported selling OCTG through program sales, while most importers (21 of 30) reported no program sales. Domestic interested parties stated that big distributors often have programs with multiple companies simultaneously.¹⁶

Four U.S. producers reported that there had been changes to their program sales since 2014, including *** which began offering annual contract sales with fixed price and quantities. U.S. producer and importer *** reported that section 232 tariffs, raw material costs, and customer-specific preferences had changed, and U.S. producer and importer *** introduced its ***.¹⁷ U.S. importer *** reported that when the OCTG industry experiences large declines in demand such as the declines brought about by COVID-19 and low oil prices, the entire supply chain is challenged, which directly impacts program sales. U.S. importer *** reported that non-program OCTG may be substituted for program material if it is more cost competitive, has better delivery times, or is available as an upgraded product. Three purchasers reported changes in program sales, including *** that reported that factors such as new technologies, specific engineering needs, lead times, and changing well architecture changed program sales and structures.

Further information regarding program sales can be found in Part V.

U.S. demand

Based on available information, the overall demand for OCTG is likely to experience small changes in response to changes in price. The main contributing factors are the lack of substitute products and the small cost share of OCTG in oil and gas extraction projects.

¹⁵ Original publication, p. II-31; Hearing transcript, p. 64 (Getlan).

¹⁶ Hearing transcript, p. 65 (Schagrin).

¹⁷ U.S. producer ***.

End uses and cost share

U.S. demand for OCTG depends on the demand for oil and natural gas exploration and drilling. Domestic interested parties described “boom and bust” demand cycles for OCTG and stated that while demand is currently depressed, conditions will inevitably improve.¹⁸ All nine responding U.S. producers and the vast majority of importers (28 of 29) and purchasers (10 of 12) reported no changes in end uses. Similarly, all U.S. producers and most importers and purchasers do not anticipate changes in end uses in the future. However, purchaser *** reported that as demand for OCTG in the oil and gas sector “softens,” more of it is being sold in the construction sector.

As shown in figures II-2 and II-3, the number of oil and gas rigs has declined substantially since January 2014, as have prices for crude oil and natural gas.¹⁹ In April 2020, trading prices for oil dropped below zero, and domestic interested parties suggest that “nobody would forecast sharp upturn in in oil prices.”²⁰ The number of both oil and gas rigs reached their lowest points during the third quarter of 2016, at which point the number of rigs increased slightly.

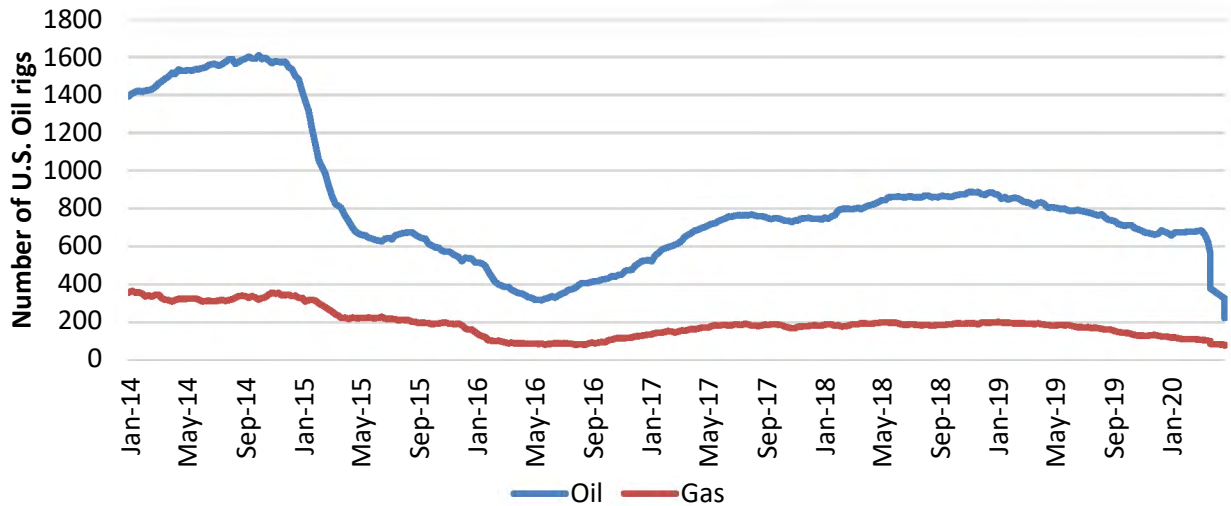
¹⁸ Domestic interested parties’ prehearing brief, p. 77; domestic interested parties’ posthearing brief, pp. I-7-8.

¹⁹ Domestic interested party stated that rig count is the sole driver of demand. Hearing transcript, p. 21 (Schagrin).

²⁰ Domestic interested parties’ prehearing brief, p. 33; Hearing transcript, p. 73 (Schagrin).

Figure II-2

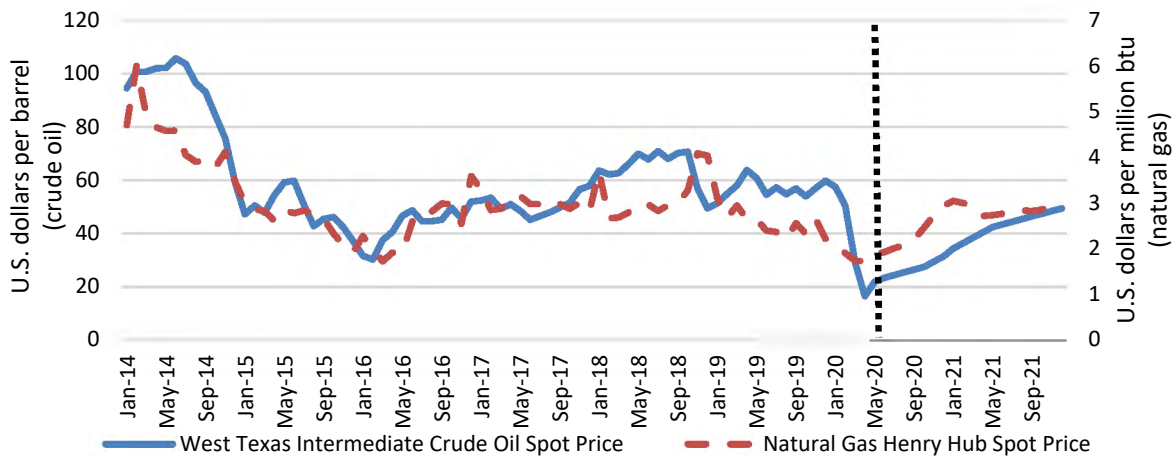
OCTG: Baker-Hughes U.S. oil and gas rig count for oil and gas, weekly, January 2014-May 2020



Source: Baker-Hughes North America Rotary Rig Count, "U.S. County by Basin," <https://rigcount.bakerhughes.com/na-rig-count>, accessed June 2, 2020.

Figure II-3

Crude oil and dry natural gas prices, monthly, January 2014-April 2020, projected May 2020-December 2021

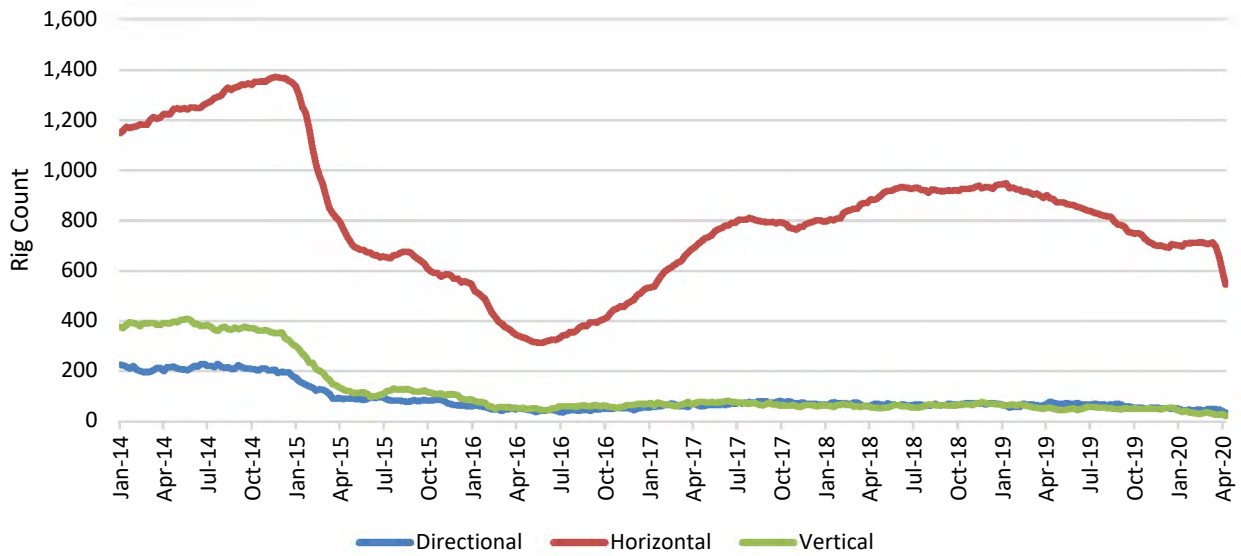


Source: Energy Information Administration, Short-Term Energy Outlook Data Browser, Table 1. U.S. Energy Markets Summary, <https://www.eia.gov/outlooks/steo/data/browser/>, accessed June 16, 2020.

Horizontal drilling (often associated with fracking) fluctuated since 2014, with counts of rigs for horizontal drilling falling sharply during 2015-16 and rising through 2019, at which point counts began declining (figure II-4). Beginning in March 2020, horizontal rig counts dropped dramatically. Domestic interested parties stated that the amount of OCTG used by an individual rig has increased since the last review, largely because fracking operations require more tubing

to reach targets from a common location (sometimes up to two miles of tubing).²¹ As shown in figure II-5, horizontal drilling requires substantially more drilling footage than directional or vertical drilling, and footage for horizontal drilling has fluctuated since 2014.

Figure II-4
OCTG: Baker-Hughes U.S. rig count by trajectory, weekly, January 2014-May 2020



Source: Baker-Hughes North America Rotary Rig Count, “U.S. Count by Trajectory,” <https://rigcount.bakerhughes.com/na-rig-count>, accessed June 2, 2020.

²¹ Hearing transcript, p. 50 (Schagrin); domestic interested parties’ posthearing brief, p. II-24.

Figure II-5

OCTG: Drilling footage, millions of feet, by trajectory, annual, 2014-19, estimated 2020-25

* * * * *

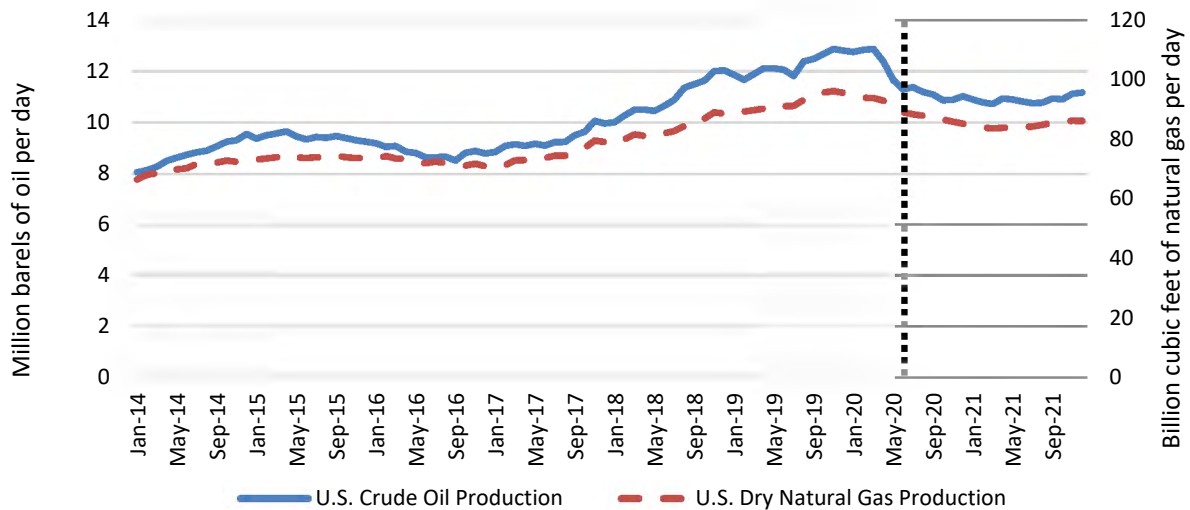
Source: ***.

During 2014-19, approximately 80 percent of total U.S. rigs were devoted to oil drilling and about 20 percent were used for natural gas drilling.²² However, while the total number of oil and gas rigs decreased since 2014, oil and gas production increased through the end of 2019 as did the number of drilled but uncompleted (DUC) wells (figures II-6 and II-7).

²² Baker-Hughes North America Rotary Rig Count, "U.S. Oil & Gas Split," <https://rigcount.bakerhughes.com/na-rig-count>, accessed April 14, 2020.

Figure II-6

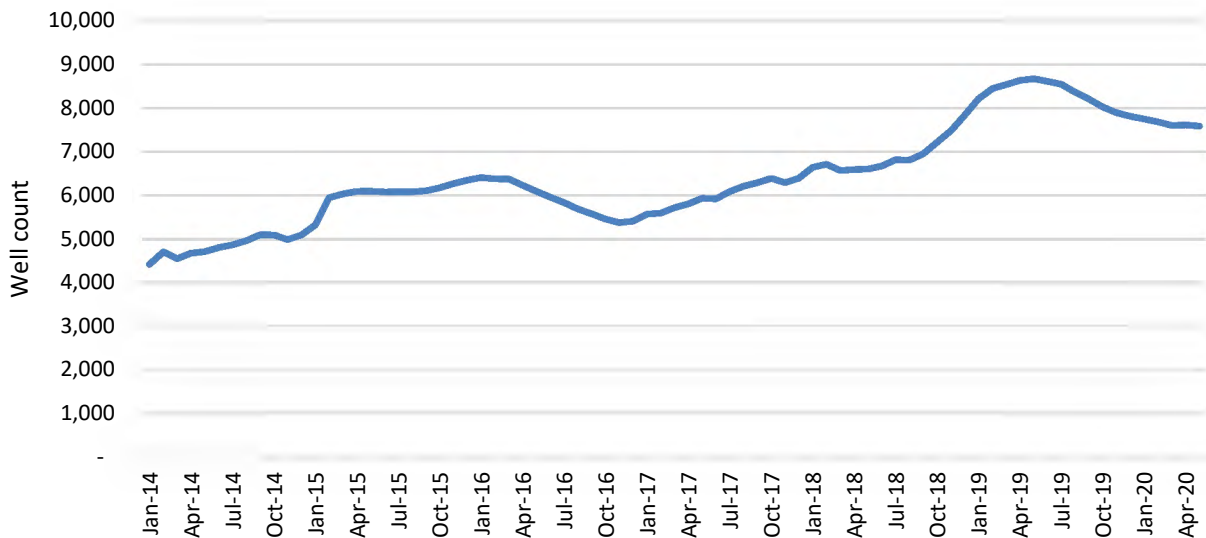
Crude oil and dry natural gas production, monthly, January 2014-April 2020, projected May 2020-December 2021



Source: Energy Information Administration, Short-Term Energy Outlook Data Browser, Table 1. U.S. Energy Markets Summary, <https://www.eia.gov/outlooks/steo/data/browser/>, accessed June 16, 2020.

Figure II-7

Drilled but uncompleted wells (DUC), monthly, January 2014-May 2020



Source: Energy Information Administration, Drilling Productivity Report, DUC wells by region, <https://www.eia.gov/petroleum/drilling/>, accessed June 16, 2020.

Domestic interested parties stated that oil prices had a near instant impact on rig operation and on OCTG producers. While the decline in OCTG demand was nearly instantaneous, domestic interested parties anticipate that any recovery in demand is likely to be tempered by existing high levels of inventories and continued imports of OCTG from subject

countries.²³ Additionally, large oil companies have “slashed” their budgets for exploration in 2020, so any recovery in drilling would be delayed until 2021.²⁴

Additionally, the combined COVID-19 pandemic and oil crises have also impacted demand for OCTG. Domestic interested parties projected that based on the milder declines in rig count in 2008 and 2014, the United States is likely to have at least several months of lower oil production and therefore lower demand for OCTG.²⁵ Vallourec stated that there is a “huge” overhang of surplus oil that is expected to take 12-18 months to be absorbed into the supply chain, further reducing rig counts.²⁶ Domestic interested parties stated that downturns in economic activity related to COVID-19 hollowed out demand for OCTG in particular because decreased transportation by planes, trains, ships, and automobiles has decreased demand for oil and gas products, thereby impacting oil production.²⁷

OCTG accounts for a small share of the cost of the end-use products in which it is used. During the original investigations, industry firms gave highly varying answers, however, depending on what firms considered as the end-use product. Producers that noted oil and gas wells/extraction as the end use reported that OCTG accounts for 5 to 15 percent of the cost of oil and gas drilling/extraction.²⁸

Business cycles

Eight of 9 U.S. producers, 15 of 30 importers, and 13 of 21 purchasers indicated that the market was subject to business cycles or conditions of competition. Specifically, many firms reported that demand for OCTG tends to be lower at the end of the year due to budgets and end-of-year inventory taxes, and that demand generally follows trends in oil and gas prices and rig activity. Producer and importer *** reported that global oversupply of oil by OPEC and any changes it made has resulted in swings in demand for OCTG, and importer *** reported that section 232 tariffs have had an impact on imports.

All responding U.S. producers (8 of 8), most importers (11 of 18), and most purchasers (11 of 14) reported that business cycles or conditions of competition have changed since 2014. Most firms cited the sinking oil prices in 2016 and 2017 and section 232 tariffs. U.S. producer *** reported that since the 2014 oil crisis, oil and gas operations have become more

²³ Hearing transcript, p. 45 (Getlan).

²⁴ Hearing transcript, p. 47 (Schagrin).

²⁵ Domestic interested parties’ written hearing testimony, Exhibit 4, p. 3.

²⁶ Domestic interested parties’ written hearing testimony, Exhibit 5, p. 2.

²⁷ Hearing transcript, p. 21 (Schagrin).

²⁸ Original publication, p. II-17.

efficient, focusing on cost and production efficiency. Importer *** reported that the recent global price decrease in oil resulting from both the Saudi and Russian policies and the demand shock caused by COVID-19. Purchaser *** reported that producers have started going directly to end users rather than through distributors.

Demand trends

Almost half of all responding firms reported fluctuating U.S. demand for OCTG since January 1, 2014 (table II-5). Most of the remaining firms reported a decline in U.S. demand for OCTG. Similarly, most firms expect demand to decrease or fluctuate over the next two years.

Table II-5
OCTG: Firms' responses regarding U.S. demand

Item	Number of firms reporting			
	Increase	No change	Decrease	Fluctuate
Demand in the United States:				
U.S. producers	1	---	3	4
Importers	4	1	7	14
Purchasers	4	2	7	8
Foreign producers	---	---	---	3
Anticipated future demand in the United States:				
U.S. producers	---	---	6	2
Importers	---	3	11	13
Purchasers	1	3	9	6
Foreign producers	---	---	---	3

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

Most firms cited fluctuating or decreasing oil prices as the driver of changes in demand. Purchaser *** stated that demand for OCTG varies based on rig counts and DUC wells, and also stated that if rig counts and DUCs decrease at the same time, demand could remain flat or increase. *** stated that when a well is completed, the hydraulic fracturing process is complete which requires production tubing to extract the hydrocarbons.

Substitute products

Virtually all U.S. producers, importers, and purchasers reported that there were no changes in substitutes and did not anticipate any future changes in substitutes. One importer *** reported that ERW and seamless pipe are participating in the same onshore shale applications, and purchaser *** reported that many other products in addition to OCTG are specified on *** jobs in the construction industry.

Substitutability issues

The degree of substitution between domestic and imported OCTG depends upon such factors as relative prices, quality (e.g., grade standards, defect rates, etc.), and conditions of sale (e.g., price discounts/rebates, lead times between order and delivery dates, reliability of supply, product services, etc.). Based on available data, staff believes that there is high degree of substitutability between domestically produced OCTG and OCTG imported from India, Korea, Turkey, Ukraine, and Vietnam.

Lead times

OCTG is primarily produced-to-order. U.S. producers reported that nearly 70 percent of their commercial shipments were produced-to-order, with lead times averaging 39 days. The remaining third of their commercial shipments came from inventories, with lead times averaging 10 days. U.S. importers reported that approximately half of their commercial shipments were produced-to-order, with lead times averaging 112 days, and the other commercial shipments were sold from U.S. inventories with lead times averaging 2 days.

Knowledge of country sources

Nineteen purchasers indicated they had marketing/pricing knowledge of domestic OCTG, 5 of Indian OCTG, 14 of Korean OCTG, 10 of Turkish OCTG, 6 of Ukrainian OCTG, and 7 of Vietnamese OCTG. Twelve purchasers reported having market knowledge of OCTG from other countries, including Argentina, Austria, Brazil, Canada, China, France, Germany, Greece, Italy, Japan, Malaysia, Mexico, Philippines, Romania, Russia, Saudi Arabia, Spain, Taiwan, Thailand, and the United Kingdom.

As shown in table II-6, most purchasers reported that they usually make their purchasing decisions based on the producer and that their customers sometimes make purchasing decisions based on the producer. Most purchasers reported that they sometimes or never make their purchasing decisions based on the country of origin, and that their customers sometimes make their purchasing decisions based on country of origin. Of the 15 purchasers that reported that they always or usually make decisions based on the manufacturer, firms cited that they or their customers may have a strong mill preference, choose suppliers based on location for supply chain efficiency, availability, lead times, quality, technology, and warranty considerations.

Four purchasers specifically indicated a preference for domestic producers but qualified that domestic product must be competitively priced and readily available. Purchaser

*** reported that it prefers German OCTG, and purchaser *** reported that it and its customers are wary of mills in Ukraine and China.

Table II-6
OCTG: Purchasing decisions based on producer and country of origin

Decision	Always	Usually	Sometimes	Never
Purchases based on producer: Purchaser's decision	4	11	3	3
Purchaser's customer's decision	---	7	9	2
Purchases based on country of origin: Purchaser's decision	3	5	7	6
Purchaser's customer's decision	---	4	11	3

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

Factors affecting purchasing decisions

The most often cited top three factors firms consider in their purchasing decisions for OCTG were price (20 firms), quality²⁹ (16 firms), and availability of supply (12 firms) as shown in table II-7. Quality was the most frequently cited first-most important factor (cited by 10 firms), followed by price (9 firms); quality was also the most frequently reported second-most important factor (6 firms); and price was the most frequently reported third-most important factor (7 firms).

Table II-7
OCTG: Ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor

Factor	1st	2nd	3rd	Total
Price/Cost	9	4	7	20
Quality	10	6	---	16
Availability/Supply	1	5	6	12
Other	1	7	8	N/A

Note: Other factors included in the top three purchasing factors include credit terms (4 purchasers), reputation (3), customer service, product range, and delivery (2 each), technologies and technical qualifications (1 each). Other important factors reported by purchasers include quality approved mills, payment terms and the extension of credit, solvency of the supplier, flexibility and ease of business, a traditional supplier, warranty considerations, product liability insurance, and problem resolution.

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

²⁹ Purchasers were asked what characteristics they consider when determining the quality of OCTG. Purchasers reported meeting customer or API specifications, reject rates and failure rates, dimensional accuracy, steel chemistry, and consistent mechanical properties, reputation, consistency, testing results, grade and condition of pipe, quality of pipe threading, limited surface corrosion, straightness, roundness, consistency in lacquer and stenciling.

The majority of purchasers (17 of 21) reported that they usually purchase the lowest-priced product.

Importance of specified purchase factors

Purchasers were asked to rate the importance of 18 factors in their purchasing decisions (table II-8). The factors rated as very important by more than half of responding purchasers were product consistency (21), price (20), quality meets industry standards (19), availability and reliability of supply (18 each), delivery time (17), delivery terms (13), and technical support/service (13).

Table II-8
OCTG: Importance of purchase factors, as reported by U.S. purchasers, by factor

Factor	Number of firms reporting		
	Very	Somewhat	Not
Availability	18	3	---
Delivery terms	13	8	---
Delivery time	17	4	---
Discounts offered	8	12	1
Minimum quantity requirements	9	8	4
Packaging	2	7	12
Payment terms	10	11	---
Price	20	1	---
Product consistency	21	---	---
Program sales	10	5	6
Proprietary connections	8	8	5
Product range	7	10	4
Quality meets industry standards	19	2	---
Quality exceeds industry standards	11	9	1
Reliability of supply	18	3	---
Suppliers' U.S. inventory	8	8	5
Technical support/service	13	6	2
U.S. transportation costs	10	10	1

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

Supplier certification

Most responding purchasers (13 of 21) do not require their suppliers to become certified or qualified to sell OCTG to their firm. The purchasers that do require certification reported that the time to qualify a new supplier ranged from 21 to 90 days, and reported that they require that their suppliers be API certified and that certification may sometimes be more centered around terms and conditions of sale, reputation, liability insurance, good customer service, and financial stability. Three purchasers reported that foreign suppliers had failed in their attempts to qualify product or had lost their approved status, since January 1, 2014.

Specifically, purchaser *** reported that Hyundai (Korea) lost its API license and purchaser *** reported that Interpipe NTRP mill (Ukraine) lost its approved status because they have a high rate of rejected inspections.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2014 (table II-9); the main reasons reported for changes in sourcing included oil and gas demand and overall economic conditions. Eight of 20 responding purchasers reported that purchases of U.S.-produced OCTG had increased, and purchasers most frequently reported that they did not purchase OCTG from India, Turkey, Ukraine, or Vietnam since 2014. Purchasers most frequently reported that purchases of OCTG from Korea decreased.

Table II-9
OCTG: Changes in purchase patterns from U.S., subject, and nonsubject countries

Factor	Did not purchase	Decreased	Increased	Constant	Fluctuated
United States	2	1	8	4	5
India	12	2	---	4	2
Korea	4	7	1	3	5
Turkey	9	2	2	3	4
Ukraine	10	1	---	6	3
Vietnam	10	1	2	4	3
Nonsubject sources	---	7	2	4	7
Sources unknown	6	2	---	3	1

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

Most responding purchasers (16 of 21) reported that they had not changed suppliers since January 1, 2014. Purchaser *** reported that Tenaris “cut” them out of the supply chain and that they added Benteler as their domestic support; purchaser *** reported that it was no longer able to purchase from TMKIPSCO due to the Tenaris acquisition and that it dropped another supplier because of quality, green tube, availability, and price; purchaser *** reported that it dropped *** because *** lost its contract.

Sixteen purchasers reported that they had purchased OCTG from India, Korea, Turkey, Ukraine, and/or Vietnam before 2014. Five purchasers reported that their purchases from subject countries had not changed due to the antidumping and countervailing duty orders. Three purchasers reported that they had reduced their purchases, and one purchaser reported that they had discontinued their purchases as a result of the orders. Six purchasers reported that their purchasing patterns had changed for other reasons, primarily fluctuating market conditions. Ten purchasers reported that purchases of OCTG from nonsubject countries

remained unchanged, and three purchasers reported that purchases of OCTG from nonsubject countries had increased.

Importance of purchasing domestic product

Nine of 20 responding purchasers reported that at least 98 percent of their purchases did not require purchasing U.S.-produced product. The remaining 11 responding purchasers reported that some of their purchases did require domestic purchases. One purchaser (***) reported that domestic product was required by law (for *** percent of its purchases), eight reported it was required by their customers (for 1 to 100 percent of their purchases), and six reported other preferences for domestic product. Reasons cited for preferring domestic product included: availability, a predictable supply chain, and general preference for domestically produced OCTG.

Comparisons of domestic products, subject imports, and nonsubject imports

Purchasers were asked a number of questions comparing OCTG produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 18 factors (table II-10) for which they were asked to rate the importance. Of the seven very important purchasing factors reported by purchasers,³⁰ U.S.-produced OCTG was most commonly reported as superior in availability, delivery terms, delivery time, quality meets industry standards,³¹ and reliability of supply³² when compared to OCTG from subject countries. The product consistency of U.S.-produced OCTG was most frequently reported by purchasers as superior to OCTG from India, Ukraine, and Vietnam and comparable to OCTG from Korea and Turkey. Price of U.S.-produced OCTG was most frequently reported as comparable to prices of OCTG from India, Korea,³³ and Ukraine, and inferior to prices from Turkey and Vietnam.

³⁰ The factors rated as very important by more than half of responding purchasers were product consistency (21), price (20), quality meets industry standards (19), availability and reliability of supply (18 each), delivery time (17), and delivery terms (13).

³¹ Purchasers were evenly split in their comparisons of U.S.-produced OCTG and OCTG from Ukraine with seven purchasers each reporting that U.S.-produced OCTG is superior and comparable in quality meeting industry standards.

³² Most U.S. purchasers reported that reliability of supply of OCTG from Korea was comparable to that of U.S.-produced OCTG.

³³ An equal number of purchasers reported that prices of U.S.-produced OCTG were comparable or inferior to OCTG from Korea.

Table II-10
OCTG: Purchasers' comparisons between U.S.-produced and imported product

Factor	Number of firms reporting								
	U.S. vs. India			U.S. vs. Korea			U.S. vs. Turkey		
	S	C	I	S	C	I	S	C	I
Availability*	5	2	1	5	10	2	6	5	1
Delivery terms*	5	2	---	7	9	---	7	4	---
Delivery time*	5	2	---	7	9	---	8	3	---
Discounts offered	1	4	2	---	13	3	2	6	3
Minimum quantity requirements	3	3	1	1	12	2	3	6	2
Packaging	1	6	---	---	16	---	---	11	---
Payment terms	2	5	---	2	14	---	1	10	---
Price*	---	4	3	1	7	7	1	4	6
Product consistency*	5	2	---	3	12	1	4	6	---
Program sales	4	3	---	4	10	---	7	3	---
Proprietary connections	5	3	---	9	6	---	7	3	---
Product range	3	4	---	7	9	---	6	5	---
Quality meets industry standards*	3	5	---	3	14	---	1	11	---
Quality exceeds industry standards	5	3	---	5	12	---	3	9	---
Reliability of supply*	5	2	---	5	11	---	6	5	---
Suppliers' U.S. inventory	5	1	1	6	7	2	9	2	---
Technical support/service*	5	1	1	9	5	2	8	2	1
U.S. transportation costs	2	5	---	5	9	2	3	6	---
Factor	Number of firms reporting								
	U.S. vs. Ukraine			U.S. vs. Vietnam			U.S. vs. Nonsubject		
	S	C	I	S	C	I	S	C	I
Availability*	6	4	---	6	2	---	8	7	---
Delivery terms*	5	4	---	5	2	---	6	8	---
Delivery time*	5	4	---	5	2	---	8	6	---
Discounts offered	1	7	1	1	5	1	2	11	---
Minimum quantity requirements	3	5	1	3	3	1	4	9	1
Packaging	1	8	---	1	6	---	1	13	---
Payment terms	2	7	---	2	5	---	2	12	---
Price*	---	5	4	---	3	4	---	8	6
Product consistency*	6	2	1	5	2	---	6	8	---
Program sales	4	5	---	4	3	---	5	8	---
Proprietary connections	6	4	---	6	2	---	7	6	1
Product range	4	4	---	3	2	---	4	8	1
Quality meets industry standards*	4	4	1	3	5	---	3	12	---
Quality exceeds industry standards	6	3	1	5	3	---	6	7	2
Reliability of supply*	5	4	---	4	3	---	6	5	3
Suppliers' U.S. inventory	5	3	---	5	---	1	6	6	1
Technical support/service*	5	3	1	5	---	2	6	6	2
U.S. transportation costs	3	6	---	3	3	1	3	11	---

Table continued on next page.

Table II-10--Continued

OCTG: Purchasers' comparisons between U.S.-produced and imported product

Factor	Number of firms reporting								
	India vs. Nonsubject			Korea vs. Nonsubject			Turkey vs. Nonsubject		
	S	C	I	S	C	I	S	C	I
Availability*	---	3	3	5	6	1	---	9	1
Delivery terms*	---	5	1	3	8	1	---	9	1
Delivery time*	---	5	1	4	7	1	---	9	1
Discounts offered	---	5	1	1	10	1	1	9	---
Minimum quantity requirements	---	4	2	2	8	2	---	9	1
Packaging	---	5	1	1	10	1	1	9	---
Payment terms	---	5	1	3	8	1	1	9	---
Price*	1	4	1	3	6	3	2	8	---
Product consistency*	1	3	1	4	7	1	2	8	---
Program sales	---	4	2	3	7	1	1	8	---
Proprietary connections	1	3	2	2	8	1	1	7	1
Product range	---	3	3	3	7	2	---	8	2
Quality meets industry standards*	---	5	1	3	8	1	1	9	---
Quality exceeds industry standards	---	5	1	4	7	1	1	9	---
Reliability of supply*	---	5	1	5	6	1	---	9	1
Suppliers' U.S. inventory	1	2	3	5	6	1	2	7	1
Technical support/service*	---	2	4	3	7	2	1	8	1
U.S. transportation costs	---	5	1	2	9	1	1	9	---

Table continued on next page.

Table II-10--Continued**OCTG: Purchasers' comparisons between U.S.-produced and imported product**

Factor	Number of firms reporting					
	Ukraine vs. Nonsubject			Vietnam. vs. Nonsubject		
	S	C	I	S	C	I
Availability*	---	6	1	---	5	1
Delivery terms*	---	6	1	---	6	---
Delivery time*	---	6	1	---	6	---
Discounts offered	---	6	1	---	6	---
Minimum quantity requirements	---	6	1	---	6	---
Packaging	---	6	1	---	6	---
Payment terms	---	6	1	---	6	---
Price*	---	5	2	2	4	---
Product consistency*	---	5	2	---	6	---
Program sales	---	5	2	---	5	1
Proprietary connections	---	5	2	---	4	2
Product range	---	6	1	---	4	2
Quality meets industry standards*	---	4	3	---	6	---
Quality exceeds industry standards	---	3	4	---	5	1
Reliability of supply*	---	6	1	---	4	2
Suppliers' U.S. inventory	---	4	3	---	4	2
Technical support/service*	---	4	3	---	4	2
U.S. transportation costs	---	6	1	---	6	---

Note: 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.

Note: An asterisk (*) indicates a factor that was ranked as "very important" by at least half of responding purchasers.

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

Comparison of U.S.-produced and imported OCTG

In order to determine whether U.S.-produced OCTG can generally be used in the same applications as imports from India, Korea, Turkey, Ukraine, and Vietnam, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in table II-11, most U.S. producers that U.S.-produced OCTG is always interchangeable with OCTG from India, Korea, Turkey, Ukraine, and Vietnam, and most importers reported that U.S.-produced OCTG is always or frequently interchangeable with OCTG from subject countries. Most purchasers reported that U.S.-produced OCTG is frequently interchangeable with OCTG from Korea, but is only sometimes interchangeable with OCTG from India, Turkey, Ukraine, and Vietnam.

Table II-11
OCTG: Interchangeability between OCTG produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers			
	A	F	S	N	A	F	S	N	A	F	S	N
United States vs. India	6	3	---	---	9	7	4	---	2	3	8	---
United States vs. Korea	6	3	---	---	8	8	2	2	4	7	6	---
United States vs. Turkey	6	3	---	---	8	6	2	---	2	5	9	---
United States vs. Ukraine	6	3	---	---	8	7	2	1	3	3	7	1
United States vs. Vietnam	6	3	---	---	8	6	2	1	2	3	9	---
India vs. Korea	6	3	---	---	8	3	3	---	4	4	5	---
India vs. Turkey	6	3	---	---	8	3	2	---	3	5	4	---
India vs. Ukraine	6	3	---	---	8	3	2	---	3	4	4	1
India vs. Vietnam	6	3	---	---	8	3	2	---	2	5	4	---
Korea vs. Turkey	6	3	---	---	8	3	2	---	3	6	5	---
Korea vs. Ukraine	6	3	---	---	8	3	2	---	3	4	4	1
Korea vs. Vietnam	5	3	---	---	8	3	1	1	2	4	6	---
Turkey vs. Ukraine	6	3	---	---	8	3	2	---	3	4	5	---
Turkey vs. Vietnam	6	3	---	---	8	3	1	1	2	5	4	---
Ukraine vs. Vietnam	6	3	---	---	8	3	2	---	2	4	4	---
United States vs. Other	4	3	---	---	7	12	2	---	6	6	6	---
India vs. Other	5	3	---	---	7	6	2	---	3	5	4	---
Korea vs. Other	5	3	---	---	7	6	2	---	4	7	4	---
Turkey vs. Other	5	3	---	---	7	6	2	---	3	6	4	---
Ukraine vs. Other	5	3	---	---	7	6	2	---	3	5	3	---
Vietnam vs. Other	5	3	---	---	7	6	2	---	3	5	4	---

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

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

As can be seen from table II-12, 12 of 20 responding purchasers reported that domestically produced product always met minimum quality specifications. An equal number of purchasers reported that Korean OCTG always or usually meets minimum quality standards. Most responding purchasers reported that the OCTG from India, Turkey, and Vietnam usually met minimum quality specifications. Purchasers' experiences with OCTG from Ukraine were mixed, with three purchasers each reporting that Ukrainian OCTG usually or sometimes meets minimum quality standards.

Table II-12
OCTG: Ability to meet minimum quality specifications, by source

Factor	Always	Usually	Sometimes	Rarely or never
United States	12	8	---	---
India	1	6	1	1
Korea	8	8	1	---
Turkey	3	9	---	---
Ukraine	2	3	3	1
Vietnam	---	6	1	---
Other	5	4	---	---

Note: Purchasers were asked how often domestically produced or imported OCTG meets minimum quality specifications for their own or their customers' uses.

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

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of OCTG from the United States, subject, or nonsubject countries. As seen in table II-13, most U.S. producers reported that differences other than price are never significant and importers most frequently reported that differences other than price were sometimes significant. Purchasers' responses were mixed, with purchasers most frequently reporting that differences other than price were always or frequently significant when comparing U.S.-produced OCTG and OCTG from India and Ukraine, and that differences other than price were only sometimes or never significant in comparisons between U.S.-produced OCTG and OCTG from Korea, Turkey, and Vietnam.

Significant differences other than price that were identified by purchasers include technology, availability, transportation and logistics, warranty considerations, and quality (Ukraine).

Table II-13

OCTG: Significance of differences other than price between OCTG produced in the United States and in other countries, by country pair

Country pair	U.S. producers				U.S. importers				U.S. purchasers			
	A	F	S	N	A	F	S	N	A	F	S	N
United States vs. India	---	---	4	5	---	5	8	4	4	4	4	2
United States vs. Korea	---	---	4	5	---	3	10	6	5	2	8	2
United States vs. Turkey	---	---	4	5	---	3	8	4	4	3	7	2
United States vs. Ukraine	---	---	4	5	---	4	7	5	5	5	4	1
United States vs. Vietnam	---	---	4	5	1	4	7	4	4	4	5	2
India vs. Korea	---	---	4	5	---	1	7	5	1	2	7	2
India vs. Turkey	---	---	3	5	---	2	4	5	---	2	8	2
India vs. Ukraine	---	---	2	5	---	2	3	5	1	3	7	1
India vs. Vietnam	---	---	2	5	---	2	3	5	---	1	8	2
Korea vs. Turkey	---	---	4	5	---	1	6	5	---	1	10	2
Korea vs. Ukraine	---	---	4	5	---	2	5	5	1	3	7	1
Korea vs. Vietnam	---	---	4	5	---	2	5	5	---	1	8	2
Turkey vs. Ukraine	---	---	3	5	---	1	5	5	1	3	7	1
Turkey vs. Vietnam	---	---	3	5	---	1	5	5	---	1	8	2
Ukraine vs. Vietnam	---	---	2	5	---	1	4	5	---	4	6	1
United States vs. Other	---	---	4	4	---	5	10	3	5	4	8	1
India vs. Other	---	---	3	4	---	3	6	4	1	2	8	1
Korea vs. Other	---	---	3	4	---	3	6	4	1	1	10	1
Turkey vs. Other	---	---	3	4	---	2	7	4	1	1	10	1
Ukraine vs. Other	---	---	3	4	---	2	7	4	1	3	7	1
Vietnam vs. Other	---	---	3	4	---	2	7	4	1	1	8	1

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

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

Elasticity estimates

This section discusses elasticity estimates; no parties commented on these estimates at their briefs.

U.S. supply elasticity

The domestic supply elasticity for OCTG measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of OCTG. The elasticity of domestic supply depends on several factors including the level of excess capacity, 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 OCTG. Analysis of these factors above 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 4 to 6 is suggested.

U.S. demand elasticity

The U.S. demand elasticity for OCTG measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of OCTG. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the OCTG in the production of any downstream products. Based on the available information, the aggregate demand for OCTG is likely to be moderately inelastic and in a range of -0.75 to -1.0. Purchasers would not likely be very sensitive to changes in the price of OCTG and would continue to demand fairly constant quantities over a considerable range of prices.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.³⁴ Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/ discounts/ promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced OCTG and imported OCTG is likely to be moderate to high and in the range of 3 to 5.

³⁴ 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.

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. Twelve firms, which accounted for the large majority of U.S. production of OCTG during 2019, provided usable information on their operations in these reviews on OCTG.¹

OCTG producers as presented in this chapter include both U.S. mills and U.S. processors. U.S. mills own and operate machinery to form welded or seamless OCTG in the United States. U.S. processors own and operate finishing lines necessary to heat treat OCTG, but do not form OCTG. While most of the larger U.S. producers maintain a balance between their tube forming and their heat-treating capacity, other producers utilize a portion of their heat treat capability on imported OCTG, or utilize available heat treat capacity at other facilities to finish their own mills' casing and tubing.

Between 2014 and 2019, new facilities were brought online through either greenfield investments or the restarting of existing facilities that had previously been idled. In 2020, however, the decline of oil prices and the effects of the spread of coronavirus led to the reduction of production related activities at some domestic OCTG producers. Table III-1 presents important industry events that have occurred since January 1, 2014.

¹ U.S. producer *** provided a questionnaire response. However, staff deemed it unusable due to reporting inconsistencies.

Several mills and processors (Paragon Industries, Tejas Tubular, and Texas Tubular) did not provide timely usable data to the Commission. Combined, these firms accounted for approximately *** percent of mill operations and *** percent of processor operations in 2013. In addition, SeAH Steel USA has been identified as U.S. producer and a U.S. importer during the course of these reviews (having acquired OMK's U.S. mill and the Laguna Tubular processing facility) and did not provide the Commission with usable information. Multiple attempts of communication were made with these firms; however, they were unsuccessful.

Table III-1
OCTG: Important industry events since January 1, 2014

Year	Company	Event
2014	Borusan	Borusan began production at its Baytown, TX facility which can produce 300,000 metric tons of OCTG and line pipe per year. ¹
2015	Benteler	Benteler completed construction of a seamless hot rolling mill in Shreveport, Louisiana. ²
	Tenaris	Tenaris curtailed operations at its two welded OCTG facilities in Conroe, Texas and Hickman, Arkansas. ³
2016	U.S. Steel	U.S. Steel temporarily idled its electric-welded pipe mill in Lone Star, Texas due to challenging market conditions. ⁴
	U.S. Steel	U.S. Steel permanently closed the Lorain #4 and Lone Star #1 pipe mills. ⁵
	SeAH Steel	In December, SeAH Steel acquired the U.S. processing operations of Laguna Tubular Products and the U.S. mill operations of OMK Tube. These companies were purchased by SeAH Steel USA, which was established in October 2016. The CEO of SeAH Steel stated that the acquisition of these facilities would allow SeAH Steel to “more effectively deal with rising protectionism in the United States.” ⁶
2017	Tenaris	Tenaris unveiled a \$1.8 billion, 1.2 million square foot greenfield seamless tube production facility. This facility includes a state-of-the-art rolling mill with a capacity to produce 600,000 metric tons of OCTG per year. ⁷
2018	Tenaris	Tenaris restarted operations at its Conroe, Texas mill. Production had been halted in 2015. ⁸
2019	Boomerang	Boomerang acquired Southern Tube. Boomerang stated that the acquisition would allow it to expand its product offerings to seamless tube and the processing of green tube. ⁹
	U.S. Steel	U.S. Steel announced the third quarter 2019 restart of its electric-welded pipe mill in Lone Star, Texas. The mill had been idled in 2016. ¹⁰

Table continued on next page.

Table III-1--Continued
OCTG: Important industry events since January 1, 2014

Year	Company	Event
2020	EVRAZ	A cyberattack shut down EVRAZ North America's information technology system in early March. As a result, EVRAZ temporarily laid off employees and stated that it could impact operations and shipments. ¹¹
	EVRAZ	In May, EVRAZ North America idled its Pueblo, Colorado OCTG mill and announced that it would temporarily layoff over 100 employees. EVRAZ stated that the idling of the Pueblo plant was in response to the difficult OCTG market conditions created by the coronavirus and the drop-in oil prices. ¹²
	Tenaris	Tenaris completed its acquisition of IPSCO, a U.S. domestic producer of seamless and welded OCTG and line pipe products, for \$1.067 billion. ¹³
	Tenaris	Tenaris announced that it would suspend operations at its Koppel and Ambridge, PA, facilities on March 31, and implement employee reductions at its Baytown, TX, and Hickman, AR, facilities on April 17. Tenaris cited the sharp decline in oil prices and the subsequent decrease in market activity as the reason for the suspended operations and employee reductions. In May, Tenaris announced that it would lay off 200 employees at its seamless mill in Baytown, TX. ¹⁴
	U.S. Steel	U.S. Steel announced that in late-May the company would idle all or most operations at Lone Star Tubular in Texas and Lorain Tubular in Ohio for an indefinite period of time. The company reported that this was in response to weak market conditions including continued high levels of imports and decreased demand driven by a sudden, significant drop in oil prices. In April, U.S. Steel announced that it had issued or planned to issue advance notice of layoffs to approximately 6,500 employees, but expected the actual number of employees affected to be closer to 2,700. ¹⁵
	Vallourec	On April 6, Vallourec announced that in the following weeks, it would reduce over 900 positions in North America (over one third of its total workforce and contractor positions in North America) across all plants and support functions. Vallourec stated that it was taking these measures in order to "adjust working hours to activity levels, reduce fixed costs and investments as well as implementing strict safety measures to protect all employees from COVID-19." ¹⁶

Footnotes continued on next page.

Table III-1--Continued
OCTG: Important industry events since January 1, 2014

- ¹ Borusan, "Production facilities," <https://www.borusanmannesmann.com/production-facilities>.
- ² BENTELER Steel/Tube Manufacturing Corp., "Annual Report 2015," p. 5, 14–15. KSLA, "Operations begin at Benteler steel tube mill," September 5, 2015, <https://www.ksla.com/story/29964611/operations-begin-at-benteler-steel-tube-mill/>.
- ³ KAIT, "Blytheville manufacturer lays off employees," January 9, 2015, <https://www.kait8.com/story/27803181/blytheville-manufacturer-lays-off-employees/>. Arthur, Shay, "Blytheville mill cuts 300 jobs," January 9, 2015, <https://wreg.com/2015/01/09/blytheville-mill-cuts-300-jobs/>.
- ⁴ U.S. Steel Corp., "Form 10-K for the fiscal year ended December 31, 2016," p. 21, https://www.ussteel.com/sites/default/files/annual_reports/USS%20Form%2010-K%20-%202016.pdf. U.S. Steel Corp., "United States Steel to restart electric-weld pipe mill at Lone Star tubular operations," February 4, 2019, <https://www.ussteel.com/newsroom/united-states-steel-restart-electric-weld-pipe-mill-lone-star-tubular-operations>.
- ⁵ U.S. Steel Corp., "Form 10-K for the fiscal year ended December 31, 2016," p. 21, https://www.ussteel.com/sites/default/files/annual_reports/USS%20Form%2010-K%20-%202016.pdf.
- ⁶ SeAH Group, "History." <https://www.seah.co.kr/eng/seah/history.asp>. The Korea Times, "SeAH acquires two US steel mills," November 30, 2016. http://www.koreatimes.co.kr/www/news/biz/2016/11/123_219249.html.
- ⁷ Tenaris S.A., "Tenaris unveils seamless pipe mill in Bay City, Texas," December 11, 2017, <http://www.tenaris.com/en/MediaAndPublications/News/2017/December/TBCInauguration.aspx>.
- ⁸ Tenaris S.A., "Tenaris employees, elected officials celebrate restart of Conroe plant," October 20, 2018, <https://www.tenaris.com/en/newsroom/news-listing/tenaris-employees-conroe-plant--25995496518>.
- ⁹ Boomerang, "Boomerang purchases Southern Tube," February 25, 2019, <https://www.boomerangtube.com/boomerang-purchases-southern-tube/>.
- ¹⁰ U.S. Steel Corp., "United States Steel to restart electric-weld pipe mill at Lone Star tubular operations," February 4, 2019, <https://www.ussteel.com/newsroom/united-states-steel-restart-electric-weld-pipe-mill-lone-star-tubular-operations>.
- ¹¹ CBC News, "Cyber attack shuts down Evraz IT systems across North America, but company says no data compromised," March 5, 2020, <https://www.cbc.ca/news/canada/saskatchewan/evraz-regina-shut-down-ransomware-attack-1.5487017>.
- ¹² American Metal Markets, "Evraz temporarily idling Colorado mill," May 20, 2020. <https://www.amm.com/Article/3933450/Evraz-temporarily-idling-Colorado-mill.html>.
- ¹³ Tenaris, "Tenaris completes acquisition of IPSCO Tubulars from TMK," January 2, 2020, <https://ir.tenaris.com/news-releases/news-release-details/tenaris-completes-acquisition-ipSCO-tubulars-tmK>.
- ¹⁴ Tenaris, "Tenaris to adjust production, temporarily suspend operations at US facilities," March 19, 2020, <https://www.tenaris.com/en/newsroom/news-listing/tenaris-adjusts-production-suspends-operations-at--26783088120>. Tenaris, "Tenaris to adjust workforce at Bay City, TX, seamless plant," May 11, 2020. <https://www.tenaris.com/en/newsroom/news-listing/bay-city-layoffs--02793502820>.
- ¹⁵ U.S. Steel, "United States Steel Corporation takes action to preserve strong long-term future in response to COVID-19 impacts," March 27, 2020, <https://www.ussteel.com/newsroom/united-states-steel-corporation-takes-action-preserve-strong-long-term-future-response>. U.S. Steel, "Form 8-K," April 30, 2020. <https://www.sec.gov/ix?doc=/Archives/edgar/data/1163302/000116330220000031/form8ker200430.htm>.
- ¹⁶ Vallourec, "Vallourec reduces its workforce in North America," April 6, 2020, https://www.vallourec.com/-/media/Corporate_WebSite/CORP_Documents/CORP_Publications_EN/CORP_Press_Releases_EN/CORP_Reglemented_Press_Release_EN/2020/20200406-Vallourec-press-release-adaptations-measures.ashx.

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 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 OCTG since January 1, 2014. Nine domestic producers that provided responses in these reviews indicated that they had experienced such changes; their responses are presented in table III-2.

Table III-2

OCTG: Changes in the character of U.S. operations since January 1, 2014

Item / Firm	Reported changes in operations
Plant openings:	
***	***
***	***
***	***
***	***
Plant closings:	
***	***
***	***
Relocations:	
***	***
Expansions:	
***	***
***	***
***	***
***	***

Table continued on next page.

Table III-2--Continued

OCTG: Changes in the character of U.S. operations since January 1, 2014

Item / Firm	Reported changes in operations
Acquisitions:	
***	***
***	***
Consolidations:	
***	***
Prolonged shutdowns or curtailments:	
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
Revised labor agreements:	
***	***
***	***

Table continued on next page.

Table III-2--Continued

OCTG: Changes in the character of U.S. operations since January 1, 2014

Item / Firm	Reported changes in operations
Other:	
***	***
***	***
***	***
***	***
***	***

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

Anticipated changes in operations

The Commission asked domestic producers to report anticipated changes in the character of their operations relating to the production of OCTG (table III-3).

Table III-3

OCTG: Anticipated changes in the character of U.S. operations

Item / Firm	Reported changed in operations
Plant openings:	
***	***
***	***
***	***
***	***
***	***
***	***

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

U.S. production, capacity, and capacity utilization

Table III-4 and figures III-1, III-2, and III-3 present information concerning U.S. producers' production, capacity, and capacity utilization. U.S. mills' capacity increased by 8.3 percent between 2014 and 2019. U.S. mills' production declined overall by 27.5 percent between 2014 and 2019, with the largest declines occurring during 2015-16. Both U.S. mills' and U.S. toll processors' capacity utilization decreased during 2014-19, decreasing by 22.9 percentage points and *** percentage points, respectively.

*** surplus heat treatment refers to its processing operations on ***. *** facility operates as a mill in casing and tubing formation, as well as a processor in heat-treating unfinished product.

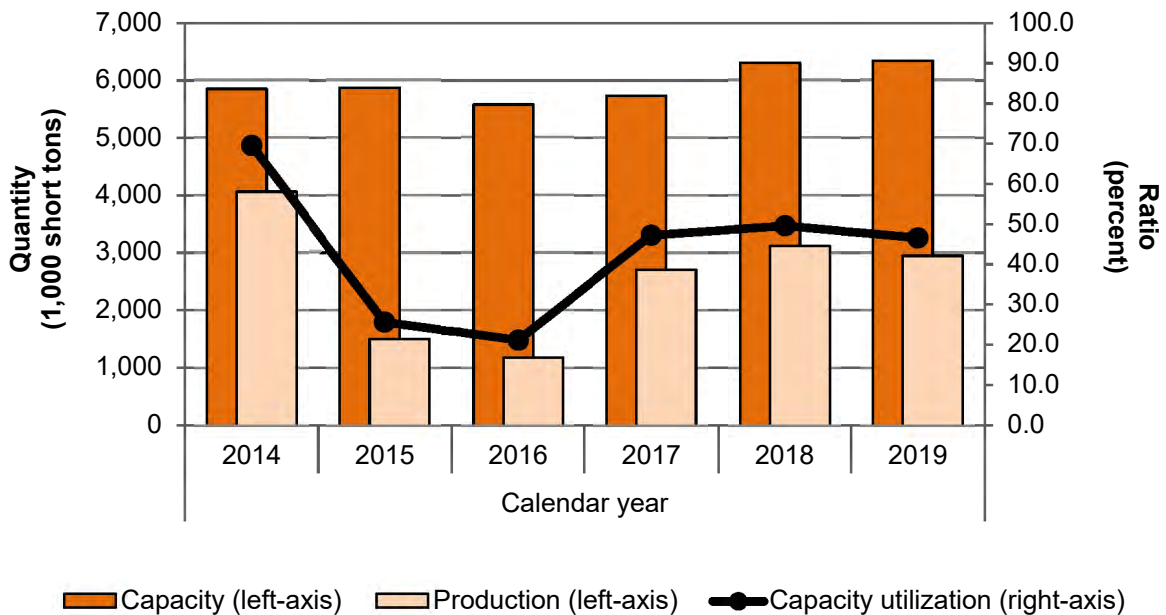
Table III-4
OCTG: U.S. producers' production, capacity, and capacity utilization, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
Capacity (short tons)						
U.S. mills	5,845,089	5,862,825	5,566,042	5,728,703	6,292,320	6,328,687
*** surplus heat treatment	***	***	***	***	***	***
U.S. toll processors	***	***	***	***	***	***
Production (short tons)						
U.S. mills	4,059,114	1,502,877	1,177,690	2,705,183	3,116,304	2,943,773
*** surplus heat treatment	***	***	***	***	***	***
U.S. toll processors	***	***	***	***	***	***
Capacity utilization (percent)						
U.S. mills	69.4	25.6	21.2	47.2	49.5	46.5
*** surplus heat treatment	***	***	***	***	***	***
U.S. toll processors	***	***	***	***	***	***

Note: Staff adjusted U.S. mill capacity for *** to align it with reported production of OCTG based products and to account for its product mix. Initially, ***.

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

Figure III-1
OCTG: U.S. mills' production, capacity, and capacity utilization, 2014-19



Source: Compiled from data submitted in response to Commission questionnaires

Figure III-2

OCTG: * surplus heat treatment capacity, production, and capacity utilization, 2014-19**

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Figure III-3

OCTG: U.S. toll processors' production, capacity, and capacity utilization, 2014-19

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Table III-5 presents data on U.S. mills' production by product type. U.S. mills' production of welded OCTG decreased by 46.7 percent during 2014-19, while production of seamless OCTG decreased by only 6.5 percent. During 2014-15, the domestic industry featured more production of welded OCTG than seamless OCTG. However, during 2016-19, the domestic industry's composition of pipe formation transitioned more to seamless product, reflecting the *** and the ramping up of new seamless mills in the United States.

**Table III-5
OCTG: U.S. mills' production and share of production by product type, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
Quantity (short tons)						
U.S. mills' production.-- Welded	2,140,818	801,028	338,546	1,035,731	1,171,091	1,141,977
Seamless	1,918,296	701,850	839,144	1,669,451	1,945,213	1,801,796
All OCTG	4,059,114	1,502,878	1,177,690	2,705,182	3,116,304	2,943,773
Shares (percent)						
U.S. mills' production.-- Welded	52.7	53.3	28.7	38.3	37.6	38.8
Seamless	47.3	46.7	71.3	61.7	62.4	61.2
All OCTG	100.0	100.0	100.0	100.0	100.0	100.0

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

Constraints on capacity

Eight of the 12 responding U.S. producers reported constraints in the manufacturing process. Four U.S. producers, ***, attributed production constraints to general market conditions surrounding the OCTG industry, as well as the prices for oil and gas. Four U.S. producers, ***, attributed constraints to facility and equipment maintenance and the availability of labor and personnel dedicated to shifts. Six U.S. producers, ***, indicated that production constraints stem from equipment and facility efficiency with respect to product mix and optimizing capacity.

Alternative products

Table III-6 presents data on U.S. mills' overall combined capacity and production of products on the same machinery. Both welded and seamless mill capacity increased between 2014 and 2019, increasing by 3.6 percent and 27.5, respectively. U.S. mills' overall capacity increased in each annual period between 2014-18 rising by 14.2 percent during the period for which data were collected.

Production of coupling stock represented less than *** percent of U.S. mills' total output in each annual period during 2014-19. Production of other tubular products (e.g., line pipe, standard pipe, etc.) decreased during 2014-16 and rebounded during 2017-19, decreasing by *** percent between 2014-19. On balance, tubular products other than OCTG generally accounted for less than one quarter of overall production during 2014-19.

Table III-6
OCTG: U.S. mills' overall combined capacity and production of products on the same machinery as OCTG, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Overall capacity	6,816,215	7,010,715	7,042,735	7,202,152	7,808,974	7,787,098
Of which welded mills	3,755,130	3,949,630	3,949,630	3,990,400	4,084,160	3,889,673
Of which seamless mills	3,061,085	3,061,085	3,093,105	3,211,752	3,724,814	3,897,425
Production:						
Casing and tubing	***	***	***	***	***	***
Coupling stock	***	***	***	***	***	***
OCTG	4,059,114	1,502,878	1,177,690	2,705,182	3,116,304	2,943,773
Other tubular products	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	70.0	26.3	22.1	46.7	51.2	45.7
Of which welded mills	65.5	26.2	14.4	37.9	44.0	41.5
Of which seamless mills	75.5	26.6	31.9	57.6	59.2	49.9
Production:						
Casing and tubing	***	***	***	***	***	***
Coupling stock	***	***	***	***	***	***
OCTG	***	***	***	***	***	***
Other tubular products	***	***	***	***	***	***
All products same machinery	100.0	100.0	100.0	100.0	100.0	100.0

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

Table III-7 presents data on U.S. producers' heat-treating capabilities and production of products on the same machinery as casing and tubing. Data in this table include U.S. mills' heat treat capacity (including surplus capacity), as well as independent processors' capacity. Overall heat capacity fluctuated during 2014-19, but on balance increased by 10.5 percent during the period for which data were collected. The vast majority of heat treat capacity is dedicated to OCTG operations. Heat treatment of other tubular products accounted for less than *** percent in each annual period during 2014-19.

Table III-7**OCTG: U.S. producers' heat treat capacity and production of products on the same machinery as casing and tubing, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Overall capacity	4,605,692	4,664,370	4,597,713	4,920,513	5,137,059	5,089,911
Production:						
Casing and tubing	***	***	***	***	***	***
Other tubular products	***	***	***	***	***	***
Total production	3,475,707	1,501,703	1,076,844	2,418,536	2,960,075	2,829,513
	Ratios and shares (percent)					
Capacity utilization	75.5	32.2	23.4	49.2	57.6	55.6
Production:						
Casing and tubing	***	***	***	***	***	***
Other tubular products	***	***	***	***	***	***
Total production	100.0	100.0	100.0	100.0	100.0	100.0

Note: Overall capacity is the domestic industry's total heat treat capacity.

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

U.S. producers' U.S. shipments and exports

Table III-8 presents data concerning U.S. mills' U.S. shipments, export shipments, and total shipments during 2014-19. U.S. mills' U.S. shipments decreased by 21.1 percent during 2014-19. U.S. mills' U.S. shipments, by unit value, decreased during 2014-16 and then increased during 2017-19, on balance decreasing by 11.0 percent during 2014-19. Export shipments accounted for less than ten percent of total shipments during 2014-19.

Table III-8

OCTG: U.S. mills' U.S. shipments, exports shipments, and total shipments, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. shipments	3,813,492	1,577,897	1,153,130	2,420,832	3,092,618	3,007,270
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Value (1,000 dollars)					
U.S. shipments	6,150,313	2,313,789	1,224,927	3,099,276	4,573,507	4,315,105
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Unit value (dollars per short ton)					
U.S. shipments	1,613	1,466	1,062	1,280	1,479	1,435
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Share of quantity (percent)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Share of value (percent)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

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

Table III-9 presents data for shipments of imported OCTG that were heat treated using surplus heat treat capacity at *** facility. The volumes shown below include *** of the production range of *** U.S. mill.

Table III-9

OCTG: * U.S. shipments, exports shipments, and total shipments of imported OCTG heat treated in the United States, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Value (1,000 dollars)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Unit value (dollars per short ton)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Share of quantity (percent)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Share of value (percent)					
U.S. shipments	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

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

Table III-10 presents data concerning U.S. toll processors' U.S. shipments (specifically returns to the tollee) during 2014-19. U.S. toll processors' total shipments (for the account of U.S. mills, U.S. importers, and other customers) decreased by *** percent during 2014-19. Likewise, U.S. shipments, by unit value, declined by *** percent during 2014-19. U.S. shipments to both U.S. mills and U.S. importers decreased during 2014-19, decreasing by *** percent and *** percent, respectively. On balance, U.S. shipments to U.S. importers generally accounted for more than three-quarters of total shipments during 2014-19.

Table III-10
OCTG: U.S. toll processors' U.S. shipments, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
For U.S. mills	***	***	***	***	***	***
For U.S. importers	***	***	***	***	***	***
For other customers	***	***	***	***	***	***
Returned to tollee	***	***	***	***	***	***
	Value (1,000 dollars)					
For U.S. mills	***	***	***	***	***	***
For U.S. importers	***	***	***	***	***	***
For other customers	***	***	***	***	***	***
Returned to tollee	***	***	***	***	***	***
	Unit value (dollars per short ton)					
For U.S. mills	***	***	***	***	***	***
For U.S. importers	***	***	***	***	***	***
For other customers	***	***	***	***	***	***
Returned to tollee	***	***	***	***	***	***
	Share of quantity (percent)					
For U.S. mills	***	***	***	***	***	***
For U.S. importers	***	***	***	***	***	***
For other customers	***	***	***	***	***	***
Returned to tollee	***	***	***	***	***	***
	Share of value (percent)					
For U.S. mills	***	***	***	***	***	***
For U.S. importers	***	***	***	***	***	***
For other customers	***	***	***	***	***	***
Returned to tollee	***	***	***	***	***	***

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

Table III-11 presents data concerning U.S producers' U.S. shipments for use in apparent consumption during 2014-19. The incremental value from U.S. heat treatment of imports decreased between 2014 to 2016 and then rebounded between 2017 to 2019. However, despite the partial recovery after 2016, the incremental value from U.S. heat treatment of imports in 2019 was *** percent lower compared to 2014.

Table III-11**OCTG: U.S. producers' U.S. shipments for use in apparent U.S. consumption, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. shipments	3,813,492	1,577,897	1,153,130	2,420,832	3,092,618	3,007,270
	Value (1,000 dollars)					
U.S. shipments.-- Fully domestic value	6,192,440	2,327,789	1,228,496	3,108,763	4,588,509	4,335,719
Incremental value from heat treating imports	***	***	***	***	***	***
Total domestic value	***	***	***	***	***	***

Note: Quantity for U.S. producers' U.S. shipments reflects mills' U.S. shipment quantities. Value for U.S. producers' U.S. shipments reflects OCTG products sold in the United States from domestically manufactured OCTG (including the value of toll processing on domestic OCTG), as well as the incremental value to imported OCTG from U.S.-domiciled heat treatment (i.e., it excludes the value of the unprocessed imported OCTG used in domestic processing activities). In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported as an import.

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

U.S. producers' inventories

Table III-12 presents U.S. mills' end-of-period inventories and the ratio of these inventories to U.S. mills' production, U.S. shipments, and total shipments. All U.S. mills' reported end-of-period inventories at some point during 2014-19. U.S. mills inventories varied over the period, decreasing between 2014 to 2016 and then recovering between 2017 to 2019. Moreover, U.S. mills' inventories in year-end 2019 were *** percent lower compared to year-end 2014. U.S. mills', ***, accounted for *** percent of U.S. mills inventories during 2019.

Table III-12**OCTG: U.S. mills' inventories, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. mills end-of-period inventories	***	***	***	***	***	***
	Ratio (percent)					
Ratio of inventories to.-- U.S. production	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

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

U.S. processors that operate on a toll basis do not take title to OCTG that is heat treated. Accordingly, the data in table III-13 reflect only the end-of-period inventories of imported OCTG

heat treated with *** surplus heat treat capacity in *** and the ratio of these inventories to *** production, U.S. shipments, and total shipments.

Table III-13

OCTG: Inventories of imported OCTG heat treated in a U.S. facility, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
End-of-period inventories	***	***	***	***	***	***
	Ratio (percent)					
Ratio of inventories to.-- U.S. production	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

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

U.S. producers' imports

Data concerning U.S. producers' imports of OCTG are presented in table III-14. Although seven U.S. producers directly imported OCTG from nonsubject sources (***), only one responding U.S. producer directly imported OCTG from subject sources (***).²

In total, responding U.S. producers reported *** short tons of imports in 2014; *** short tons of imports in 2015; *** short tons of imports in 2016; *** short tons of imports in 2017; *** short tons of imports in 2018; and *** short tons of imports in 2019. Moreover, based on ***, U.S. producer *** was the *** individual importer of OCTG from all import sources in each annual period during 2014-19, accounting for more than *** percent of such imports.

In addition, as noted above, SeAH Steel acquired U.S. processing and mill operations in 2016. Based on ***, SeAH was responsible for *** short tons of imports in 2014; *** short tons of imports in 2015; *** short tons of imports in 2016; *** short tons of imports in 2017; *** short tons of imports in 2018; and *** short tons of imports in 2019. After multiple attempts of

² *** operates both as a U.S. producer of OCTG and a U.S. importer of OCTG. Additionally, *** has an affiliate in *** that has been identified as a foreign producer and exporter of OCTG, ***.

communication with this firm, Commission staff was unable to obtain a response concerning its U.S. production and U.S. importing operations.

Table III-14
OCTG: U.S. producers' U.S. production, imports, and import ratios to U.S. production, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					

Table continued on next page.

Table III-14--Continued

OCTG: U.S. producers' U.S. production, imports, and import ratios to U.S. production, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					

Table continued on next page.

Table III-14--Continued

OCTG: U.S. producers' U.S. production, imports, and import ratios to U.S. production, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
***	***	***	***	***	***	***
***	***	***	***	***	***	***
	***	***	***	***	***	***
***	***	***	***	***	***	***
	Ratio (percent)					
***	***	***	***	***	***	***
	***	***	***	***	***	***
***	***	***	***	***	***	***
***	Narrative					
***	***					
	Quantity (short tons)					
***	***	***	***	***	***	***
	***	***	***	***	***	***
***	Ratio (percent)					
***	***	***	***	***	***	***
	Narrative					
***	***					

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

U.S. employment, wages, and productivity

Table III-15 presents information concerning U.S. producers' employment-related data during 2014-19. The number of production related workers ("PRWs") employed by mills and toll processors decreased during 2014-19 by 24.7 and *** percent, respectively. Likewise, total hours worked, wages paid, and productivity of mills and toll processors decreased during 2014-19. In contrast, hourly wages and unit labor costs of U.S. mills and U.S. toll processors increased during 2014-19.

U.S. producers' combined PRWs varied over the period but declined by *** percent between 2014 and 2019. The domestic industry's combined hourly wages varied over the period but on balance increased by *** percent during 2014-19.

Table III-15
OCTG: U.S. producers' employment related data, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. mills (including all of ***)						
Production and related workers (PRWs) (number)	8,124	4,781	3,199	4,859	5,905	6,116
Total hours worked (1,000 hours)	17,548	10,233	7,092	11,603	14,273	14,300
Hours worked per PRW (hours)	2,160	2,140	2,217	2,388	2,417	2,338
Wages paid (\$1,000)	620,136	364,987	260,831	413,988	515,759	535,269
Hourly wages (dollars per hour)	\$35.34	\$35.67	\$36.78	\$35.68	\$36.14	\$37.43
Productivity (short tons per 1,000 hours)	236.9	151.4	170.7	238.7	222.7	209.0
Unit labor costs (dollars per short tons)	\$149	\$236	\$215	\$149	\$162	\$179
U.S. toll processors						
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 (short tons per 1,000 hours)	***	***	***	***	***	***
Unit labor costs (dollars per short tons)	***	***	***	***	***	***
U.S. producers combined						
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)	***	***	***	***	***	***

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

Financial experience of U.S. producers

Background

Twelve U.S. firms provided usable financial results on their OCTG operations.^{3 4} Eleven of the firms reported their financial data on a calendar-year basis.⁵ Seven of the responding firms provided their financial data on the basis of generally accepted accounting principles (“GAAP”).⁶

Figure III-4 presents each responding firm’s share of the total reported net sales value in 2019. Revenue primarily reflects commercial sales, but also includes a small amount of transfers to related firms reported by ***. Transfers to related firms accounted for *** percent of the industry’s combined net sales value and net tolling revenue during the period for which data were collected, and are not shown separately in this section of the report.

³ These firms include ten OCTG-producing mills (one of which also has surplus processing operations for imported green tube) and two firms reporting data on their independent toll processing operations. The OCTG-producing mills are: Axis, Benteler, Boomerang, Borusan, EVRAZ, IPSCO, Tenaris, U.S. Steel, Vallourec, and Welded Tube. The two firms that reported toll-processing OCTG were Tubular Services and TSC. ***.

⁴ ***.

⁵ *** reported its financial results on the basis of a fiscal year end of October 31.

⁶ The remaining companies reported their financial results on the basis of international financial reporting standards (IFRS).

Figure III-4
OCTG: Share of net sales value by U.S. mill, 2019

* * * * *

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

Operations on OCTG

Table III-16 presents aggregated data on U.S. mills' operations in relation to OCTG, while table III-17 presents corresponding changes in average unit values reported in table III-16.⁷ Table III-18 presents selected company-specific financial data of U.S. mills.

⁷ Due to the nature of tolling operations, and in order to not distort the ratio analyses or double-count certain measures, the financial results of the U.S. mills are not combined with those of the toll processors. The toll processors' financial results are presented in table III-20. Total combined gross profit and operating income are included in footnotes in the relevant sections.

Table III-16
OCTG: Results of operations of U.S. mills, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Total net sales	4,183,317	1,708,959	1,234,085	2,625,447	3,236,847	3,093,545
	Value (1,000 dollars)					
Total net sales	6,722,212	2,507,409	1,314,766	3,339,935	4,755,623	4,373,002
Cost of goods sold.--						
Raw materials	3,269,690	1,309,079	696,640	1,763,702	2,512,094	2,359,271
Direct labor	545,304	319,799	186,421	358,395	449,185	458,034
Other factory costs	2,041,695	1,177,887	830,536	1,130,121	1,513,091	1,578,272
Total cost of goods sold	5,856,689	2,806,765	1,713,597	3,252,218	4,474,370	4,395,577
Gross profit	865,523	(299,356)	(398,831)	87,717	281,253	(22,575)
SG&A expense	478,990	425,722	369,283	331,018	503,715	390,394
Operating income or (loss)	386,533	(725,078)	(768,114)	(243,301)	(222,462)	(412,969)
Other expenses or (income)	137,457	808,211	(64,326)	22,332	107,110	25,913
Net income or (loss)	249,076	(1,533,289)	(703,788)	(265,633)	(329,572)	(438,882)
Depreciation/amortization	309,069	318,081	284,952	301,445	467,711	336,882
Cash flow	558,145	(1,215,208)	(418,836)	35,812	138,139	(102,000)
	Unit value (dollars per short ton)					
Total net sales	1,607	1,467	1,065	1,272	1,469	1,414
Cost of goods sold.--						
Raw materials	782	766	564	672	776	763
Direct labor	130	187	151	137	139	148
Other factory costs	488	689	673	430	467	510
Average COGS	1,400	1,642	1,389	1,239	1,382	1,421
Gross profit	207	(175)	(323)	33	87	(7)
SG&A expense	115	249	299	126	156	126
Operating income or (loss)	92	(424)	(622)	(93)	(69)	(133)
Net income or (loss)	60	(897)	(570)	(101)	(102)	(142)

Table continued on next page.

Table III-16—Continued
OCTG: Results of operations of U.S. mills, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Ratio to cost of goods sold (percent)					
Cost of goods sold.--						
Raw materials	55.8	46.6	40.7	54.2	56.1	53.7
Direct labor	9.3	11.4	10.9	11.0	10.0	10.4
Other factory costs	34.9	42.0	48.5	34.7	33.8	35.9
Total cost of goods sold	100.0	100.0	100.0	100.0	100.0	100.0
	Ratio to net sales (percent)					
Cost of goods sold.--						
Raw materials	48.6	52.2	53.0	52.8	52.8	54.0
Direct labor	8.1	12.8	14.2	10.7	9.4	10.5
Other factory costs	30.4	47.0	63.2	33.8	31.8	36.1
Total cost of goods sold	87.1	111.9	130.3	97.4	94.1	100.5
Gross profit	12.9	(11.9)	(30.3)	2.6	5.9	(0.5)
SG&A expense	7.1	17.0	28.1	9.9	10.6	8.9
Operating income or (loss)	5.8	(28.9)	(58.4)	(7.3)	(4.7)	(9.4)
Net income or (loss)	3.7	(61.2)	(53.5)	(8.0)	(6.9)	(10.0)
	Number of firms reporting					
Operating losses	2	8	9	6	5	8
Net losses	3	8	8	6	4	7
Data	8	9	10	10	10	10

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

Table III-17
OCTG: Changes in AUVs of U.S. mills between fiscal years

Item	Between fiscal years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
Changes in AUVs (percent)						
Total net sales	▼(12.0)	▼(8.7)	▼(27.4)	▲19.4	▲15.5	▼(3.8)
Cost of goods sold.--						
Raw materials	▼(2.4)	▼(2.0)	▼(26.3)	▲19.0	▲15.5	▼(1.7)
Direct labor	▲13.6	▲43.6	▼(19.3)	▼(9.6)	▲1.7	▲6.7
Other factory costs	▲4.5	▲41.2	▼(2.4)	▼(36.0)	▲8.6	▲9.1
Average cost of goods sold	▲1.5	▲17.3	▼(15.5)	▼(10.8)	▲11.6	▲2.8
Changes in AUVs (dollars per short ton)						
Total net sales	▼(193)	▼(140)	▼(402)	▲207	▲197	▼(56)
Cost of goods sold.--						
Raw materials	▼(19)	▼(16)	▼(202)	▲107	▲104	▼(13)
Direct labor	▲18	▲57	▼(36)	▼(15)	▲2	▲9
Other factory costs	▲22	▲201	▼(16)	▼(243)	▲37	▲43
Average cost of goods sold	▲21	▲242	▼(254)	▼(150)	▲144	▲39
Gross profit	▼(214)	▼(382)	▼(148)	▲357	▲53	▼(94)
SG&A expense	▲12	▲135	▲50	▼(173)	▲30	▼(29)
Operating income or (loss)	▼(226)	▼(517)	▼(198)	▲530	▲24	▼(65)
Net income or (loss)	▼(201)	▼(957)	▲327	▲469	▼(1)	▼(40)

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

Table III-18
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
Net sales quantity (short tons)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	4,183,317	1,708,959	1,234,085	2,625,447	3,236,847	3,093,545
Net sales value (1,000 dollars)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	6,722,212	2,507,409	1,314,766	3,339,935	4,755,623	4,373,002
Cost of goods sold (1,000 dollars)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	5,856,689	2,806,765	1,713,597	3,252,218	4,474,370	4,395,577

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
Gross profit or (loss) (1,000 dollars)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	865,523	(299,356)	(398,831)	87,717	281,253	(22,575)
SG&A expenses (1,000 dollars)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	478,990	425,722	369,283	331,018	503,715	390,394
Operating income or (loss) (1,000 dollars)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	386,533	(725,078)	(768,114)	(243,301)	(222,462)	(412,969)

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Net income or (loss) (1,000 dollars)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	249,076	(1,533,289)	(703,788)	(265,633)	(329,572)	(438,882)
	Cost of goods sold to net sales value (percent)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	87.1	111.9	130.3	97.4	94.1	100.5
	Gross profit or (loss) to net sales value (percent)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	12.9	(11.9)	(30.3)	2.6	5.9	(0.5)

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
SG&A expenses to net sales value (percent)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	7.1	17.0	28.1	9.9	10.6	8.9
Operating income or (loss) to net sales value (percent)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	5.8	(28.9)	(58.4)	(7.3)	(4.7)	(9.4)
Net income or (loss) to net sales value (percent)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	3.7	(61.2)	(53.5)	(8.0)	(6.9)	(10.0)

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Unit net sales value (dollars per short ton)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	1,607	1,467	1,065	1,272	1,469	1,414
	Unit raw materials (dollars per short ton)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	782	766	564	672	776	763
	Unit direct labor (dollars per short ton)					
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	130	187	151	137	139	148

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
Unit other factory costs (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	488	689	673	430	467	510
Unit cost of goods sold (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	1,400	1,642	1,389	1,239	1,382	1,421
Unit gross profit or (loss) (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	207	(175)	(323)	33	87	(7)

Table continued on next page.

Table III-18—Continued
OCTG: Results of operations of U.S. mills, by firm, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
Unit SG&A expense (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	115	249	299	126	156	126
Unit operating income or (loss) (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	92	(424)	(622)	(93)	(69)	(133)
Unit net income or (loss) (dollars per short ton)						
Axis	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
All firms	60	(897)	(570)	(101)	(102)	(142)

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

Net sales

As seen in table III-16, the net sales quantity of the U.S. mills decreased sharply from 4.2 million short tons in 2014 to a period low of 1.2 million short tons in 2016, before increasing irregularly to 3.1 million short tons in 2019 (for an overall decrease of 26.1 percent between 2014 and 2019). Total net sales value also decreased sharply from \$6.7 billion in 2014 to a period low of \$1.3 billion in 2016, and then increased irregularly to \$4.4 billion in 2019 (for an overall decrease of 34.9 percent between 2014 and 2019). On a company-by-company basis, a majority (six of ten responding mills) reported similar directional trends in net sales (an overall decrease from 2014 to 2019 and a period low in 2016).⁸

The U.S. mills' average unit value ("AUV") of net sales also fluctuated during the period for which data were collected, decreasing from \$1,607 per short ton in 2014 to \$1,065 in 2016, and then increasing irregularly to \$1,414 per short ton in 2019. On a company-specific basis, the directional trends of the net sales AUV were mostly uniform, with *** companies showing a decline in their net sales AUVs from 2014 to 2016 and an overall increase in their net sales AUVs between 2016 and 2019.⁹

Cost of goods sold and gross profit or (loss)

The U.S. mills' raw material costs accounted for between 40.7 percent and 56.1 percent of total COGS from 2014 to 2019, and were the largest component of COGS in each year examined except for 2016. Both in total dollar value and on a per-short ton basis, raw material costs decreased from 2014 to 2016, and increased irregularly from 2016 to 2019 (with an overall decrease between 2014 and 2019). However, as a ratio to net sales, raw materials increased from 48.6 percent in 2014 to 54.0 percent in 2019. On a company-specific basis, *** of the mills reported a period low per-short ton cost of raw materials in 2016, and a majority (six of the eight companies with sales of OCTG in 2014) reported an overall decrease in the

⁸ The remaining four companies all began operations during or immediately before the period for which data were collected, and therefore showed an overall increase in net sales. ***. U.S. producers' questionnaire responses at II-2a.

⁹ ***.

per-short ton cost of their raw materials between 2014 and 2019. Table III-19 presents raw materials, by type.^{10 11}

Table III-19
OCTG: Raw materials by type, 2019

Item	Fiscal year 2019		
	Value (1,000 dollars)	Unit value (dollars per short ton)	Share of value (percent)
Steel sheet / coil	971,765	314	41.2
Steel billets	1,112,286	360	47.1
Unfinished OCTG	44,715	14	1.9
Other material inputs	230,505	75	9.8
Total	2,359,271	763	100.0

Note: The majority of the unfinished OCTG was reported by ***'s U.S. producers' questionnaire, section II-10.

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

¹⁰ ***. U.S. producers' questionnaire responses, sections III-7 and III-8, ***.

¹¹ The producers that exclusively produce welded OCTG (***) all reported ***. These companies ***.

The U.S. mills' direct labor, the smallest component of COGS in each period, accounted for between 9.3 percent and 11.4 percent of total COGS from 2014 to 2019. The per-short ton cost of direct labor fluctuated from 2014 to 2019, but increased overall from \$130 in 2014 to \$148 in 2019.

Other factory costs were generally the second largest component of COGS and accounted for between 34.9 percent and 48.5 percent of total COGS during the period for which data were collected.¹² As with raw material costs and direct labor, the total value of other factory costs decreased from 2014 to 2016 and increased from 2016 to 2019. However, as a ratio to sales, other factory costs increased from 2014 to 2016 and decreased irregularly from 2016 to 2019. On a per-short ton basis, other factory costs fluctuated, but increased overall from \$488 in 2014 to \$510 in 2019. In general, the producers of welded OCTG reported lower per-short ton other factory costs than the companies that either exclusively or mostly produced seamless OCTG.

The U.S. mills' total COGS decreased from \$5.9 billion in 2014 to \$1.7 billion in 2016, and increased irregularly to \$4.4 billion in 2019, for an overall decrease of 24.9 percent between 2014 and 2019. Between 2014 and 2016, the decrease in total COGS did not keep pace with the sharper decrease in total net sales value. This resulted in the mills experiencing a decrease in gross profit from \$865.5 million in 2014 to a gross loss of \$398.8 million in 2016. Gross profit increased to a positive of \$281.3 million in 2018, but decreased to a loss of \$22.6 million in 2019.¹³

SG&A expenses and operating income or (loss)

The U.S. mills' SG&A expenses fluctuated during the period for which data were collected, but generally decreased from 2014 to 2017, increased noticeably in 2018, and decreased in 2019. *** accounted for the large majority of the noticeable increase in SG&A expenses in 2018. The company reported a \$*** nonrecurring item related to

¹² Other factory costs were the largest component of COGS in 2016. During that year, when net sales of OCTG decreased precipitously, all components of COGS decreased on a value basis. However, due to the fact that other factory costs contain both variable and fixed costs, it decreased proportionally less than raw materials and direct labor.

¹³ The combined gross profit of U.S. mills and toll processors was \$*** in 2014, *** in 2015, *** in 2016, \$*** in 2017, \$*** in 2018, and \$*** in 2019. The gross profit margin for the combined data of the U.S. mills and toll processors was *** percent, *** percent, *** percent, *** percent, *** percent, and *** percent.

***. As a ratio to net sales, SG&A expenses increased from 7.1 percent in 2014 to a period high of 28.1 percent in 2016, and decreased to 8.9 percent in 2019.

Operating income decreased from \$386.5 million in 2014 to an operating loss of \$768.1 million in 2016 (the period low). The industry continued to record operating losses for the remainder of the period for which data were collected. The operating losses improved (i.e., the losses decreased) in 2017 and 2018, but worsened again in 2019 to a loss of \$413.0 million.¹⁴ The number of mills recording operating losses increased from two in 2014, to eight in 2015, and nine in 2016, when all but one company recorded a loss. There were six, five, and eight firms recording operating losses in 2017, 2018, and 2019, respectively.

All other expenses and net income or (loss)

Classified below the operating income level are interest expense, other expense, and other income, which are often allocated to the product line from high levels in the corporation. In table III-16 these items are aggregated and only the net amount is shown. The mills' net amount of all other expenses fluctuated throughout the period for which data were collected, but decreased overall from \$137.5 million in 2014 to \$25.9 million in 2019, with a noticeable period high of \$808.2 million in 2015, and a period low of a negative \$64.3 million in 2016.¹⁵ The vast majority of the increase in all other expenses in 2015 was due to nonrecurring charges reported by ***. ***. *** was responsible for all other expenses being *** in 2016. The company reported nonrecurring items related to ***.

Net income decreased irregularly from \$249.1 million in 2014 to a net loss of \$438.9 million in 2019, with a period low net loss of \$1.53 billion in 2015. Due to the large spike in all

¹⁴ The combined operating income of U.S. mills and toll processors was \$*** in 2014, *** in 2015, *** in 2016, *** in 2017, *** in 2018, and *** in 2019. The operating income margin for the combined data of the U.S. mills and toll processors was *** percent, *** percent, *** percent, *** percent, *** percent, and *** percent.

¹⁵ A negative value in all other expenses has a positive effect on net income, similar to an income item.

other expenses in 2015, net income recorded its largest losses of the period in 2015 rather than in 2016 like with gross profit and operating income.¹⁶

Tolling operations

In a tolling arrangement, one firm (the tollee) provides the input material (retaining title to the input) to another firm (the toller) which upgrades the input to the desired form and quality. In the case of OCTG, the toll processing that is performed is typically that of heat-treating of tubular products to their final API grade. Two firms, Tubular Services and TSC, reported data on their tolling operations. *** was the larger of the two companies, accounting for approximately *** percent of the reported tolling quantity from 2014 to 2019. Table III-20 presents aggregated data on the toll processors' operations in relation to OCTG.

Table III-20
OCTG: Results of operations of toll processors, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Net tolling quantities	***	***	***	***	***	***
	Value (1,000 dollars)					
Net tolling revenues	***	***	***	***	***	***
Cost of tolling services.-- Additional raw materials	***	***	***	***	***	***
Direct labor cost	***	***	***	***	***	***
Other factory costs	***	***	***	***	***	***
Total cost of tolling services	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expense	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
	Unit value (dollars per short ton)					
Net tolling revenues	***	***	***	***	***	***
Cost of tolling services	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***
SG&A expense	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***

Table continued on next page.

¹⁶ Due to the ***, a variance analysis would not be meaningful, and therefore is not shown.

Table III-20 – Continued
OCTG: Results of operations of toll processors, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
Share of cost of tolling services (percent)						
Cost of tolling services.-- Additional raw materials	***	***	***	***	***	***
Direct labor	***	***	***	***	***	***
Other factory costs	***	***	***	***	***	***
Total cost of tolling services	***	***	***	***	***	***
Ratio to tolling revenue (percent)						
Cost of tolling services.-- Additional raw materials	***	***	***	***	***	***
Direct labor	***	***	***	***	***	***
Other factory costs	***	***	***	***	***	***
Total cost of tolling services	***	***	***	***	***	***
Gross profit	***	***	***	***	***	***
SG&A expense	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***
Number of firms reporting						
Operating losses	***	***	***	***	***	***
Net losses	***	***	***	***	***	***
Data	2	2	2	2	2	2

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

As seen in table III-20, the net tolling quantities of OCTG followed a similar directional trend as the mills' net sales quantity. Net tolling quantities decreased from *** short tons in 2014 to *** short tons in 2016, and increased irregularly to *** short tons in 2019. Net tolling revenues (the fees paid by the tollee to the toller) decreased from \$*** in 2014 to \$*** in 2016 and increased irregularly to \$*** in 2019.¹⁷ The average unit value of the tolling revenues fluctuated, but decreased overall from \$*** per short ton in 2014 to \$*** per short ton in 2019.

¹⁷ The majority of toll-processed OCTG was ***. OCTG that was toll-processed for U.S. mills accounted for between *** percent of the total quantity of toll-processed OCTG during the period for which data were collected.

The total cost of tolling services includes direct labor, other factory costs, and any additional raw materials the toller uses in its processing activities, outside of the raw materials provided by the tollee (unfinished OCTG). The additional raw materials, reported by ***, were very minor, and accounted for less than *** percent of the total cost of tolling services during the period for which data were collected. The tollers' direct labor accounted for between *** percent and *** percent of the total cost of tolling services between 2014 and 2019, while other factory costs accounted for between *** percent and *** percent.¹⁸ The toll processors' gross profit fluctuated, but decreased overall from \$*** in 2014 to \$*** in 2019.

Toll processors' SG&A expenses also fluctuated, but decreased overall from \$*** in 2014 to \$*** in 2019. Operating income decreased from a period-high of \$*** in 2014 to a period-low *** in 2016, and increased irregularly to \$*** in 2019.

¹⁸ ***. This causes the toll processors' other factory costs to be overstated in 2014 while the other two components are understated.

Capital expenditures and research and development expenses

Table III-21 presents capital expenditures and research and development (“R&D”) expenses by firm. The industry’s total capital expenditures decreased irregularly from \$*** in 2014 to \$*** in 2019. Six of nine of the U.S. mills with capital expenditures throughout the period for which data were collected reported a decrease in their capital expenditures from 2014 to 2019, and *** of the toll processors reported a decrease.¹⁹ *** accounted for the largest company-specific share of capital expenditures in ***. The company reported that its capital expenditures were related to ***.²⁰ R&D expenses were reported by five U.S. mills and decreased from \$*** in 2014 to \$*** in 2019. *** accounted for the largest company-specific amounts of R&D expenses in ***, and *** accounted for the largest company-specific amounts in ***.²¹

¹⁹ ***.

²⁰ ***’s U.S. producer questionnaire response, section III-13.

²¹ ***’s U.S. producer questionnaire response, section III-13.

Table III-21
OCTG: Capital expenditures and R&D expenses of U.S. mills and toll processors, 2014-19

Item	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Capital expenditures (1,000 dollars)					
U.S. mills:						
Axis	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Subtotal	647,889	761,950	725,465	467,554	251,661	242,155
U.S. toll processors:						
TSC	***	***	***	***	***	***
Tubular Services	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***
All firms	***	***	***	***	***	***
	Research and development expenses (1,000 dollars)					
U.S. mills:						
Axis	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***
U.S. toll processors:						
TSC	***	***	***	***	***	***
Tubular Services	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Assets and return on assets

Table III-22 presents data on the U.S. mills' and toll processors' total assets and their return on assets ("ROA").²² The industry's total assets increased irregularly from \$*** in 2014 to \$*** in 2019. The company-specific trends in total assets were mixed with six of ten mills reporting an increase in total assets from 2014 to 2019, and *** toll processors reporting an increase. Of the six firms that reported an increase in assets from 2014 to 2019, ***. *** accounted for the largest increase in total assets from 2014 to 2019. The company invested ***.²³

²² The return on assets ("ROA") is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations may be required in order to report a total asset value for OCTG.

²³ ***'s U.S. producer questionnaire response, section II-2a.

Table III-22
OCTG: U.S. mills' and toll processors' total assets and return on assets, 2014-19

Firm	Fiscal year					
	2014	2015	2016	2017	2018	2019
	Total net assets (1,000 dollars)					
U.S. mills:						
Axis	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Subtotal	8,574,813	6,935,294	6,799,229	7,975,402	8,016,527	9,052,997
U.S. toll processors:						
TSC	***	***	***	***	***	***
Tubular Services	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***
All firms	***	***	***	***	***	***
	Operating return on assets (percent)					
U.S. mills:						
Axis	***	***	***	***	***	***
Boomerang	***	***	***	***	***	***
Borusan	***	***	***	***	***	***
EVRAZ	***	***	***	***	***	***
IPSCO	***	***	***	***	***	***
Tenaris	***	***	***	***	***	***
U.S. Steel	***	***	***	***	***	***
Vallourec	***	***	***	***	***	***
Welded Tube	***	***	***	***	***	***
Benteler	***	***	***	***	***	***
Subtotal	4.5	(10.5)	(11.3)	(3.1)	(2.8)	(4.6)
U.S. toll processors:						
TSC	***	***	***	***	***	***
Tubular Services	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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 93 potential importers of OCTG between 2014 to 2019. Thirty-two firms provided data and information in response to the questionnaires, while 14 firms indicated that they had not imported OCTG since January 1, 2014. Based on Commerce's official import statistics and importers' questionnaire data U.S. imports are estimated to account for approximately two-thirds of imports of casing and tubing from all sources and approximately one-third of such imports from subject sources during 2019. Firms responding to the Commission's questionnaire accounted for the following shares of individual subject country's imports of OCTG (as a share of official import statistics, by quantity) during 2019.

- 0.0 percent of subject imports from India¹
- 17.4 percent of subject imports from Korea²
- 101.9 percent of subject imports from Turkey³
- 74.6 percent of subject imports from Ukraine
- 0.0 percent of subject imports from Vietnam⁴

¹ According to official import statistics, reported imports from India during 2019 were relatively modest compared to imports during prior years for which data were collected for this proceeding. Four U.S. importers (***) reported imports of OCTG from India for years prior to 2019.

² The principal U.S. importers of imports from Korea during 2019 based on *** were ***. Multiple attempts of communication were made with these firms but were unsuccessful.

³ ***.

⁴ The principal U.S. importer of imports from Vietnam during 2019 based on *** was ***. Multiple attempts of communication were made with this firm but were unsuccessful.

In light of the data coverage by the Commission's questionnaires, import data in this report are based on official Commerce statistics for OCTG.⁵

Imports from subject and nonsubject countries

Table IV-I and figure IV-1 present information on U.S. imports of OCTG from India, Korea, Turkey, Ukraine, and Vietnam, as well as all other sources over the period for which data were collected.⁶ U.S. imports of OCTG from subject sources, by quantity, fluctuated over the period, but declined overall by 63.1 percent between 2014 and 2019. U.S. imports of OCTG from Korea represented the largest share of subject imports during 2014-19, by quantity. U.S. imports from Korea accounted for 68.2 percent and 19.9 percent of subject imports and total imports during 2019, respectively.

U.S. imports of OCTG from nonsubject sources, by quantity, decreased by 20.5 percent between 2014 and 2019. In each year between 2014 and 2019 imports from nonsubject sources were greater than U.S. imports from subject sources. The leading nonsubject sources of OCTG during 2019 were Argentina, Mexico, Russia, and Taiwan.

U.S. imports from subject sources, by unit value, decreased from 2014 to 2016, and then rebounded, increasing in each annual period from 2017 to 2019. U.S. imports from nonsubject sources, by unit value, fluctuated between 2014 and 2019, with the highest unit value in 2014 (\$1,487) and the lowest unit value in 2017 (\$1,030).

U.S. imports from subject sources ratio to U.S. production decreased by 21.7 percentage points between 2014 and 2019. In contrast, U.S. imports from nonsubject sources ratio to U.S. production increased by 4.8 percentage points between 2014 and 2019.

⁵ HTS statistical reporting numbers used to generate import data throughout this report include: 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150. These HTS statistical reporting numbers provide for casing and tubing, but not coupling stock.

⁶ ***.

Table IV-1
OCTG: U.S. imports by source, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
U.S. imports from.--						
India	47,950	61,723	7,093	9,423	3,637	777
Korea	1,575,866	678,730	345,997	1,150,842	504,222	450,982
Turkey	96,749	56,254	28,402	67,811	58,226	52,286
Ukraine	47,829	18,930	4,416	41,246	88,195	112,609
Vietnam	22,211	---	---	5,085	25,341	44,134
Subject sources	1,790,605	815,637	385,908	1,274,408	679,620	660,787
Nonsubject sources	2,019,667	1,336,226	720,548	2,105,781	2,047,804	1,606,413
All import sources	3,810,272	2,151,863	1,106,456	3,380,189	2,727,424	2,267,200
	Value (1,000 dollars)					
U.S. imports from.--						
India	58,913	70,148	5,884	7,501	3,674	637
Korea	1,430,443	601,871	198,308	844,605	426,969	398,963
Turkey	83,552	49,663	16,343	50,356	55,097	45,992
Ukraine	59,768	23,519	3,012	31,763	84,395	120,849
Vietnam	17,729	---	---	3,762	22,882	45,181
Subject sources	1,650,405	745,201	223,547	937,988	593,017	611,623
Nonsubject sources	3,002,347	1,985,304	802,582	2,169,428	2,590,494	2,033,519
All import sources	4,652,753	2,730,506	1,026,129	3,107,415	3,183,510	2,645,142
	Unit value (dollars per short ton)					
U.S. imports from.--						
India	1,229	1,136	830	796	1,010	821
Korea	908	887	573	734	847	885
Turkey	864	883	575	743	946	880
Ukraine	1,250	1,242	682	770	957	1,073
Vietnam	798	---	---	740	903	1,024
Subject sources	922	914	579	736	873	926
Nonsubject sources	1,487	1,486	1,114	1,030	1,265	1,266
All import sources	1,221	1,269	927	919	1,167	1,167

Table continued on next page.

Table IV-1--Continued
OCTG: U.S. imports by source, 2014-19

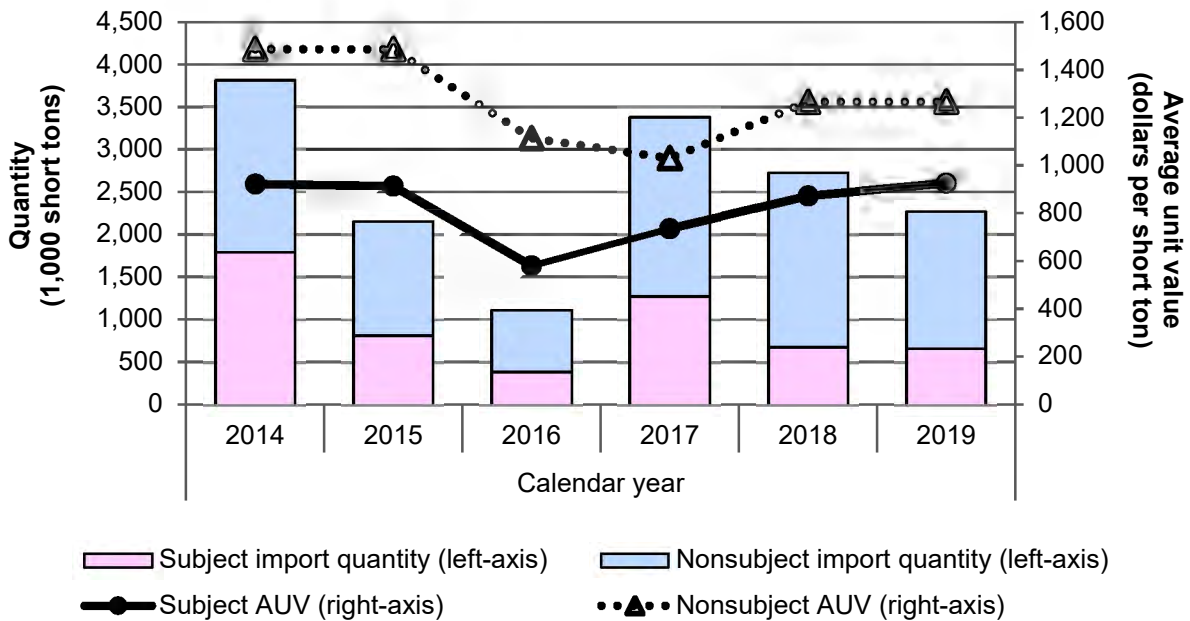
Item	Calendar year					
	2014	2015	2016	2017	2018	2019
Share of quantity (percent)						
U.S. imports from.--						
India	1.3	2.9	0.6	0.3	0.1	0.0
Korea	41.4	31.5	31.3	34.0	18.5	19.9
Turkey	2.5	2.6	2.6	2.0	2.1	2.3
Ukraine	1.3	0.9	0.4	1.2	3.2	5.0
Vietnam	0.6	---	---	0.2	0.9	1.9
Subject sources	47.0	37.9	34.9	37.7	24.9	29.1
Nonsubject sources	53.0	62.1	65.1	62.3	75.1	70.9
All import sources	100.0	100.0	100.0	100.0	100.0	100.0
Share of value (percent)						
U.S. imports from.--						
India	1.3	2.6	0.6	0.2	0.1	0.0
Korea	30.7	22.0	19.3	27.2	13.4	15.1
Turkey	1.8	1.8	1.6	1.6	1.7	1.7
Ukraine	1.3	0.9	0.3	1.0	2.7	4.6
Vietnam	0.4	---	---	0.1	0.7	1.7
Subject sources	35.5	27.3	21.8	30.2	18.6	23.1
Nonsubject sources	64.5	72.7	78.2	69.8	81.4	76.9
All import sources	100.0	100.0	100.0	100.0	100.0	100.0
Ratio to U.S. production (percent)						
U.S. imports from.--						
India	1.2	4.1	0.6	0.3	0.1	0.0
Korea	38.8	45.2	29.4	42.5	16.2	15.3
Turkey	2.4	3.7	2.4	2.5	1.9	1.8
Ukraine	1.2	1.3	0.4	1.5	2.8	3.8
Vietnam	0.5	---	---	0.2	0.8	1.5
Subject sources	44.1	54.3	32.8	47.1	21.8	22.4
Nonsubject sources	49.8	88.9	61.2	77.8	65.7	54.6
All import sources	93.9	143.2	94.0	125.0	87.5	77.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Note: The leading nonsubject sources, by quantity, in 2019 were Russia – 215,340 short tons, Mexico – 214,481 short tons, Taiwan – 207,123 short tons, and Argentina – 162,875 short tons.

Source: Compiled from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020. Data include U.S. imports of casing and tubing but do not include coupling stock.

Figure IV-1
OCTG: U.S. import quantity and average unit value, 2014-19



Source: Compiled from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020. Data include U.S. imports of casing and tubing but do not include coupling stock.

Cumulation considerations

In assessing whether U.S. imports from the subject countries are likely to compete with each other and with the domestic like product, the Commission has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Information regarding channels of distribution, market areas, and interchangeability appear in Part II. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

Fungibility

Based on Commerce's official import statistics, casing and tubing can be separated between welded and seamless product. Table IV-2 and figure IV-2 present information concerning U.S. mills' production and U.S. importers' U.S. imports by production method during 2019.⁷

⁷ In 2013, U.S. mills' composition of welded and seamless OCTG production was 58.0 percent and 42.0 percent, respectively. Additionally, in 2013 the composition of welded and seamless OCTG for U.S. imports from India was 20.2 percent welded and 79.8 percent seamless, U.S. imports from Korea were 97.6 percent welded and 2.4 percent seamless; U.S. imports from Turkey were 100.0 welded and 0.0 percent seamless; U.S. imports from Ukraine were 0.0 welded and 100.0 percent seamless; and U.S. imports from Vietnam were 92.8 percent welded and 7.2 percent seamless. *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, p. IV-12 and Commerce's official import statistics for year 2013.

Table IV-2

OCTG: U.S. mills' production and U.S. importers' U.S. imports by production method, 2019

Item	Calendar year 2019		
	Production method		
	Seamless	Welded	All types
	Quantity (short tons)		
U.S. mills' U.S. production	1,801,796	1,141,977	2,943,773
U.S. imports from.--			
India	294	482	777
Korea	22,254	428,728	450,982
Turkey	---	52,286	52,286
Ukraine	112,609	---	112,609
Vietnam	---	44,134	44,134
Subject sources	135,157	525,630	660,787
Nonsubject sources	1,067,701	538,712	1,606,413
All import sources	1,202,858	1,064,342	2,267,200
Combined producer and importer	3,004,654	2,206,319	5,210,973
	Share across (percent)		
U.S. mills' U.S. production	61.2	38.8	100.0
U.S. imports from.--			
India	37.9	62.1	100.0
Korea	4.9	95.1	100.0
Turkey	---	100.0	100.0
Ukraine	100.0	---	100.0
Vietnam	---	100.0	100.0
Subject sources	20.5	79.5	100.0
Nonsubject sources	66.5	33.5	100.0
All import sources	53.1	46.9	100.0
Combined producer and importer	57.7	42.3	100.0
	Share across (percent)		
U.S. mills' U.S. production	60.0	51.8	56.5
U.S. imports from.--			
India	0.0	0.0	0.0
Korea	0.7	19.4	8.7
Turkey	---	2.4	1.0
Ukraine	3.7	---	2.2
Vietnam	---	2.0	0.8
Subject sources	4.5	23.8	12.7
Nonsubject sources	35.5	24.4	30.8
All import sources	40.0	48.2	43.5
Combined producer and importer	100.0	100.0	100.0

Source continued on next page.

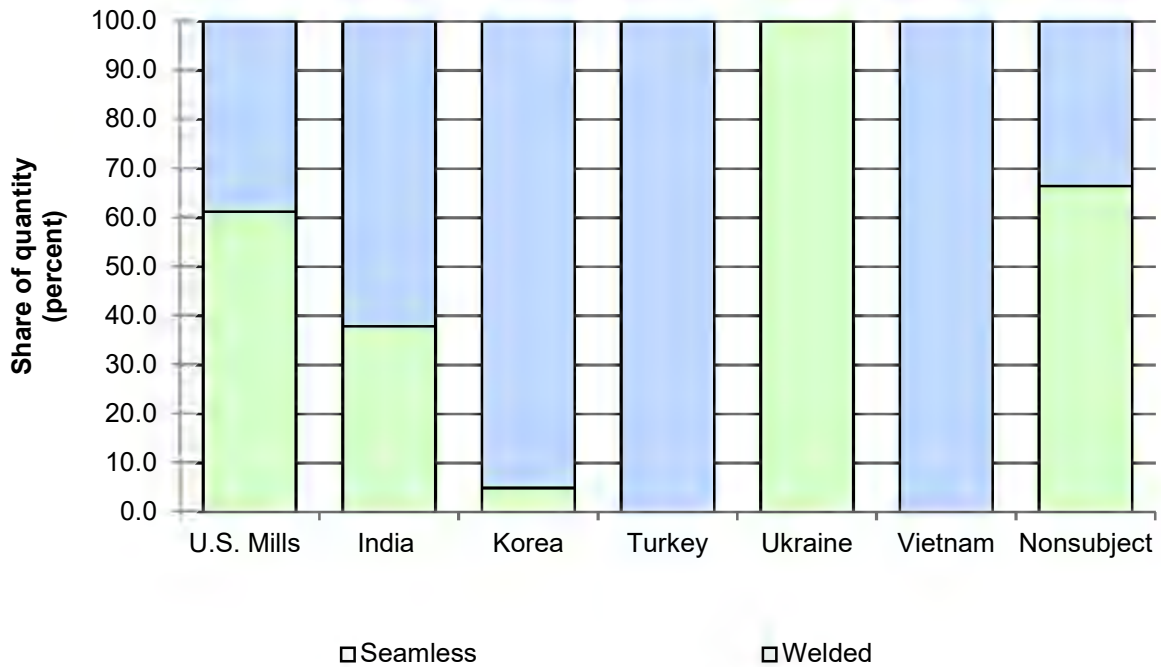
Table IV-2 --Continued

OCTG: U.S. mills' production and U.S. importers' U.S. imports by production method, 2019

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020.

Figure IV-2

OCTG: U.S. mills' production and U.S. importers U.S. imports by production method, 2019



Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020.

Table IV-3 and figure IV-3 present information concerning U.S. producers' and U.S. importers' U.S. shipments of OCTG by grade during 2019. The leading U.S. producers' U.S. shipments grade was *** accounting for *** of such shipments. The leading U.S. importers' U.S. shipments grade was *** for Korea and Ukraine accounting for *** and *** percent of U.S. importers' U.S. shipments, respectively. In contrast, the leading U.S. importers' U.S. shipments, by grade, for Turkey was *** accounting for *** percent of such shipments.

U.S. importers' U.S. shipments from subject sources are principally allocated to grades *** and *** representing *** percent and *** percent, respectively. In contrast, U.S. importers' U.S. shipments from nonsubject sources are comprised mainly of grade *** accounting for *** percent of such shipments. U.S. producers' and U.S. importers' combined U.S. shipments top three grades were *** representing *** percent of U.S. shipments.

Table IV-3
OCTG: U.S. producers' and U.S. importers' U.S. shipments by grade, 2019

Item	U.S. producers	U.S. importers				
		India	Korea	Turkey	Ukraine	Vietnam
Quantity (short tons)						
Below API/limited service	***	***	***	***	***	***
H-40	***	***	***	***	***	***
J-55	***	***	***	***	***	***
K-55	***	***	***	***	***	***
L-80	***	***	***	***	***	***
N-80, type 1	***	***	***	***	***	***
N-80, type 2	***	***	***	***	***	***
T-95	***	***	***	***	***	***
P-110	***	***	***	***	***	***
Q-125	***	***	***	***	***	***
Premium / proprietary	***	***	***	***	***	***
U.S. shipments	3,007,270	***	***	***	***	***
Share of quantity across (percent)						
Below API/limited service	***	***	***	***	***	***
H-40	***	***	***	***	***	***
J-55	***	***	***	***	***	***
K-55	***	***	***	***	***	***
L-80	***	***	***	***	***	***
N-80, type 1	***	***	***	***	***	***
N-80, type 2	***	***	***	***	***	***
T-95	***	***	***	***	***	***
P-110	***	***	***	***	***	***
Q-125	***	***	***	***	***	***
Premium / proprietary	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***
Share of quantity down (percent)						
Below API/limited service	***	***	***	***	***	***
H-40	***	***	***	***	***	***
J-55	***	***	***	***	***	***
K-55	***	***	***	***	***	***
L-80	***	***	***	***	***	***
N-80, type 1	***	***	***	***	***	***
N-80, type 2	***	***	***	***	***	***
T-95	***	***	***	***	***	***
P-110	***	***	***	***	***	***
Q-125	***	***	***	***	***	***
Premium / proprietary	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***

Table continued on next page.

Table IV-3--Continued
OCTG: U.S. producers' and U.S. importers' U.S. shipments by grade, 2019

Item	U.S. importers			U.S. producers and U.S. importers
	Subject sources	Nonsubject sources	All import sources	
	Quantity (short tons)			
Below API/limited service	***	***	***	***
H-40	***	***	***	***
J-55	***	***	***	***
K-55	***	***	***	***
L-80	***	***	***	***
N-80, type 1	***	***	***	***
N-80, type 2	***	***	***	***
T-95	***	***	***	***
P-110	***	***	***	***
Q-125	***	***	***	***
Premium / proprietary U.S. shipments	***	***	***	***
	Share of quantity across (percent)			
Below API/limited service	***	***	***	***
H-40	***	***	***	***
J-55	***	***	***	***
K-55	***	***	***	***
L-80	***	***	***	***
N-80, type 1	***	***	***	***
N-80, type 2	***	***	***	***
T-95	***	***	***	***
P-110	***	***	***	***
Q-125	***	***	***	***
Premium / proprietary U.S. shipments	***	***	***	***
	Share of quantity down (percent)			
Below API/limited service	***	***	***	***
H-40	***	***	***	***
J-55	***	***	***	***
K-55	***	***	***	***
L-80	***	***	***	***
N-80, type 1	***	***	***	***
N-80, type 2	***	***	***	***
T-95	***	***	***	***
P-110	***	***	***	***
Q-125	***	***	***	***
Premium / proprietary U.S. shipments	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Figure IV-3
OCTG: U.S. producers' and U.S. importers' U.S. shipments by grade, 2019

* * * * *

Source: Compiled from data submitted in response to Commission questionnaires

Table IV-4 and figure IV-4 present information on U.S. producers' and U.S. importers' U.S. shipments by end type during 2019. U.S. producers' U.S. shipments were primarily composed of threaded and coupled, proprietary and threaded and coupled, not proprietary together accounting for *** percent of such shipments. U.S. importers' U.S. shipments from both subject and nonsubject sources were composed of threaded and coupled, not proprietary accounting for *** percent and *** percent of such shipments, respectively.

Table IV-4
OCTG: U.S. producers' and U.S. importers' U.S. shipments by end type, 2019

Item	U.S. producers	U.S. importers				
		India	Korea	Turkey	Ukraine	Vietnam
	Quantity (short tons)					
Threaded and coupled, proprietary	***	***	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***	***	***
Plain end	***	***	***	***	***	***
Coupling stock	***	***	***	***	***	***
U.S. shipments	3,007,270	***	***	***	***	***
	Share of quantity across (percent)					
Threaded and coupled, proprietary	***	***	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***	***	***
Plain end	***	***	***	***	***	***
Coupling stock	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***
	Share of quantity down (percent)					
Threaded and coupled, proprietary	***	***	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***	***	***
Plain end	***	***	***	***	***	***
Coupling stock	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***

Table continued on next page.

Table IV-4--Continued

OCTG: U.S. producers' and U.S. importers' U.S. shipments by end type, 2019

Item	U.S. importers			U.S. producers and U.S. importers
	Subject sources	Nonsubject sources	All import sources	
	Quantity (short tons)			
Threaded and coupled, proprietary	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***
Plain end	***	***	***	***
Coupling stock	***	***	***	***
U.S. shipments	***	***	***	***
	Share of quantity across (percent)			
Threaded and coupled, proprietary	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***
Plain end	***	***	***	***
Coupling stock	***	***	***	***
U.S. shipments	***	***	***	***
	Share of quantity down (percent)			
Threaded and coupled, proprietary	***	***	***	***
Threaded and coupled, not proprietary	***	***	***	***
Threaded not coupled, proprietary	***	***	***	***
Threaded not coupled, not proprietary	***	***	***	***
Plain end	***	***	***	***
Coupling stock	***	***	***	***
U.S. shipments	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Figure IV-4
OCTG: U.S. producers' and U.S. importers' U.S. shipments by end type, 2019

* * * * *

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

Table IV-5 and figure IV-5 present information on U.S. producers' U.S. shipments and U.S. importers' U.S. imports by level of finishing during 2019. The vast majority of U.S. producers' U.S. shipments were finished OCTG. U.S. importers' U.S. imports from Korea and Turkey were *** composed of *** OCTG. U.S. importers' U.S. imports from Ukraine were split between *** OCTG.

Table IV-5

OCTG: U.S. producers' U.S. shipments and U.S. importers' U.S. imports by level of finishing, 2019

Item	U.S. producers	U.S. importers				
		India	Korea	Turkey	Ukraine	Vietnam
	Quantity (short tons)					
Finished	***	***	***	***	***	***
Unfinished not at API	***	***	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***	***	***
Unfinished other	***	***	***	***	***	***
Unfinished	***	***	***	***	***	***
U.S. shipments	3,007,270	***	***	***	***	***
	Share of quantity across (percent)					
Finished	***	***	***	***	***	***
Unfinished not at API	***	***	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***	***	***
Unfinished other	***	***	***	***	***	***
Unfinished	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***
	Share of quantity down (percent)					
Finished	***	***	***	***	***	***
Unfinished not at API	***	***	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***	***	***
Unfinished other	***	***	***	***	***	***
Unfinished	***	***	***	***	***	***
U.S. shipments	***	***	***	***	***	***

Table continued on next page.

Table IV-5--Continued

OCTG: U.S. producers' U.S. shipments and U.S. importers' U.S. imports by level of finishing, 2019

Item	U.S. importers			U.S. producers and U.S. importers
	Subject sources	Nonsubject sources	All import sources	
	Quantity (short tons)			
Finished	***	***	***	***
Unfinished not at API	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***
Unfinished other	***	***	***	***
Unfinished	***	***	***	***
U.S. shipments	***	***	***	***
	Share of quantity across (percent)			
Finished	***	***	***	***
Unfinished not at API	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***
Unfinished other	***	***	***	***
Unfinished	***	***	***	***
U.S. shipments	***	***	***	***
	Share of quantity down (percent)			
Finished	***	***	***	***
Unfinished not at API	***	***	***	***
Unfinished at API but upgradeable	***	***	***	***
Unfinished at final API requires end finish	***	***	***	***
Unfinished other	***	***	***	***
Unfinished	***	***	***	***
U.S. shipments	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Figure IV-5

OCTG: U.S. producers' U.S. shipments and U.S. importers' U.S. imports by level of finishing, 2019

* * * * *

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

Geographical markets

Table IV-6 presents information concerning U.S. imports by border of entry during 2019. Imports by border of entry refers to one of four general geographical entry points (e.g. entries within the north, south, east, or west) within the United States, in which imports enter and ultimately circulate in U.S. commerce. U.S. imports from India were present in each border of entry during 2019, with entries split equally between the northern, southern, and western borders of entry. U.S. imports from Korea, Turkey, Ukraine, and Vietnam were all most prevalent in the southern border, accounting for 98.8 percent of total subject entries. Similarly, U.S. imports from nonsubject sources entered principally in the southern border, accounting for 90.7 percent of total nonsubject entries.

Table IV-6
OCTG: U.S. imports by border of entry, 2019

Item	Border of Entry				
	East	North	South	West	All borders
	Quantity (short tons)				
U.S. imports from.--					
India	4	250	287	235	777
Korea	2	4	449,827	1,149	450,982
Turkey	---	---	52,286	---	52,286
Ukraine	---	---	106,442	6,168	112,609
Vietnam	---	4	44,130	---	44,134
Subject sources	6	258	652,971	7,552	660,787
Nonsubject sources	84,831	57,672	1,457,383	6,527	1,606,413
All import sources	84,837	57,930	2,110,354	14,080	2,267,200
	Share of quantity across (percent)				
U.S. imports from.--					
India	0.6	32.2	36.9	30.3	100.0
Korea	0.0	0.0	99.7	0.3	100.0
Turkey	---	---	100.0	---	100.0
Ukraine	---	---	94.5	5.5	100.0
Vietnam	---	0.0	100.0	---	100.0
Subject sources	0.0	0.0	98.8	1.1	100.0
Nonsubject sources	5.3	3.6	90.7	0.4	100.0
All import sources	3.7	2.6	93.1	0.6	100.0
	Share of quantity down (percent)				
U.S. imports from.--					
India	0.0	0.4	0.0	1.7	0.0
Korea	0.0	0.0	21.3	8.2	19.9
Turkey	---	---	2.5	---	2.3
Ukraine	---	---	5.0	43.8	5.0
Vietnam	---	0.0	2.1	---	1.9
Subject sources	0.0	0.4	30.9	53.6	29.1
Nonsubject sources	100.0	99.6	69.1	46.4	70.9
All import sources	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

Source: Compiled from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed April 1, 2020. Data include U.S. imports of casing and tubing but do not include coupling stock.

Presence in the market

Table IV-7 presents information concerning the presence of U.S. imports subject and nonsubject sources by month from January 2014 through April 2020. U.S. imports from India were present in the U.S. market for 62 of 76 months, U.S. imports from Korea were present in the U.S. market for 75 of 76 months, U.S. imports from Turkey were present in the U.S. market for 58 of 76 of months, U.S. imports from Ukraine were present in the U.S. market for 60 of 76 months, and U.S. imports from Vietnam were present in the U.S. market for 24 of 76 months.

Table IV-7
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports				
	India	Korea	Turkey	Ukraine	Vietnam
	Quantity (short tons)				
2014.--					
January	3,219	152,725	12,161	4,934	2,743
February	5,178	121,940	11,549	4,859	14
March	284	83,471	10,448	362	---
April	2,713	90,605	13,698	2,618	3,422
May	491	212,837	1,659	7,538	5,431
June	273	147,495	11,467	6,190	2
July	14,730	165,820	35,768	---	4,892
August	301	114,234	---	6,245	---
September	2,366	107,571	---	4,461	2,734
October	3,480	149,633	---	5,700	2,974
November	10,101	156,031	---	3,011	---
December	4,814	73,506	---	1,912	---
2015.--					
January	18,896	256,052	12,811	---	---
February	4,977	96,833	1,557	8,115	---
March	11,839	102,743	13,472	4,154	---
April	12,657	72,379	---	2,738	---
May	---	40,847	17,093	1,536	---
June	780	18,977	1,797	347	---
July	186	26,059	2,678	---	---
August	242	18,877	2,829	518	---
September	9,818	22,007	2,458	869	---
October	2,089	9,140	---	367	---
November	241	13,395	1,557	286	---
December	---	1,421	---	---	---

Table continued on next page.

Table IV-7--Continued
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports				
	India	Korea	Turkey	Ukraine	Vietnam
	Quantity (short tons)				
2016.--					
January	2	18,462	4,061	---	---
February	6,810	29,302	3,700	1,001	---
March	267	22,048	3	---	---
April	0	20,839	1,809	---	---
May	5	18,345	3	4	---
June	5	21,568	1,274	---	---
July	0	26,393	---	---	---
August	4	16,348	4,819	---	---
September	---	13,987	4,584	1,388	---
October	---	56,039	6,640	519	---
November	0	51,311	1,510	---	---
December	---	51,355	---	1,505	---
2017.--					
January	0	87,279	3,642	---	---
February	0	92,002	9,447	1,068	---
March	0	96,440	6,766	2,025	---
April	2,271	131,681	5,681	5,030	---
May	1,097	106,447	---	---	---
June	2,713	111,577	7,417	7,155	---
July	2,120	109,804	14,986	5,625	---
August	459	108,143	5,869	3,798	---
September	30	93,722	12,614	4,521	---
October	3	105,448	---	5,022	2,710
November	608	68,659	---	7,003	---
December	124	39,638	1,389	---	2,375
2018.--					
January	2,678	123,749	---	8,342	---
February	235	85,372	7,746	7,505	---
March	313	81,349	5,826	6,328	---
April	0	107,859	6,273	6,664	7,505
May	148	21,778	6,813	19,381	4,710
June	12	53,682	2,705	2,033	---
July	244	14,453	3,632	11,042	2,868
August	0	2,160	3,211	5,866	---
September	0	5,663	6,574	234	---
October	---	---	---	12,688	3,916
November	6	7,637	11,613	8,082	6,342
December	0	520	3,831	29	---

Table continued on next page.

Table IV-7--Continued
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports				
	India	Korea	Turkey	Ukraine	Vietnam
	Quantity (short tons)				
2019.--					
January	---	77,980	4,202	9,034	---
February	267	17,415	3,919	5,850	---
March	---	45,891	7,726	18,422	12,827
April	119	59,730	4,549	16,853	---
May	365	47,145	6,714	11,810	8,056
June	3	12,944	---	24,318	5,262
July	4	17,816	6,989	14,896	4,144
August	4	44,534	8,344	5,051	---
September	0	23,839	6,049	4,714	6,447
October	14	21,033	---	---	7,398
November	---	43,335	3,794	1,029	---
December	---	39,321	---	632	---
2020.--					
January	---	7,926	4,583	1,782	8,873
February	---	5,635	---	---	---
March	---	59,345	6,887	999	11,287
April	---	9,373	5	---	---

Table continued on next page.

Table IV-7--Continued
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports		
	Subject sources	Nonsubject sources	All import sources
Quantity (short tons)			
2014.--			
January	175,780	149,452	325,233
February	143,539	143,012	286,551
March	94,566	154,493	249,059
April	113,055	136,644	249,699
May	227,956	192,826	420,783
June	165,426	177,993	343,419
July	221,209	154,994	376,203
August	120,779	183,126	303,905
September	117,132	188,291	305,423
October	161,787	150,124	311,911
November	169,143	219,812	388,955
December	80,232	168,899	249,131
2015.--			
January	287,760	247,174	534,933
February	111,481	231,288	342,769
March	132,208	157,376	289,585
April	87,773	134,575	222,348
May	59,476	97,489	156,965
June	21,901	86,077	107,979
July	28,923	66,826	95,750
August	22,466	84,900	107,366
September	35,152	57,441	92,593
October	11,596	62,266	73,862
November	15,478	67,790	83,268
December	1,421	43,023	44,444
2016.--			
January	22,525	66,085	88,610
February	40,813	65,560	106,373
March	22,317	28,324	50,641
April	22,648	28,457	51,104
May	18,357	38,741	57,098
June	22,848	48,102	70,950
July	26,393	68,489	94,882
August	21,170	61,134	82,305
September	19,958	61,931	81,889
October	63,198	88,456	151,653
November	52,821	53,057	105,878
December	52,860	112,213	165,073

Table continued on next page.

Table IV-7--Continued
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports		
	Subject sources	Nonsubject sources	All import sources
Quantity (short tons)			
2017.--			
January	90,921	94,298	185,219
February	102,517	97,919	200,436
March	105,232	155,323	260,555
April	144,663	203,457	348,120
May	107,544	158,374	265,918
June	128,861	203,031	331,893
July	132,534	237,800	370,334
August	118,269	152,506	270,775
September	110,887	233,592	344,479
October	113,182	212,018	325,200
November	76,271	196,743	273,014
December	43,526	160,720	204,246
2018.--			
January	134,769	226,411	361,180
February	100,858	132,405	233,263
March	93,816	206,566	300,382
April	128,301	200,723	329,024
May	52,830	206,889	259,719
June	58,432	137,907	196,339
July	32,239	181,080	213,318
August	11,238	197,746	208,984
September	12,471	148,118	160,589
October	16,604	153,767	170,371
November	33,681	129,871	163,551
December	4,381	126,322	130,703

Table continued on next page.

Table IV-7--Continued
OCTG: U.S. imports by month, January 2014 through April 2020

Item	U.S. imports		
	Subject sources	Nonsubject sources	All import sources
	Quantity (short tons)		
2019.--			
January	91,216	232,503	323,720
February	27,451	162,900	190,351
March	84,866	148,322	233,187
April	81,251	166,120	247,371
May	74,089	136,921	211,010
June	42,527	148,270	190,798
July	43,849	150,359	194,208
August	57,932	124,209	182,142
September	41,049	102,825	143,874
October	28,444	87,778	116,222
November	48,159	74,257	122,416
December	39,953	71,948	111,901
2020.--			
January	23,165	100,886	124,051
February	5,635	76,195	81,830
March	78,518	108,261	186,779
April	9,378	77,078	86,456

Source: Compiled from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed June 6, 2020. Data include U.S. imports of casing and tubing but do not include coupling stock.

U.S. importers' imports subsequent to December 31, 2019

The Commission requested importers to indicate whether they had imported or arranged for the importation of OCTG from India, Korea, Turkey, Ukraine, and Vietnam, as well as all other sources for delivery post December 31, 2019. Table IV-8 presents information on U.S. importers' arranged imports from all sources after December 31, 2019.⁸

⁸ Data for January-March 2020 are not arranged imports, but rather actual data compiled from Commerce's official import statistics.

Table IV-8
OCTG: U.S. importers' arranged imports

Arranged U.S. imports from. --	Period				
	Jan-Mar 2020	Apr-Jun 2020	Jul-Sep 2020	Oct-Dec 2020	Total
India	---	***	***	***	***
Korea	72,906	***	***	***	***
Turkey	11,471	***	***	***	***
Ukraine	2,781	***	***	***	***
Vietnam	20,161	***	***	***	***
Subject sources	107,318	***	***	***	***
Nonsubject sources	285,342	***	***	***	***
All import sources	392,660	***	***	***	***

Note: Entries under Jan-Mar 2020 are composed of data from Commerce's official import statistics.

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150, accessed June 6, 2020.

U.S. importers' inventories

Table IV-9 presents data for inventories of U.S. imports of OCTG from India, Korea, Turkey, Ukraine, and Vietnam, as well as all other sources held in the United States.⁹ U.S. importers' end-of-period inventories of imports from both subject and nonsubject sources fluctuated between 2014 and 2019, with increases of *** percent and *** percent, respectively. The leading U.S. importers of subject source inventories include: *** accounting for *** of subject inventories during 2019. The leading U.S. importer of nonsubject source inventories was *** accounting for *** percent of such inventories during 2019. U.S. imports from subject source inventories ratio to U.S. shipments increased by *** percentage points between 2014 and 2019. U.S. imports from nonsubject source inventories ratio to U.S. shipments exhibited similar trends increasing by *** percentage points between 2014 and 2019.

⁹ The data of U.S. importers' end-of-period inventories are understated with respect to imports from Korea as several U.S. importers did not provide the Commission with questionnaire responses, e.g., ***.

Table IV-9
OCTG: U.S. importers' end-of-period inventories of imports, by source, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Inventories (short tons); Ratios (percent)					
Imports from India: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from Korea: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from Turkey: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from Ukraine: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from Vietnam: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from subject sources: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from nonsubject sources: Inventories	***	***	***	***	***	***
Ratio to U.S. imports	***	***	***	***	***	***
Ratio to U.S. shipments of imports	***	***	***	***	***	***
Ratio to total shipments of imports	***	***	***	***	***	***
Imports from all import sources: Inventories	378,471	319,406	273,393	400,172	380,630	455,869
Ratio to U.S. imports	17.4	26.3	32.2	20.1	21.3	32.8
Ratio to U.S. shipments of imports	18.2	26.0	33.8	22.1	21.4	34.9
Ratio to total shipments of imports	18.0	24.9	30.6	21.3	20.9	34.5

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

The industry in India

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from eight firms (seven producers and one exporter), from India, which accounted for approximately *** percent of exports of OCTG from India to the United States during 2013.¹⁰ Four producers, ***, collectively accounted for *** percent of India's total production during 2013.¹¹

Although the Commission did not receive responses from any Indian respondent interested parties to the notice of institution in these current reviews, the domestic interested parties provided a list of 48 firms that they believe to be exporters of OCTG.¹² The Commission issued foreign producers'/exporters' questionnaires to 41 firms believed to produce and/or export OCTG from India.¹³ Two firms provided complete responses concerning their OCTG operations: ISMT Limited ("ISMT") and Maharashtra Seamless Limited ("Maharashtra"). Additionally, based on the American Petroleum Institute's ("API") composite list, there are 20 producers in India with active API 5CT licenses. Table IV-10 presents information on the OCTG operations of the responding producers and exporters in India during 2019.

¹⁰ *Investigation Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final): Certain Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam—Staff Report*, INV-MM-074, August 1, 2014, p. VII-4.

¹¹ *Ibid.*

¹² Domestic interested parties' response to the notice of institution, July 3, 2019, Exh. 1.

¹³ These firms were identified through a review of information submitted in the response to the notice of institution and contained in *** records.

Table IV-10
OCTG: Summary data for producers in India, 2019

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
ISMT Limited	***	***	***	***	***	***
Maharashtra	***	***	***	***	***	***
Total	***	***	***	***	***	***

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

Changes in operations

As presented in table IV-11, producers in India reported operational and organizational changes since January 1, 2014. Additionally, table IV-12 presents developments in the industry in India since the original investigations.

Table IV-11
OCTG: Indian producers' reported changes in operations, since January 1, 2014

Item / Firm	Narrative
Expansions:	
***	***
Prolonged shutdowns or curtailments:	
***	***
Revised labor agreements:	
***	***

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

Table IV-12
OCTG: Recent developments of the industry in India

Item / Firm	Recent events
Expansions:	
Surya Roshni Group	March 2017— began production at a new pipe plant in Hindupur, Andhra Pradesh. The plant has production capacity of 100,000 metric tons per year and reportedly produces, among other things, API certified pipes for oil and gas.

Source: Domestic interested parties' response to the notice of institution, July 3, 2019, p. 12.

Operations on OCTG

Table IV-13 presents data on the industry in India during 2014-19. Capacity remained constant throughout 2014-19, while production increased by approximately *** percent

between 2014 and 2019. Capacity utilization varied over the period, increasing by *** percentage points between 2014 and 2019. Concerning shipments of Indian firms, commercial home market shipments accounted for *** percent of total shipments during 2019. Export shipments to the United States were *** during both 2018 and 2019, while total exports represented *** of total shipments during 2019.

Table IV-13
OCTG: Data on the industry in India, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Capacity	***	***	***	***	***	***
Production	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Value (1,000 dollars)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Table continued on next page.

Table IV-13--Continued
OCTG: Data on the industry in India, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***
Share of total shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

Alternative products

As shown in table IV-14, responding firms from India produced other products on the same equipment and machinery used to produce OCTG. Production of OCTG casing and tubing products varied over the period, however, increased by approximately *** percent during 2014-19. Production of out-of-scope merchandise accounted for more than *** percent of total production in each annual period between 2014 and 2019.

Table IV-14**OCTG: Overall capacity and production on the same equipment as in-scope production for firms in India, 2014-19**

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Overall capacity	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***

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

Exports

According to GTA data, the leading export markets for casing and tubing from India in 2019 were Canada and Senegal (table IV-15). During 2019, the United States was one of the smaller export markets for casing and tubing from India, while Canada was one of the largest, accounting for 84.1 percent.

Table IV-15
Casing and tubing: Exports from India by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
United States	28,060	36,580	948	4,171	764	43
Canada	14,379	1,852	0	5,416	5,790	14,960
Senegal	---	24	10	1	---	1,024
Egypt	0	9	1,372	901	973	696
Oman	24	1	13	18	14	604
Saudi Arabia	38	172	9	37	76	135
Nepal	40	38	48	30	178	68
Mexico	---	5	5	0	0	29
United Arab Emirates	189	812	348	34	37	29
All other destination markets	5,717	1,344	777	465	473	207
Total exports	48,448	40,838	3,530	11,073	8,306	17,794
	Value (1,000 dollars)					
United States	33,255	35,757	794	5,253	1,209	344
Canada	19,446	1,960	4	7,495	11,421	17,838
Senegal	---	35	112	1	---	589
Egypt	0	15	1,128	749	920	786
Oman	64	4	33	64	41	586
Saudi Arabia	127	154	55	136	403	704
Nepal	57	28	58	38	227	93
Mexico	---	13	17	2	0	198
United Arab Emirates	428	2,186	1,519	165	123	195
All other destination markets	8,035	4,313	1,859	683	1,178	657
Total exports	61,413	44,466	5,578	14,585	15,522	21,989
	Unit value (dollars per short ton)					
United States	1,185	977	838	1,259	1,581	7,989
Canada	1,352	1,058	35,965	1,384	1,973	1,192
Senegal	---	1,469	11,628	870	---	575
Egypt	2,223	1,712	823	832	946	1,130
Oman	2,657	2,409	2,515	3,483	2,942	970
Saudi Arabia	3,331	896	6,324	3,685	5,318	5,232
Nepal	1,427	723	1,195	1,238	1,275	1,378
Mexico	---	2,873	3,272	7,475	6,985	6,782
United Arab Emirates	2,262	2,692	4,359	4,913	3,319	6,700
All other destination markets	1,406	3,208	2,393	1,469	2,488	3,176
Total exports	1,268	1,089	1,580	1,317	1,869	1,236

Table continued on next page.

Table IV-15--Continued
Casing and tubing: Exports from India by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Share of quantity (percent)					
United States	57.9	89.6	26.8	37.7	9.2	0.2
Canada	29.7	4.5	0.0	48.9	69.7	84.1
Senegal	---	0.1	0.3	0.0	---	5.8
Egypt	0.0	0.0	38.9	8.1	11.7	3.9
Oman	0.0	0.0	0.4	0.2	0.2	3.4
Saudi Arabia	0.1	0.4	0.2	0.3	0.9	0.8
Nepal	0.1	0.1	1.4	0.3	2.1	0.4
Mexico	---	0.0	0.1	0.0	0.0	0.2
United Arab Emirates	0.4	2.0	9.9	0.3	0.4	0.2
All other destination markets	11.8	3.3	22.0	4.2	5.7	1.2
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official exports statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 23, 2020.

The industry in Korea

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from seven firms from Korea, which accounted for virtually all production of OCTG in Korea during 2013 and accounted for all exports of OCTG from Korea to the United States during 2013.¹⁴

Although the Commission did not receive responses from any respondent interested parties to the notice of institution in these current reviews, the domestic interested parties provided a list of ten firms that they believe to be exporters of OCTG.¹⁵ During the course of these reviews the Commission issued foreign producers'/exporters' questionnaires to 20 firms believed to produce and/or export OCTG from Korea.¹⁶ None of these firms provided a response.

¹⁴ *Certain Oil Country Tubular Goods From India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final)*, USITC Publication 4489, September 2014, p. VII-5.

¹⁵ Domestic interested parties' response to the notice of institution, July 3, 2019, Exh. 1.

¹⁶ These firms were identified through a review of information submitted in the response to the notice of institution and contained in *** records.

Table IV-16 presents events of the industry in Korea since the original investigations.

Table IV-16
OCTG: Recent developments of the industry in Korea

Item / Firm	Recent events
Merger:	
Hyundai Steel	July 2015— Hyundai Steel merged with Hyundai HYSCO.

Source: Domestic interested parties' response to the notice of institution, July 3, 2019, p. 14.

Exports

According to GTA data, the leading export markets for casing and tubing, from Korea are the United States and Kuwait (table IV-17). During 2019, the United States was the top export market for casing and tubing from Korea, accounting for 92.8 percent of exports, followed by Kuwait, accounting for 6.9 percent.

Table IV-17
Casing and tubing: Exports from Korea by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
Quantity (short tons)						
United States	1,628,493	353,856	485,184	1,121,582	381,946	380,379
Kuwait	---	---	---	---	9,890	28,217
Turkey	165	13	---	---	---	748
Canada	1,715	560	---	6,483	5,329	238
Vietnam	272	2,319	314	0	165	159
Singapore	65	181	91	1	971	129
China	4	5	3	30	3	53
Australia	970	251	0	0	4	17
Papua New Guinea	---	---	---	---	---	14
All other destination markets	2,946	3,831	2,223	1,185	1,689	37
Total exports	1,634,629	361,016	487,815	1,129,281	399,997	409,991
Value (1,000 dollars)						
United States	1,404,284	261,253	269,356	868,863	347,644	312,601
Kuwait	---	---	---	---	8,491	25,004
Turkey	361	392	---	---	---	806
Canada	1,847	655	---	5,881	5,764	196
Vietnam	137	831	97	23	630	132
Singapore	140	356	165	5	793	140
China	45	52	108	595	67	20
Australia	1,446	262	1	9	18	38
Papua New Guinea	---	---	---	---	---	29
All other destination markets	3,988	3,755	2,446	1,525	15,667	754
Total exports	1,412,248	267,556	272,173	876,901	379,074	339,720

Table continued on next page.

Table IV-17--Continued
Casing and tubing: Exports from Korea by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
United States	862	738	555	775	910	822
Kuwait	---	---	---	---	859	886
Turkey	2,195	30,391	---	---	---	1,078
Canada	1,077	1,168	---	907	1,082	825
Vietnam	503	358	309	61,858	3,817	830
Singapore	2,160	1,969	1,815	9,542	816	1,087
China	10,365	10,506	39,666	19,516	22,191	372
Australia	1,490	1,046	4,462	219,035	4,826	2,178
Papua New Guinea	---	---	---	---	---	2,158
All other destination markets	1,354	980	1,100	1,287	9,275	20,151
Total exports	864	741	558	777	948	829
	Share of quantity (percent)					
United States	99.6	98.0	99.5	99.3	95.5	92.8
Kuwait	---	---	---	---	2.5	6.9
Turkey	0.0	0.0	---	---	---	0.2
Canada	0.1	0.2	---	0.6	1.3	0.1
Vietnam	0.0	0.6	0.1	0.0	0.0	0.0
Singapore	0.0	0.1	0.0	0.0	0.2	0.0
China	0.0	0.0	0.0	0.0	0.0	0.0
Australia	0.1	0.1	0.0	0.0	0.0	0.0
Papua New Guinea	---	---	---	---	---	0.0
All other destination markets	0.2	1.1	0.5	0.1	0.4	0.0
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official exports statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 23, 2020.

The industry in Turkey

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from three firms from Turkey, which accounted for virtually all production of OCTG in Turkey during 2013, and accounted for approximately *** percent of all exports of OCTG from Turkey to the United States during 2013.¹⁷

During the course of these reviews the Commission issued foreign producers'/exporters' questionnaires to eight firms believed to produce and/or export OCTG from Turkey.¹⁸ None of these firms provided a response.¹⁹

In its response to the notice of institution, respondent interested party Borusan, a producer of the subject merchandise in Turkey, presented data regarding its production capacity and production in Turkey, and its exports to the United States during 2018. This firm estimated that it accounts for *** production of OCTG in Turkey. Table IV-18 presents capacity, production, and export data submitted by producers in Turkey in the original investigations, as well as Borusan's capacity, production, and exports to the United States in 2018.

¹⁷ *Investigation Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final): Certain Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam—Staff Report*, INV-MM-074, August 1, 2014, p. VII-39.

¹⁸ These firms were identified through a review of information submitted in the response to the notice of institution and contained in *** records.

¹⁹ Borusan operates as a foreign producer/exporter of OCTG and is designated as a respondent interested party in this proceeding through their participation in the notice of institution. ***.

Table IV-18**OCTG: Producers in Turkey and their reported production, capacity, and exports to the United States, 2011-13, and 2018**

Item	2011	2012	2013	2018
Capacity (short tons)	***	***	***	***
Production (short tons)	***	***	***	***
Capacity utilization (percent)	***	***	***	***
Exports to the United States: Quantity (short tons)	***	***	***	***
Value (\$1,000)	(¹)	(¹)	(¹)	***

¹ Not available.

Source: For the years 2011-13, data are compiled using data submitted in the Commission's original investigations, see app. C—historic data. For the year 2018, data are compiled using data submitted by respondent interested party Borusan. Respondent interested party Borusan's response to the notice of institution, July 3, 2019, p. 5.

Exports

According to GTA data, the leading export markets for casing and tubing, from Turkey are the United States and Canada (table IV-19). During 2019, the United States was the top export market for casing and tubing from Turkey, accounting for 90.2 percent, followed by Canada, accounting for 7.2 percent.

Table IV-19**Casing and tubing: Exports from Turkey by destination market, 2014-19**

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
United States	88,887	49,456	30,072	68,237	54,699	52,664
Canada	11,945	8,911	---	8,939	7,065	4,191
Azerbaijan	242	135	22	55	114	454
Iraq	373	197	497	672	723	338
Bulgaria	1	1	8	5	5	180
Saudi Arabia	---	---	8	6	0	129
Georgia	74	62	76	15	2	106
Albania	414	88	---	33	91	73
Tunisia	1	---	---	1	136	38
All other destination markets	1,075	1,915	558	340	447	203
Total exports	103,010	60,764	31,241	78,302	63,283	58,376

Table continued on next page.

Table IV-19--Continued
Casing and tubing: Exports from Turkey by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Value (1,000 dollars)					
United States	74,381	39,158	16,250	46,506	39,536	31,055
Canada	9,313	6,977	---	6,595	5,785	3,182
Azerbaijan	260	96	29	58	148	545
Iraq	522	199	786	790	792	433
Bulgaria	1	2	15	7	10	186
Saudi Arabia	---	---	19	8	0	391
Georgia	163	56	48	34	6	66
Albania	343	77	---	37	114	135
Tunisia	1	---	---	1	240	38
All other destination markets	2,445	6,362	695	586	596	455
Total exports	87,430	52,926	17,842	54,622	47,227	36,486
	Unit value (dollars per short ton)					
United States	837	792	540	682	723	590
Canada	780	783	---	738	819	759
Azerbaijan	1,074	712	1,319	1,052	1,295	1,201
Iraq	1,402	1,007	1,580	1,175	1,096	1,284
Bulgaria	1,906	3,284	1,825	1,480	1,817	1,032
Saudi Arabia	---	---	2,433	1,299	1,830	3,026
Georgia	2,208	901	629	2,334	2,365	623
Albania	829	872	---	1,123	1,253	1,856
Tunisia	1,562	---	---	1,801	1,763	978
All other destination markets	2,275	3,323	1,245	1,723	1,333	2,241
Total exports	849	871	571	698	746	625
	Share of quantity (percent)					
United States	86.3	81.4	96.3	87.1	86.4	90.2
Canada	11.6	14.7	---	11.4	11.2	7.2
Azerbaijan	0.2	0.2	0.1	0.1	0.2	0.8
Iraq	0.4	0.3	1.6	0.9	1.1	0.6
Bulgaria	0.0	0.0	0.0	0.0	0.0	0.3
Saudi Arabia	---	---	0.0	0.0	0.0	0.2
Georgia	0.1	0.1	0.2	0.0	0.0	0.2
Albania	0.4	0.1	---	0.0	0.1	0.1
Tunisia	0.0	---	---	0.0	0.2	0.1
All other destination markets	1.0	3.2	1.8	0.4	0.7	0.3
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official exports statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 23, 2020.

The industry in Ukraine

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms from Ukraine, which accounted for *** production of OCTG in Ukraine and *** exports to the United States during 2013.²⁰

During the course of these reviews the Commission issued foreign producers'/exporters' questionnaires to six firms believed to produce and/or export OCTG from Ukraine.²¹ One firm provided a complete response: Interpipe Ukraine LLC. In its response to the notice of institution, the domestic interested parties presented data concerning "known capacity" to produce tubular products in Ukraine during 2018. The domestic interested parties state that the industry as a whole possesses *** metric tons of capacity, while the largest individual firm *** has *** metric tons of production capacity in Ukraine.²² Additionally, the domestic interested parties provided a list of four firms that they believe to be exporters of OCTG.²³

Table IV-20 presents information on the OCTG operations of the responding producers and exporters in Ukraine.

Table IV-20
OCTG: Summary data for producers in Ukraine, 2019

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Interpipe	***	***	***	***	***	***
Total	***	***	***	***	***	***

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

²⁰ *Investigation Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final): Certain Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam—Staff Report*, INV-MM-074, August 1, 2014, p. VII-45.

²¹ These firms were identified through a review of information submitted in the response to the notice of institution and contained in *** records.

²² Domestic interested parties' response to the notice of institution, July 3, 2019, p. 16 and Exh. 4.

²³ *Ibid.*, Exh. 1.

Changes in operations

As presented in table IV-21 Ukrainian producer Interpipe reported operational and organizational changes since January 1, 2014. Additionally, table IV-22 presents developments of the industry in Ukraine since the original investigations.

Table IV-21
OCTG: Reported changes in operations by Ukrainian producer Interpipe since January 1, 2014

Item / Firm	Narrative
Expansions:	
***	***
Other:	
***	***

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

Table IV-22
OCTG: Recent developments of the industry in Ukraine

Item / Firm	Recent events
Expansions:	
Interpipe	December 2016— Interpipe began producing pup joints for use in the oil and gas industry. Pup joints are used to adjust the length of a string of standard length casings or tubes.
Interpipe	July 2018— Interpipe completed \$8 million in investments in a new line for finishing pipe at Interpipe Niko Tube. Interpipe reported that the “additional capacity will allow the company to boost the production of line pipe for export markets and to improve the product quality.”
Interpipe	August 2018— Interpipe announced that it would invest \$14 million to build a new threading line for both OCTG casing and couplings at Interpipe NTRP.
Interpipe	January 2019— Interpipe completed a \$5 million modernization of the heat treatment facilities at Interpipe NTRP. The company reported that the investment will it to “increase the tubular goods production of higher strength steel grades” and strengthen their presence in the Middle East and American markets.

Source: Domestic interested parties’ response to the notice of institution, July 3, 2019, pp. 16-17.

Operations on OCTG

Table IV-23 presents data on the industry in Ukraine during 2014-19. Production capacity remained constant throughout the period, while production declined between 2014 to 2016 and then recovered between 2017 to 2019. Overall, production increased by *** percent between 2014 and 2019. Export shipments to the United States exhibited similar trends as production, *** from 2014 to 2016 and then rebounding with an *** in each annual period between 2017-19. Export shipments to the United States accounted for *** percent and *** percent of total exports and total shipments during 2019, respectively. Additionally, the Government of Ukraine stated that Ukrainian exports of OCTG during 2014-19 reflected the

general economic situation in Ukraine, as well as the Ukrainian steel industry's export capacity, principally attributed from certain foreign aggression.²⁴

Table IV-23
OCTG: Data on the industry in Ukraine, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Capacity	***	***	***	***	***	***
Production	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Value (1,000 dollars)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Table continued on next page.

²⁴ Government of Ukraine's posthearing brief, p. 13, June 1, 2020.

Table IV-23--Continued
OCTG: Data on the industry in Ukraine, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***
Share of total shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Note: ***.

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

Alternative products

As shown in table IV-24, Ukrainian producer Interpipe produced other products on the same equipment and machinery used to produce OCTG. Production of out-of-scope merchandise varied slightly during the period for which data were collected but decreased by *** between 2014 and 2019. Out-of-scope production (e.g. line pipe and mechanical pipe) accounted for the majority of total production in each annual period between 2014 and 2019.

Table IV-24

OCTG: Overall capacity and production on the same equipment as in-scope production for Ukrainian producer Interpipe, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Overall capacity	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***

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

Exports

According to GTA data, the leading export markets for casing and tubing, from Ukraine are the United States, Turkey, and Azerbaijan (table IV-25). During 2019, the United States was the top export market for casing and tubing from Ukraine, accounting for 64.5 percent, followed by Turkey, accounting for 9.1 percent.

Table IV-25

Casing and tubing: Ukraine exports by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
United States	49,592	14,158	4,846	51,253	88,689	103,987
Turkey	---	---	523	6,484	1,033	14,709
Azerbaijan	14,438	9,693	2,397	11,238	15,615	11,397
Egypt	4,044	2,211	2,104	120	572	6,688
Turkmenistan	2,010	4,028	---	9	---	6,168
Colombia	3,314	---	882	956	2,634	3,877
United Arab Emirates	1	1,155	---	---	1,871	3,675
Vietnam	984	---	562	899	3,682	2,788
Iraq	---	---	---	---	---	2,708
All other destination markets	165,926	46,741	46,058	67,192	53,862	5,252
Total exports	240,309	77,986	57,371	138,150	167,958	161,249
	Value (1,000 dollars)					
United States	58,459	16,914	2,939	38,672	74,431	86,917
Turkey	---	---	375	5,468	950	11,511
Azerbaijan	14,036	7,695	1,661	9,188	16,737	12,746
Egypt	4,212	2,139	1,473	91	610	6,377
Turkmenistan	2,266	4,001	---	65	---	8,121
Colombia	3,888	---	628	790	2,636	3,825
United Arab Emirates	2	1,284	---	---	1,557	3,595
Vietnam	1,300	---	457	790	4,061	2,755
Iraq	---	---	---	---	---	2,101
All other destination markets	149,475	32,399	27,151	51,673	50,542	5,368
Total exports	233,638	64,433	34,684	106,736	151,525	143,315
	Unit value (dollars per short ton)					
United States	1,179	1,195	607	755	839	836
Turkey	---	---	717	843	920	783
Azerbaijan	972	794	693	818	1,072	1,118
Egypt	1,042	968	700	762	1,067	953
Turkmenistan	1,128	993	---	7,037	---	1,317
Colombia	1,173	---	712	826	1,001	987
United Arab Emirates	1,527	1,112	---	---	832	978
Vietnam	1,321	---	814	879	1,103	988
Iraq	---	---	---	---	---	776
All other destination markets	901	693	589	769	938	1,022
Total exports	972	826	605	773	902	889

Table continued on next page.

Table IV-25--Continued
Casing and tubing: Ukraine exports by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Share of quantity (percent)					
United States	20.6	18.2	8.4	37.1	52.8	64.5
Turkey	---	---	0.9	4.7	0.6	9.1
Azerbaijan	6.0	12.4	4.2	8.1	9.3	7.1
Egypt	1.7	2.8	3.7	0.1	0.3	4.1
Turkmenistan	0.8	5.2	---	0.0	---	3.8
Colombia	1.4	---	1.5	0.7	1.6	2.4
United Arab Emirates	0.0	1.5	---	---	1.1	2.3
Vietnam	0.4	---	1.0	0.7	2.2	1.7
Iraq	---	---	---	---	---	1.7
All other destination markets	69.0	59.9	80.3	48.6	32.1	3.3
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official exports statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 23, 2020.

The industry in Vietnam

Overview

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from one firm from Vietnam, which accounted for *** percent of production of OCTG in Vietnam during 2013 and accounted for *** percent of all exports of OCTG from Vietnam to the United States during 2013.²⁵

During the course of these reviews the Commission issued foreign producers'/exporters' questionnaires to six firms believed to produce and/or export OCTG from Vietnam.²⁶ None of these firms provided a response.

Although the Commission did not receive responses from any respondent interested parties to the notice of institution in these current reviews, the domestic interested parties provided a list of eight firms that they believe to be exporters of OCTG.²⁷ Additionally, in its

²⁵ *Investigation Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final): Certain Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam—Staff Report*, INV-MM-074, August 1, 2014, pp. VII-51-52.

²⁶ These firms were identified through a review of information submitted in the response to the notice of institution and contained in *** records.

²⁷ Domestic interested parties' response to the notice of institution, July 3, 2019, Exh. 1.

(continued...)

response to the notice of institution, the domestic interested parties presented data concerning “known capacity” to produce tubular products in Vietnam during 2018. The domestic interested parties state that the industry as a whole possesses *** metric tons of production capacity, while the largest individual firm, *** has *** metric tons of production capacity in Vietnam.²⁸

Table IV-26 presents events of the industry in Vietnam since the original investigations.

Table IV-26
OCTG: Recent developments of the industry in Vietnam

Item / Firm	Recent events
Expansions:	
SeAH Steel Vina Corp.	June 2019—SeAH Holdings Corp. completed the construction of a second pipe plant. The new plant has production capacity of 100,000 metric tons per year of 2- to 4-inch general piping materials and tubing products for oil wells.

Source: Domestic interested parties’ response to the notice of institution, July 3, 2019, p. 18.

Exports

According to GTA, the leading import markets for casing and tubing, from Vietnam are the United States and Indonesia (table IV-27). During 2019, the United States was the top import market for constructed exports from Vietnam, accounting for 98.7 percent, followed by Indonesia, accounting for 0.9 percent.

²⁸ Ibid., p. 18 and Exh. 4.

Table IV-27

Casing and tubing: World imports from Vietnam by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
United States	22,211	---	---	5,085	25,341	44,134
Indonesia	511	15	---	540	---	385
Philippines	---	---	---	0	---	123
Netherlands	131	231	78	140	118	27
Georgia	---	---	---	---	---	24
Singapore	364	72	6	59	785	17
Austria	---	---	---	---	---	0
Canada	---	---	---	26	21	---
Australia	12,093	660	37	200	80	---
All other destination markets	193	1,237	615	152	50	---
Total exports	35,503	2,216	736	6,202	26,395	44,710
	Value (1,000 dollars)					
United States	16,480	---	---	3,463	18,833	33,619
Indonesia	907	52	---	277	---	978
Philippines	---	---	---	0	---	173
Netherlands	171	502	80	136	128	16
Georgia	---	---	---	---	---	31
Singapore	2,002	296	26	126	1,816	9
Austria	---	---	---	---	---	2
Canada	---	---	---	183	154	---
Australia	16,041	537	55	270	96	---
All other destination markets	648	1,326	2,069	169	182	---
Total exports	36,249	2,713	2,230	4,623	21,209	34,827

Table continued on next page.

Table IV-27--Continued
Casing and tubing: World imports from Vietnam by destination market, 2014-19

Destination market	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
United States	742	---	---	681	743	762
Indonesia	1,774	3,490	---	514	---	2,540
Philippines	---	---	---	17,010	---	1,402
Netherlands	1,304	2,169	1,029	969	1,084	580
Georgia	---	---	---	---	---	1,290
Singapore	5,502	4,105	4,716	2,149	2,315	522
Austria	---	---	---	---	---	7,876
Canada	---	---	---	6,991	7,260	---
Australia	1,326	814	1,482	1,347	1,189	---
All other destination markets	3,367	1,072	3,362	1,109	3,652	---
Total exports	1,021	1,224	3,031	745	804	779
	Share of quantity (percent)					
United States	62.6	---	---	82.0	96.0	98.7
Indonesia	1.4	0.7	---	8.7	---	0.9
Philippines	---	---	---	0.0	---	0.3
Netherlands	0.4	10.4	10.6	2.3	0.4	0.1
Georgia	---	---	---	---	---	0.1
Singapore	1.0	3.3	0.7	0.9	3.0	0.0
Austria	---	---	---	---	---	0.0
Canada	---	---	---	0.4	0.1	---
Australia	34.1	29.8	5.1	3.2	0.3	---
All other destination markets	0.5	55.8	83.6	2.5	0.2	---
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States is shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official import statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 26, 2020.

Subject countries combined

Table IV-28 presents summary data on OCTG operations of the reporting subject producers/exporters in the subject countries. Subject producers' production of OCTG increased overall between 2014 and 2019, despite dipping in 2015 and 2016, increasing by *** percent. Subject producers end-of-period inventories increased between 2014 and 2019, despite declining in 2015 and 2016, increasing by *** percent. Commercial home market shipments increased during 2014-19, with a marked increase occurring between 2017 and 2019, increasing by approximately *** percent. Export shipments to the United States ranged between *** and *** percent of total shipments during 2014-19. Moreover, during 2019, export shipments to the United States accounted for *** percent and *** percent of total exports and total shipments, respectively.

Table IV-28
OCTG: Data on the industry in subject countries, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Capacity	***	***	***	***	***	***
Production	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Value (1,000 dollars)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to:						
United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Table continued on next page.

Table IV-28--Continued
OCTG: Data on the industry in subject countries, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
Shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Inventories/production	***	***	***	***	***	***
Inventories/total shipments	***	***	***	***	***	***
Share of total shipments:						
Internal consumption/ transfers	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***
Total home market shipments	***	***	***	***	***	***
Export shipments to: United States	***	***	***	***	***	***
European Union	***	***	***	***	***	***
Asia	***	***	***	***	***	***
All other markets	***	***	***	***	***	***
Total exports	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent.

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

As shown in table IV-29, responding firms from subject countries produced other products on the same equipment and machinery used to produce OCTG. Subject producers seamless mill capacity accounted for *** percent of total capacity in each annual period between 2014 and 2019. Production of out-of-scope merchandise was *** percent higher in 2019 compared to 2014. Out-of-scope merchandise's share of total production accounted for more than *** percent in each annual period during 2014-19.

Table IV-29

OCTG: Overall capacity and production on the same equipment as in-scope production for firms in subject countries, 2014-19

Item	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
Overall capacity	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***
	Ratios and shares (percent)					
Capacity utilization	***	***	***	***	***	***
Of which welded mills	***	***	***	***	***	***
Of which seamless mills	***	***	***	***	***	***
Production:						
OCTG casing and tubing	***	***	***	***	***	***
OCTG coupling stock	***	***	***	***	***	***
In-scope merchandise	***	***	***	***	***	***
Out-of-scope merchandise	***	***	***	***	***	***
All products same machinery	***	***	***	***	***	***

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

Antidumping or countervailing duty orders in third-country markets

In the European Union, imports of certain seamless pipes and tubes, including OCTG, from Ukraine are subject to antidumping duties ranging from 12.3 to 25.7 percent.²⁹ On December 14, 2015, Canada concluded a re-investigation of antidumping orders for certain OCTG from India, Indonesia, Korea, Taiwan, the Philippines, Thailand, Turkey, Ukraine, and Vietnam. The Canadian Border Services Agency (CBSA) announced that it would continue the antidumping orders at a rate of 37.4 percent for all exporters, with the exception of certain companies that will instead be subject to individually determined duties.³⁰ On February 25,

²⁹ Official Journal of the European Union, Commission Implementing Regulation (EU) 2018/1469 of 1 October 2018, October 2, 2018.

³⁰ Canada Border Services Agency, "Notice of Conclusion of Re-investigation," December 14, 2015, <https://www.cbsa-asfc.gc.ca/sima-lmsi/ri-re/ad1371-1385-1390-1404/ad1371-1385-1390-1404-ri15-nc-eng.html>. The following companies were subject to duties determined based on specific normal values: India: GVN Fuel/Maharashtra Steel and Jindal Saw Limited; Korea: Daewoo International Corp., Hyundai Hysco, NEXTEEL Co. Ltd., and SeAH Steel Corp.; Turkey: Borusan (BMB); and Ukraine: Interpipe Ukraine.

(continued...)

2020, the CBSA initiated an expiry review of its 2015 finding to determine whether the expiry of antidumping duties would result in the continuation or resumption of the subject goods. The CBSA will make a determination no later than July 23, 2020.³¹ In the original investigations, petitioner U.S. Steel stated that in Russia, imports from Ukraine of certain casing were reportedly subject to an antidumping duty rate of 18.9 percent, while imports of certain tubing were subject to a rate of 19.9 percent.³² Commission staff could not confirm whether or not these antidumping duties are still in place.

Global market

Global exports

Table IV-30 presents the largest global export sources of casing and tubing. China and Japan were the largest exporters in 2019 and accounted for 27.5 percent and 9.2 percent of total global exports by quantity, respectively. Of the subject countries, Korea and Ukraine were in the top ten exporters of casing and tubing in 2019. Korea was the fifth largest exporter, representing 7.8 percent of total global exports during 2019, and Ukraine was the ninth largest exporter, representing 3.1 percent of total global exports during 2019.

³¹ Canada Border Services Agency, “Notice of Initiation of Expiry Review Investigation,” February 25, 2020, <https://www.cbsa-asfc.gc.ca/sima-lmsi/er-rre/octg22020/octg22020-ni-eng.html>.

³² *Investigation Nos. 701-TA-499-500 and 731-TA-1215-1223 (Final): Certain Oil Country Tubular Goods from India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam—Staff Report*, INV-MM-074, August 1, 2014, pp. VII-61-62.

Table IV-30
Casing and tubing: Global exports by exporter, 2014-19

Exporter	Calendar year					
	2014	2015	2016	2017	2018	2019
	Quantity (short tons)					
United States	524,325	344,005	243,871	377,941	271,797	204,311
India	48,448	40,838	3,530	11,073	8,306	17,794
Korea	1,634,629	361,016	487,815	1,129,281	399,997	409,991
Turkey	103,010	60,764	31,241	78,302	63,283	58,376
Ukraine	240,309	77,986	57,371	138,150	167,958	161,249
Vietnam	35,503	2,216	736	6,202	26,395	44,710
Subject countries	2,061,900	542,820	580,693	1,363,008	665,940	692,120
China	2,074,858	1,409,160	1,341,456	1,166,333	1,382,554	1,442,657
Japan	805,007	449,006	418,748	485,568	501,202	483,839
Brazil	310,560	218,756	200,627	351,777	294,995	457,760
Russia	363,041	239,794	226,184	344,040	518,811	440,311
Austria	303,912	194,679	170,224	319,098	327,803	246,976
Taiwan	136,645	64,467	29,320	184,808	233,313	205,974
Italy	167,142	84,785	71,536	114,607	173,021	152,680
Singapore	162,729	102,028	83,948	89,430	91,070	123,230
Thailand	68,112	48,686	29,117	107,825	117,468	118,578
Germany	232,813	121,526	84,068	108,221	120,688	106,928
All other destination markets	2,318,807	1,313,936	1,346,781	1,912,922	1,506,740	578,049
Total exports	9,529,849	5,133,648	4,826,572	6,925,576	6,205,401	5,253,415
	Value (1,000 dollars)					
United States	1,066,041	635,650	424,771	663,359	463,553	371,131
India	61,413	44,466	5,578	14,585	15,522	21,989
Korea	1,412,248	267,556	272,173	876,901	379,074	339,720
Turkey	87,430	52,926	17,842	54,622	47,227	36,486
Ukraine	233,638	64,433	34,684	106,736	151,525	143,315
Vietnam	36,249	2,713	2,230	4,623	21,209	34,827
Subject countries	1,830,978	432,094	332,508	1,057,467	614,556	576,337
China	2,193,825	1,281,699	947,287	924,483	1,393,362	1,514,760
Japan	1,484,823	732,553	522,412	593,865	639,144	665,710
Brazil	923,407	572,162	276,750	405,912	333,865	524,396
Russia	359,040	187,009	142,359	249,864	456,236	402,318
Austria	512,960	273,261	171,604	348,740	412,311	312,580
Taiwan	96,008	43,426	12,444	117,505	171,523	148,835
Italy	381,571	156,349	116,773	157,895	248,711	243,602
Singapore	436,269	237,885	152,060	143,582	173,331	244,361
Thailand	84,311	61,418	33,002	101,788	115,230	100,954
Germany	472,686	235,565	165,124	144,587	206,360	176,736
All other destination markets	4,656,173	2,711,543	1,953,549	2,305,820	2,263,824	995,996
Total exports	14,498,092	7,560,615	5,250,642	7,214,866	7,492,005	6,277,715

Table continued on next page.

Table IV-30--Continued
Casing and tubing: Global exports by exporter, 2014-19

Exporter	Calendar year					
	2014	2015	2016	2017	2018	2019
	Unit value (dollars per short ton)					
United States	2,033	1,848	1,742	1,755	1,706	1,816
India	1,268	1,089	1,580	1,317	1,869	1,236
Korea	864	741	558	777	948	829
Turkey	849	871	571	698	746	625
Ukraine	972	826	605	773	902	889
Vietnam	1,021	1,224	3,031	745	804	779
Subject countries	888	796	573	776	923	833
China	1,057	910	706	793	1,008	1,050
Japan	1,844	1,631	1,248	1,223	1,275	1,376
Brazil	2,973	2,616	1,379	1,154	1,132	1,146
Russia	989	780	629	726	879	914
Austria	1,688	1,404	1,008	1,093	1,258	1,266
Taiwan	703	674	424	636	735	723
Italy	2,283	1,844	1,632	1,378	1,437	1,596
Singapore	2,681	2,332	1,811	1,606	1,903	1,983
Thailand	1,238	1,262	1,133	944	981	851
Germany	2,030	1,938	1,964	1,336	1,710	1,653
All other destination markets	2,008	2,064	1,451	1,205	1,502	1,723
Total exports	1,521	1,473	1,088	1,042	1,207	1,195
	Share of quantity (percent)					
United States	5.5	6.7	5.1	5.5	4.4	3.9
India	0.5	0.8	0.1	0.2	0.1	0.3
Korea	17.2	7.0	10.1	16.3	6.4	7.8
Turkey	1.1	1.2	0.6	1.1	1.0	1.1
Ukraine	2.5	1.5	1.2	2.0	2.7	3.1
Vietnam	0.4	0.0	0.0	0.1	0.4	0.9
Subject countries	21.6	10.6	12.0	19.7	10.7	13.2
China	21.8	27.4	27.8	16.8	22.3	27.5
Japan	8.4	8.7	8.7	7.0	8.1	9.2
Brazil	3.3	4.3	4.2	5.1	4.8	8.7
Russia	3.8	4.7	4.7	5.0	8.4	8.4
Austria	3.2	3.8	3.5	4.6	5.3	4.7
Taiwan	1.4	1.3	0.6	2.7	3.8	3.9
Italy	1.8	1.7	1.5	1.7	2.8	2.9
Singapore	1.7	2.0	1.7	1.3	1.5	2.3
Thailand	0.7	0.9	0.6	1.6	1.9	2.3
Germany	2.4	2.4	1.7	1.6	1.9	2.0
All other destination markets	24.3	25.6	27.9	27.6	24.3	11.0
Total exports	100.0	100.0	100.0	100.0	100.0	100.0

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. United States, as well as subject countries are shown at the top, all remaining top export destinations shown in descending order of 2019 data.

Source: Official import statistics under HS subheadings 7304.29, 7305.20, and 7306.29 as reported in the Global Trade Atlas database, accessed March 26, 2020.

Consumption

Data on global OCTG consumption are generally not available. However, because OCTG is used in oil and gas wells, the demand for OCTG is related to the number of oil and gas rigs in use. Total worldwide annual average rig counts decreased by 1.5 percent, from 2,211 in 2018 to 2,177 in 2019 (table IV-31). In addition, total worldwide monthly average rig counts decreased by 27 percent from 2,073 in January 2020 to 1,514 in April 2020 (table IV-32). The reduced rig count in 2020 occurred as oil prices declined and as global economic activity slowed down as a result of measures taken to slow the spread of coronavirus.³³ Global footage of onshore well drilling *** from *** feet in 2014 to a projected *** feet in 2020 (Table IV-33).

Table IV-31
OCTG: Baker Hughes International Rotary Rig Count, by country or region, 2015-19

Country or region	Calendar year				
	2015	2016	2017	2018	2019
	Average rig counts				
Country:					
United States	977	510	875	1,032	944
Canada	193	128	207	191	135
Region:					
Latin America	319	198	185	190	190
Europe	117	96	92	85	149
Africa	106	85	83	98	117
Middle East	406	390	388	396	414
Asia Pacific	220	187	201	219	228
Total	2,337	1,593	2,029	2,211	2,177

Source: Baker Hughes Worldwide Rig Count, May 2020, <https://rigcount.bakerhughes.com/static-files/7c07215d-2f23-4f4c-b0c6-1005312dfa41>.

³³ Reuters, "U.S. oil rig count drops to lowest since December 2016: Baker Hughes," April 9, 2020, <https://www.reuters.com/article/us-usa-rigs-baker-hughes/us-oil-rig-count-drops-to-lowest-since-december-2016-baker-hughes-idUSKCN21R30Q>.

Table IV-32

OCTG: Baker Hughes International Rotary Rig Count, by country or region, November 2019-April 2020

Country or region	Month					
	November	December	January	February	March	April
	Average rig counts					
Country:						
United States	810	804	791	791	772	566
Canada ¹	136	135	204	249	133	33
Region:						
Latin America	196	191	179	184	169	89
Europe	147	139	133	130	123	112
Africa	116	118	114	120	108	103
Middle East	417	430	430	427	428	420
Asia Pacific	220	226	222	224	231	191
Total	2,042	2,043	2,073	2,125	1,964	1,514

Source: Baker Hughes Worldwide Rig Count, May 2020, <https://rigcount.bakerhughes.com/static-files/7c07215d-2f23-4f4c-b0c6-1005312dfa41>.

¹ Oil and gas drilling activity in Canada is higher in the winter, when the ground is frozen. In the spring, the movement of equipment is restricted by thawing which causes fields and roads to soften. Therefore, drilling activity often stops in the spring until the ground dries. Canadian Association of Oilwell Drilling Contractors, "Working on a Drilling Rig," accessed June 8, 2020, https://caodc.ca/drilling_rig_work.

Table IV-33

OCTG: Well Footage Drilled, by country or region, 2014-20

Country or region	Calendar year						
	2014	2015	2016	2017	2018	2019	2020 ¹
	Onshore well footage drilled (millions)						
Country:							
United States	***	***	***	***	***	***	***
Canada	***	***	***	***	***	***	***
Region:							
Latin America	***	***	***	***	***	***	***
Europe	***	***	***	***	***	***	***
Africa	***	***	***	***	***	***	***
Middle East	***	***	***	***	***	***	***
Russia	***	***	***	***	***	***	***
Far East	***	***	***	***	***	***	***
Central Asia	***	***	***	***	***	***	***
China	***	***	***	***	***	***	***
Total	***	***	***	***	***	***	***

¹ Number for 2020 are projections.

Source: ***.

Part V: Pricing data

Factors affecting prices

Raw material costs

Raw materials, primarily hot-rolled steel or billets (and associated inputs such as coke, scrap, pig iron, and hot-briquetted iron), account for the majority of the cost of OCTG. Since January 2014, raw materials as a percentage of cost of goods sold fluctuated, initially dropping from *** percent in 2014 to *** percent in 2016, then recovering to *** percent in 2019.

Most responding U.S. producers (7 of 8)¹ and importers (21 of 29)² reported that raw material prices had fluctuated since 2014. U.S. producer and importer *** reported that its primary raw material is hot-rolled coil and that those prices follow the scrap market, adding that prices for OCTG follow those of hot-rolled coil, and importer *** reported that prices for hot-rolled coil decreased “drastically.” Importer *** reported that raw materials including scrap, ferroalloys, and electrodes, fluctuated, and that other materials led to an increase in production costs. Most firms anticipate that raw material costs will continue to fluctuate.

When asked how the imposition of tariffs or other restrictions associated with section 232 measures on imported steel products impacted raw material costs for OCTG, U.S. producers of welded OCTG (***) indicated section 232 restrictions caused raw material costs to increase, while *** of three U.S. producers of exclusively seamless OCTG (***) reported that raw material costs fluctuated.³ Most importers (18 of 31) reported that raw material prices fluctuated.

As shown in figure V-1, prices of hot-rolled steel fluctuated during January 2014 to March 2020, peaking in mid-2015, decreasing until mid-2018 and rising again to levels approximately 20 percent higher than in 2014. Price trends for steel scrap decreased through

¹ The following analysis includes a total of 12 U.S. producers. In cases where not all U.S. producers have responded to a specific question, only the number of U.S. producers that responded to that question are presented.

² The following analysis includes a total of 32 importers. In cases where not all U.S. importers have responded to a specific question, only the number of importers that responded to that question are presented

³ Section 232 tariffs impacted hot rolled steel but not billets or inputs for billets which are used in seamless OCTG production.

2015, increased through mid-2018, and decreased again to price levels approximately half of those in early 2014. Hot-rolled billet prices followed similar trends to steel scrap (figure V-2).

Figure V-1
OCTG: * January 2014-May 2020**

* * * * *

Source: ***.

Figure V-2
OCTG: * January 2014-May 2020**

* * * * *

Source: ***.

U.S. inland transportation costs

Half of responding U.S. producers (5 of 10) and importers (13 of 19) reported that their customers typically arrange transportation. Responding U.S. producers reported that their U.S. inland transportation costs ranged from 2 to 8 percent while responding importers reported costs of 1 to 7 percent.

Pricing practices

Pricing methods

U.S. producers and importers reported using transaction-by-transaction negotiations, contracts, and other methods. As presented in table V-1, U.S. producers and importers sell primarily through transaction-by-transaction negotiations. U.S. producer and importer *** reported that its long-term contract sales set general purchase targets and that while pricing mechanisms vary by agreement, prices generally reflect the pricing trends in the market.

Table V-1

OCTG: U.S. producers' and importers' reported price setting methods, by number of responding firms¹

Method	U.S. producers	U.S. importers
Transaction-by-transaction	8	25
Contract	2	6
Set price list	---	---
Other	3	3
Responding firms	10	29

Note: 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.

U.S. producers and importers reported selling approximately half of their OCTG through short-term contracts. As shown in table V-2, U.S. producers and importers reported their 2019 U.S. commercial shipments of OCTG by type of sale. U.S. producers reported that short-term contracts generally spanned one to three months, while responding importers reported that the average duration of a short-term contract ranged from three to six months. Two U.S. producers, (***) reported using annual or long-term contracts.

Table V-2**OCTG: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2019**

Type of sale	Share of commercial U.S. shipments (percent)	
	U.S. producers	Subject U.S. importers
Long-term contracts	6.8	---
Annual contracts	4.6	---
Short-term contracts	53.6	50.9
Spot sales	35.0	49.1

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

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

Short-term contracts offered by U.S. producers and importers generally do not allow for price renegotiation, fix both price and quantity, and are not indexed to raw materials. For long-term contracts, firms reported indexing to PipeLogix, AMM scrap, CRU, or Platts indices. Most purchasers (14 of 21) reported that they are familiar with raw material costs and 13 purchasers reported that raw material costs affected purchasers' negotiations with suppliers. Most purchasers cited hot-rolled coil price indices, and prices for scrap, coking coal, and iron ore. Purchaser *** reported "tariffs get passed on to the distributors and end users."

Most purchasers (16 of 21) reported that their purchases involve negotiations based on price, delivery, quality, payment and payment terms. Several purchasers specifically noted that they may base their negotiations on published price indices, and other purchasers specifically noted that they do not quote competing prices during negotiations.

Seven purchasers reported that they purchase product daily, four purchase weekly, five purchase monthly, and two purchase quarterly. Three purchasers reported that they purchase on an "as needed" basis. The majority of responding purchasers (16 of 21) reported that they did not expect their purchasing patterns to change in the next two years. Most purchasers (15 of 21) reported that they contact between one and six suppliers before making a purchase, but some purchasers reported that they may contact up to 15 suppliers.

Program sales

A program sale is an agreement or obligation among end users, distributors, and/or mills which specifies the type of OCTG, approximate quantities to be supplied, delivery time frames, and/or prices. Prices and/or quantities may be subject to adjustment. In 2019, approximately 60 percent of U.S. commercial shipments of domestically produced OCTG and approximately 20 percent of commercial shipments of OCTG produced in subject countries

were through program sales.⁴ Most responding U.S. producers (8 of 9) reported that they had sold OCTG through program sales while most responding importers (21 of 30) reported that they had not sold OCTG through program sales since 2014.

Four U.S. producers reported that there had been changes in their program sales since 2014, citing section 232 tariffs, raw material variability, and customer-specific preferences for fixed or variable pricing over a specified period, and U.S. producer and importer *** reported the introduction of its *** business model. Most importers reported that there had not been changes in their program sales. Six importers reported that there had been changes, citing disruptions in the supply chain (including oversupply of OCTG products, low oil prices, and COVID-19), section 232 tariffs, and that non-program OCTG may be substituted for program OCTG if more cost-competitive or has better delivery times.

Sales terms and discounts

U.S. producers and importers typically quote prices on an f.o.b. basis, although several firms reported quoting prices on a delivered basis. Some U.S. producers and importers reported offering quantity and total volume discounts, but most commonly, firms reported offering early payment discounts such as 1 percent/10 net 30 day or 2 percent/10 net 30 days.

Price leadership

Purchasers most frequently reported that Tenaris (6 purchasers) and U.S. Steel (4 purchasers) were price leaders. Purchasers cited U.S. Steel's published price announcements and Tenaris' large market share and low prices for OCTG sold directly to end users as price drivers. Three purchasers indicated that Korean mills such as Hyundai, SeAH, and Nexteel were price leaders because of their low import prices. Other firms that were reported as price leaders include John Laurie, Lally Pipe, SIMTEX, Trident Steel, and Vallourec.

⁴ Specifically, *** were sold through program sales in 2019.

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 OCTG products shipped to unrelated U.S. customers during January 2014-December 2019.

Product 1.-- Tubing, Grade L-80, 2 7/8" O.D., 6.5 lbs./ft., threaded and coupled, range 2, seamless

Product 2.-- Tubing, Grade J-55, 2 3/8" O.D., 4.7 lbs./ft., threaded and coupled, range 2, welded

Product 3.-- Casing, Grade P-110, 5 1/2" O.D., 20.0 lbs./ft., threaded and coupled, range 3, welded

Product 4.-- Casing, Grade P-110, 5 1/2" O.D., 17.0 lbs./ft., threaded and coupled, range 3, seamless

Product 5.-- Casing, Grade J-55, 8 5/8" O.D., 32.0 lbs./ft., threaded and coupled, range 3, welded

Product 6.-- Casing, Grade J-55, 9 5/8" O.D., 36.0 lbs./ft., threaded and coupled, range 3, welded

Seven U.S. producers and five importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.⁵ Pricing data reported by these firms accounted for approximately 10.5 percent of U.S. producers' shipments of OCTG and 1.3 percent of U.S. shipments of OCTG imported from subject countries in 2019. No pricing data are available for imports from Vietnam.

Price data for products 1-6 are presented in tables V-3 to V-8 and figures V-3 to V-8.

⁵ 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.

Table V-3

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		India			Korea		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2015:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2016:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2017:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2018:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2019:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***

Table continued on next page.

Table V-3 -- Continued

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		Ukraine		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2015:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2016:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2017:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2018:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2019:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***

Note: Product 1: Tubing, Grade L-80, 2 7/8" O.D., 6.5 lbs./ft., threaded and coupled, range 2, seamless
 Source: Compiled from data submitted in response to Commission questionnaires.

Table V-4

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		Korea			Turkey		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2015:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2016:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2017:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2018:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2019:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***

Note: Product 2: Tubing, Grade J-55, 2 3/8" O.D., 4.7 lbs./ft., threaded and coupled, range 2, welded
 Source: Compiled from data submitted in response to Commission questionnaires.

Table V-5

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		Korea		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2015:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2016:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2017:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2018:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2019:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***

Note: Product 3: Casing, Grade P-110, 5 1/2" O.D., 20.0 lbs./ft., threaded and coupled, range 3, welded
 Source: Compiled from data submitted in response to Commission questionnaires.

Table V-6

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		India			Korea		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2015:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2016:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2017:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2018:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2019:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***

Table continued on next page.

Table V-6 --Continued

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		Ukraine		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2015:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2016:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2017:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2018:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***
2019:					
Jan-Mar	***	***	***	***	***
Apr-Jun	***	***	***	***	***
Jul-Sep	***	***	***	***	***
Oct-Dec	***	***	***	***	***

Note: Product 4: Casing, Grade P-110, 5 1/2" O.D., 17.0 lbs./ft., threaded and coupled, range 3, seamless
Source: Compiled from data submitted in response to Commission questionnaires.

Table V-7

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		India			Turkey		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2015:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2016:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2017:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2018:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2019:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***

Note: Product 5: Casing, Grade J-55, 8 5/8" O.D., 32.0 lbs./ft., threaded and coupled, range 3, welded
 Source: Compiled from data submitted in response to Commission questionnaires.

Table V-8

OCTG: Weighted-average f.o.b. prices and quantities of domestic and imported product 6 and margins of underselling/(overselling), by quarter, January 2014-December 2019

Period of shipment	United States		India			Turkey		
	Price (dollars per short ton)	Quantity (short tons)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)	Price (dollars per short ton)	Quantity (short tons)	Margin (percent)
2014:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2015:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2016:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2017:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2018:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***
2019:								
Jan-Mar	***	***	***	***	***	***	***	***
Apr-Jun	***	***	***	***	***	***	***	***
Jul-Sep	***	***	***	***	***	***	***	***
Oct-Dec	***	***	***	***	***	***	***	***

Note: Product 6: Casing, Grade J-55, 9 5/8" O.D., 36.0 lbs./ft., threaded and coupled, range 3, welded
Source: Compiled from data submitted in response to Commission questionnaires.

Figure V-3
OCTG: Weighted-average prices and quantities of domestic and imported product 1, by quarter, January 2014-December 2019

* * * * *

Note: Product 1: Tubing, Grade L-80, 2 7/8" O.D., 6.5 lbs./ft., threaded and coupled, range 2, seamless

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

Figure V-4
OCTG: Weighted-average prices and quantities of domestic and imported product 2, by quarter,
January 2014-December 2019

* * * * *

Note: Product 2: Tubing, Grade J-55, 2 3/8" O.D., 4.7 lbs./ft., threaded and coupled, range 2, welded

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

Figure V-5
OCTG: Weighted-average prices and quantities of domestic and imported product 3, by quarter, January 2014-December 2019

* * * * *

Note: Product 3: Casing, Grade P-110, 5 ½" O.D., 20.0 lbs./ft., threaded and coupled, range 3, welded

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

Figure V-6
OCTG: Weighted-average prices and quantities of domestic and imported product 4, by quarter, January 2014-December 2019

* * * * *

Note: Product 4: Casing, Grade P-110, 5 ½" O.D., 17.0 lbs./ft., threaded and coupled, range 3, seamless

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

Figure V-7
OCTG: Weighted-average prices and quantities of domestic and imported product 5, by quarter, January 2014-December 2019

* * * * *

Note: Product 5: Casing, Grade J-55, 8 5/8" O.D., 32.0 lbs./ft., threaded and coupled, range 3, welded

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

Figure V-8
OCTG: Weighted-average prices and quantities of domestic and imported product 6, by quarter,
January 2014-December 2019

* * * * *

Note: Product 6: Casing, Grade J-55, 9 5/8" O.D., 36.0 lbs./ft., threaded and coupled, range 3, welded

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

Price trends

Prices generally decreased for three pricing products during January 2014-December 2019 and increased for two welded pricing products. One pricing product showed mixed trends. Table V-9 summarizes the price trends, by country and by product. As shown in the table, domestic price decreases for welded products ranged from 4.7 percent to 50.6 percent during 2014-19, and domestic prices for one welded product increased by 15.9 percent. Price decreases for seamless products ranged from 12.5 percent to 20.9 percent.

Table V-9
OCTG: Summary of weighted-average f.o.b. prices for products 1-6 from the United States and subject countries

Item	Number of quarters	Low price (dollars per short ton)	High price (dollars per short ton)	Change in price ¹ (percent)
Product 1 (seamless).-- United States	***	***	***	***
India	***	***	***	***
Korea	***	***	***	***
Ukraine	***	***	***	***
Product 2 (welded).-- United States	***	***	***	***
Korea	***	***	***	***
Turkey	***	***	***	***
Product 3 (welded).-- United States	***	***	***	***
Korea	***	***	***	***
Product 4 (seamless).-- United States	***	***	***	***
India	***	***	***	***
Korea	***	***	***	***
Ukraine	***	***	***	***
Product 5 (welded).-- United States	***	***	***	***
India	***	***	***	***
Turkey	***	***	***	***
Product 6 (welded).-- United States	***	***	***	***
India	***	***	***	***
Turkey	***	***	***	***

Note: Percentage change from the first quarter where price data were available in 2014 to the last quarter in 2019 where price data were available.

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

Purchasers were asked how the prices of OCTG from the United States had changed relative to the prices of OCTG from subject countries India, Korea, Turkey, Ukraine, and Vietnam since 2014. Most responding purchasers reported that prices had changed for OCTG from all subject countries and reported that the price of U.S.-produced OCTG changed at a relatively higher rate when compared to price changes of OCTG from India, Turkey, Ukraine, and Vietnam (table V-10). When comparing price changes between U.S.-produced OCTG and OCTG from Korea, most purchasers reported that price changes since 2014 occurred at about the same rate.

Table V-10
OCTG: Comparisons between U.S.-produced OCTG price changes and the price changes of OCTG produced in subject countries since 2014

Country	U.S. prices changed at the same rate	U.S. prices changed at a higher rate	U.S. prices changed at a lower rate
India	3	5	1
Korea	8	6	1
Turkey	4	6	1
Ukraine	4	6	1
Vietnam	3	5	0

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

Price comparisons

As shown in table V-11, prices for OCTG imported from subject countries were below those for U.S.-produced OCTG in 62 of 93 instances (37,557 short tons) and margins of underselling ranged from 0.0 percent to 29.7 percent. In the remaining 31 instances (11,814 short tons), prices for OCTG from subject countries were between 0.5 percent and 62.1 percent above prices for the domestic product.

Table V-11
OCTG: Instances of underselling/overselling and the range and average of margins, by country,
January 2014-December 2019

Source	Underselling				
	Number of quarters	Quantity (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Product 1 (seamless)	***	***	***	***	***
Product 2 (welded)	***	***	***	***	***
Product 3 (welded)	***	***	***	***	***
Product 4 (seamless)	***	***	***	***	***
Product 5 (welded)	***	***	***	***	***
Product 6 (welded)	***	***	***	***	***
Total, underselling	***	***	***	***	***
India	***	***	***	***	***
Korea	***	***	***	***	***
Turkey	***	***	***	***	***
Ukraine	***	***	***	***	***
Vietnam	***	***	***	***	***
Total, underselling	62	37,557	12.1	0.0	29.7
Source	(Overselling)				
	Number of quarters	Quantity (short tons)	Average margin (percent)	Margin range (percent)	
				Min	Max
Product 1 (seamless)	***	***	***	***	***
Product 2 (welded)	***	***	***	***	***
Product 3 (welded)	***	***	***	***	***
Product 4 (seamless)	***	***	***	***	***
Product 5 (welded)	***	***	***	***	***
Product 6 (welded)	***	***	***	***	***
Total, overselling	***	***	***	***	***
India	***	***	***	***	***
Korea	***	***	***	***	***
Turkey	***	***	***	***	***
Ukraine	***	***	***	***	***
Vietnam	***	***	***	***	***
Total, overselling	31	11,814	(15.4)	(0.5)	(62.1)

Note: In the original investigations, subject imports from India were priced lower than domestic product in 37 of 46 comparisons, with underselling margins ranging from 0.4 to 30.9 percent; subject imports from Korea were priced lower than domestic product in 42 of 46 comparisons, with underselling margins ranging from 0.6 to 37.8 percent; subject imports from Turkey were priced lower than domestic product in 40 of 48 comparisons, with underselling margins ranging from 0.3 to 11.7 percent; subject imports from Ukraine were priced lower than domestic product in 19 of 20 comparisons, with underselling margins ranging from *** to *** percent; and imports from Vietnam were priced lower than domestic product in 27 of 29 comparisons with underselling margins ranging from 2.9 to 22.1 percent. *Certain Oil Country Tubular Goods from India, Korea, the Philippines, Taiwan, Thailand, Turkey, Ukraine, and Vietnam*, Inv. Nos. 701-TA-499-500 and 731-TA-1215-1217 and 1219-1223 (Final), USITC Publication 4489, September 2014, Table V-14.

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

APPENDIX A

FEDERAL REGISTER NOTICES

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

Citation	Title	Link
84 FR 25570 June 3, 2019	<i>Oil Country Tubular Goods From India, Korea, Turkey, Ukraine, and Vietnam; Institution of Five-Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2019-06-03/pdf/2019-11342.pdf
84 FR 25741 June 4, 2019	<i>Initiation of Five-Year (Sunset) Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2019-06-04/pdf/2019-11655.pdf
84 FR 29159 June 21, 2019	<i>Initiation of Five-Year (Sunset) Reviews; Correction</i>	https://www.govinfo.gov/content/pkg/FR-2019-06-21/pdf/2019-13254.pdf
84 FR 33918 July 16, 2019	<i>Termination of the Suspension Agreement on Certain Oil Country Tubular Goods From Ukraine, Recession of Administrative Review, and Issuance of Antidumping Duty Order</i>	https://www.govinfo.gov/content/pkg/FR-2019-07-16/pdf/2019-15073.pdf
84 FR 50069 September 24, 2019	<i>Oil Country Tubular Goods From India, Korea, Turkey, Ukraine, and Vietnam; Notice of Commission Determinations To Conduct Full Five-Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20604.pdf
84 FR 50001 September 24, 2019	<i>Oil Country Tubular Goods From India: Final Results of the Expedited Sunset Review of the Countervailing Duty Order</i>	https://www.govinfo.gov/content/pkg/FR-2019-09-24/pdf/2019-20639.pdf
84 FR 55139 October 15, 2019	<i>Oil Country Tubular Goods From the Republic of Turkey: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order</i>	https://www.govinfo.gov/content/pkg/FR-2019-10-15/pdf/2019-22532.pdf
85 FR 3419 January 21, 2020	<i>Oil Country Tubular Goods (OCTG) From India, Korea, Turkey, Ukraine, and Vietnam; Scheduling of Full Five-Year Reviews</i>	https://www.govinfo.gov/content/pkg/FR-2020-01-21/pdf/2020-00861.pdf
85 FR 12774 March 4, 2020	<i>Certain Oil Country Tubular Goods From India, the Republic of Korea, Turkey, and the Socialist Republic of Vietnam: Final Results of Expedited First Sunset Reviews of the Antidumping Duty Orders</i>	https://www.govinfo.gov/content/pkg/FR-2020-03-04/pdf/2020-04395.pdf
85 FR 27206 May 7, 2020	<i>Oil Country Tubular Goods From Ukraine: Final Results of the First Five-Year Sunset Review of the Antidumping Duty Order</i>	https://www.govinfo.gov/content/pkg/FR-2020-05-07/pdf/2020-09761.pdf

Note: The press release announcing the Commission's determinations concerning adequacy and the conduct of a full or expedited review can be found at:
https://www.usitc.gov/news_releases

Note: The Commission's explanation of its determinations on adequacy can be found at:
<http://pubapps2.usitc.gov/sunset/caseProf/list?sort=caseTitle&order=asc>

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF HEARING

Those listed below participated in the United States International Trade Commission’s hearing via Go To Meeting and/or through written testimony:

Subject: Oil Country Tubular Goods from India, Korea, Turkey, Ukraine, and Vietnam
Inv. Nos.: 701-TA-499-500 and 731-TA-1215-1216 and 1221-1223 (Review)
Date and Time: May 21, 2020 – 9:30 a.m.

FOREIGN GOVERNMENT:

The Ministry for Development of Economy, Trade and Agriculture of Ukraine
Department for Domestic Producer Defense

Nataliya Sydoruk, Director, Department for Domestic Producer Defense

Yurii Kozlenko, Head of the Division for Trade Interests Protection,
Department for Domestic Producer Defense

Elena Yushchuk, Head of the Defense on Foreign Markets Unit,
Department for Domestic Producer Defense

**In Support of the Continuation of the
Antidumping and Countervailing Duty Orders:**

Cassidy Levy Kent (USA) LLP
Washington, DC
on behalf of

United States Steel Corporation

Douglas R. Matthews, Senior Vice President and Chief Commercial and
Technology Officer, Tubular and Mining Solutions, United States
Steel Corporation

Zachariah Little, Threading Operator, United States Steel Corporation
Tubular Plant; Union Safety Representative; and Member, United
Steelworkers Local 1013

Thomas M. Beline)
Myles S. Getlan) – OF COUNSEL
Mary Jane Alves)

**In Support of the Continuation of the
Antidumping and Countervailing Duty Orders (continued):**

Schagrin Associates
Washington, DC
on behalf of

Boomerang Tube, LLC
Vallourec Star, L.P.
Welded Tube USA Inc.

Douglas Polk, Vice President for Industry Affairs, Vallourec Star, L.P.

Butch Mandel, President, Welded Tube USA, Inc.

Roger B. Schagrin)
Elizabeth J. Drake) – OF COUNSEL
Luke A. Meisner)

White & Case LLP
Washington, DC
on behalf of

Maverick Tube Corporation
Tenaris Bay City, Inc.
IPSCO Tubulars Inc.
Benteler Steel/Tube Manufacturing Corp.

Germán Curá, Vice Chairman, Tenaris Bay City, Inc.

Gregory J. Spak)
Frank J. Schweitzer) – OF COUNSEL
Kristina Zissis)

CLOSING REMARKS:

In Support of Continuation (**Myles S. Getlan**, Cassidy Levy Kent (USA) LLP)

-END-

APPENDIX C

SUMMARY DATA IN CURRENT AND PRIOR PROCEEDINGS

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All producers

Table C-1
OCTG: Summary data concerning the U.S. market, 2014-19

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. consumption quantity:						
Amount.....	7,623,764	3,729,760	2,259,586	5,801,021	5,820,042	5,274,470
Producers' share (fn1).....	50.0	42.3	51.0	41.7	53.1	57.0
Importers' share (fn1):						
India.....	0.6	1.7	0.3	0.2	0.1	0.0
Korea.....	20.7	18.2	15.3	19.8	8.7	8.6
Turkey.....	1.3	1.5	1.3	1.2	1.0	1.0
Ukraine.....	0.6	0.5	0.2	0.7	1.5	2.1
Vietnam.....	0.3	---	---	0.1	0.4	0.8
Subject sources.....	23.5	21.9	17.1	22.0	11.7	12.5
Nonsubject sources.....	26.5	35.8	31.9	36.3	35.2	30.5
All import sources.....	50.0	57.7	49.0	58.3	46.9	43.0
U.S. consumption value:						
Amount.....	***	***	***	***	***	***
Producers' share (fn1):						
Fully domestic value.....	***	***	***	***	***	***
Incremental value added to imports.....	***	***	***	***	***	***
Total value.....	***	***	***	***	***	***
Importers' share (fn1):						
India.....	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***
Turkey.....	***	***	***	***	***	***
Ukraine.....	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***
All import sources.....	***	***	***	***	***	***
U.S. imports from:						
India:						
Quantity.....	47,950	61,723	7,093	9,423	3,637	777
Value.....	58,913	70,148	5,884	7,501	3,674	637
Unit value.....	\$1,229	\$1,136	\$830	\$796	\$1,010	\$821
Ending inventory quantity.....	***	***	***	***	***	***
Korea:						
Quantity.....	1,575,866	678,730	345,997	1,150,842	504,222	450,982
Value.....	1,430,443	601,871	198,308	844,605	426,969	398,963
Unit value.....	\$908	\$887	\$573	\$734	\$847	\$885
Ending inventory quantity.....	***	***	***	***	***	***
Turkey:						
Quantity.....	96,749	56,254	28,402	67,811	58,226	52,286
Value.....	83,552	49,663	16,343	50,356	55,097	45,992
Unit value.....	\$864	\$883	\$575	\$743	\$946	\$880
Ending inventory quantity.....	***	***	***	***	***	***
Ukraine:						
Quantity.....	47,829	18,930	4,416	41,246	88,195	112,609
Value.....	59,768	23,519	3,012	31,763	84,395	120,849
Unit value.....	\$1,250	\$1,242	\$682	\$770	\$957	\$1,073
Ending inventory quantity.....	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
OCTG: Summary data concerning the U.S. market, 2014-19

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

	Period changes					
	Comparison years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
U.S. consumption quantity:						
Amount.....	▼(30.8)	▼(51.1)	▼(39.4)	▲156.7	▲0.3	▼(9.4)
Producers' share (fn1).....	▲7.0	▼(7.7)	▲8.7	▼(9.3)	▲11.4	▲3.9
Importers' share (fn1):						
India.....	▼(0.6)	▲1.0	▼(1.3)	▼(0.2)	▼(0.1)	▼(0.0)
Korea.....	▼(12.1)	▼(2.5)	▼(2.9)	▲4.5	▼(11.2)	▼(0.1)
Turkey.....	▼(0.3)	▲0.2	▼(0.3)	▼(0.1)	▼(0.2)	▼(0.0)
Ukraine.....	▲1.5	▼(0.1)	▼(0.3)	▲0.5	▲0.8	▲0.6
Vietnam.....	▲0.5	▼(0.3)	---	▲0.1	▲0.3	▲0.4
Subject sources.....	▼(11.0)	▼(1.6)	▼(4.8)	▲4.9	▼(10.3)	▲0.9
Nonsubject sources.....	▲4.0	▲9.3	▼(3.9)	▲4.4	▼(1.1)	▼(4.7)
All import sources.....	▼(7.0)	▲7.7	▼(8.7)	▲9.3	▼(11.4)	▼(3.9)
U.S. consumption value:						
Amount.....	▼***	▼***	▼***	▲***	▲***	▼***
Producers' share (fn1):						
Fully domestic value.....	▲***	▼***	▲***	▼***	▲***	▲***
Incremental value added to imports.....	▼***	▼***	▲***	▼***	▼***	▼***
Total value.....	▲***	▼***	▲***	▼***	▲***	▲***
Importers' share (fn1):						
India.....	▼***	▲***	▼***	▼***	▼***	▼***
Korea.....	▼***	▼***	▼***	▲***	▼***	▲***
Turkey.....	▼***	▲***	▼***	▲***	▼***	▼***
Ukraine.....	▲***	▼***	▼***	▲***	▲***	▲***
Vietnam.....	▲***	▼***	***	▲***	▲***	▲***
Subject sources.....	▼***	▼***	▼***	▲***	▼***	▲***
Nonsubject sources.....	▲***	▲***	▼***	▼***	▼***	▼***
All import sources.....	▼***	▲***	▼***	▲***	▼***	▼***
U.S. imports from:						
India:						
Quantity.....	▼(98.4)	▲28.7	▼(88.5)	▲32.9	▼(61.4)	▼(78.6)
Value.....	▼(98.9)	▲19.1	▼(91.6)	▲27.5	▼(51.0)	▼(82.6)
Unit value.....	▼(33.2)	▼(7.5)	▼(27.0)	▼(4.0)	▲26.9	▼(18.7)
Ending inventory quantity.....	▼***	▲***	▼***	▼***	▼***	▼***
Korea:						
Quantity.....	▼(71.4)	▼(56.9)	▼(49.0)	▲232.6	▼(56.2)	▼(10.6)
Value.....	▼(72.1)	▼(57.9)	▼(67.1)	▲325.9	▼(49.4)	▼(6.6)
Unit value.....	▼(2.5)	▼(2.3)	▼(35.4)	▲28.0	▲15.4	▲4.5
Ending inventory quantity.....	▼***	▲***	▼***	▲***	▼***	▲***
Turkey:						
Quantity.....	▼(46.0)	▼(41.9)	▼(49.5)	▲138.8	▼(14.1)	▼(10.2)
Value.....	▼(45.0)	▼(40.6)	▼(67.1)	▲208.1	▲9.4	▼(16.5)
Unit value.....	▲1.9	▲2.2	▼(34.8)	▲29.1	▲27.4	▼(7.0)
Ending inventory quantity.....	▲***	▲***	▼***	▲***	▼***	▲***
Ukraine:						
Quantity.....	▲135.4	▼(60.4)	▼(76.7)	▲834.0	▲113.8	▲27.7
Value.....	▲102.2	▼(60.6)	▼(87.2)	▲954.5	▲165.7	▲43.2
Unit value.....	▼(14.1)	▼(0.6)	▼(45.1)	▲12.9	▲24.3	▲12.1
Ending inventory quantity.....	▼***	▼***	▼***	▼***	▼***	▲***

Table continued on next page.

Table C-1--Continued
OCTG: Summary data concerning the U.S. market, 2014-19

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. imports from:						
Vietnam:						
Quantity.....	22,211	---	---	5,085	25,341	44,134
Value.....	17,729	---	---	3,762	22,882	45,181
Unit value.....	\$798	---	---	\$740	\$903	\$1,024
Ending inventory quantity.....	***	***	***	***	***	***
Subject sources:						
Quantity.....	1,790,605	815,637	385,908	1,274,408	679,620	660,787
Value.....	1,650,405	745,201	223,547	937,988	593,017	611,623
Unit value.....	\$922	\$914	\$579	\$736	\$873	\$926
Ending inventory quantity.....	***	***	***	***	***	***
Nonsubject sources:						
Quantity.....	2,019,667	1,336,226	720,548	2,105,781	2,047,804	1,606,413
Value.....	3,002,347	1,985,304	802,582	2,169,428	2,590,494	2,033,519
Unit value.....	\$1,487	\$1,486	\$1,114	\$1,030	\$1,265	\$1,266
Ending inventory quantity.....	***	***	***	***	***	***
All import sources:						
Quantity.....	3,810,272	2,151,863	1,106,456	3,380,189	2,727,424	2,267,200
Value.....	4,652,753	2,730,506	1,026,129	3,107,415	3,183,510	2,645,142
Unit value.....	\$1,221	\$1,269	\$927	\$919	\$1,167	\$1,167
Ending inventory quantity.....	378,471	319,406	273,393	400,172	380,630	455,869
U.S. mills' and U.S. processors':						
Mills: Average capacity quantity.....	5,845,089	5,862,825	5,566,042	5,728,703	6,292,320	6,328,687
Mills: Production quantity.....	4,059,114	1,502,877	1,177,690	2,705,183	3,116,304	2,943,773
Mills: Capacity utilization (fn1).....	69.4	25.6	21.2	47.2	49.5	46.5
(including Borusan): Average capacity quantity.....	***	***	***	***	***	***
(including Borusan): Production quantity.....	***	***	***	***	***	***
(including Borusan): Capacity utilization (fn1).....	***	***	***	***	***	***
Toll processors: Average capacity quantity.....	***	***	***	***	***	***
Toll processors: Production quantity.....	***	***	***	***	***	***
Toll processors: Capacity utilization (fn1).....	***	***	***	***	***	***
U.S. shipments (fn2):						
Quantity.....	3,813,492	1,577,897	1,153,130	2,420,832	3,092,618	3,007,270
Value:						
Fully domestic value.....	6,192,440	2,327,789	1,228,496	3,108,763	4,588,509	4,335,719
Incremental value added to imports.....	***	***	***	***	***	***
Total 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 (short tons per 1,000 hours) (fn3).....	236.9	151.4	170.7	238.7	222.7	209.0
Unit labor costs (fn3).....	\$149	\$236	\$215	\$149	\$162	\$179

Table continued on next page.

Table C-1--Continued
OCTG: Summary data concerning the U.S. market, 2014-19

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

	Period changes					
	Comparison years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
U.S. imports from:						
Vietnam:						
Quantity.....	▲98.7	▼(100.0)	---	▲---	▲398.4	▲74.2
Value.....	▲154.8	▼(100.0)	---	▲---	▲508.2	▲97.4
Unit value.....	▲28.2	▼(100.0)	---	▲---	▲22.0	▲13.4
Ending inventory quantity.....	▼***	***	▼***	***	***	***
Subject sources:						
Quantity.....	▼(63.1)	▼(54.4)	▼(52.7)	▲230.2	▼(46.7)	▼(2.8)
Value.....	▼(62.9)	▼(54.8)	▼(70.0)	▲319.6	▼(36.8)	▲3.1
Unit value.....	▲0.4	▼(0.9)	▼(36.6)	▲27.1	▲18.6	▲6.1
Ending inventory quantity.....	▲***	▲***	▼***	▲***	▼***	▲***
Nonsubject sources:						
Quantity.....	▼(20.5)	▼(33.8)	▼(46.1)	▲192.2	▼(2.8)	▼(21.6)
Value.....	▼(32.3)	▼(33.9)	▼(59.6)	▲170.3	▲19.4	▼(21.5)
Unit value.....	▼(14.8)	▼(0.1)	▼(25.0)	▼(7.5)	▲22.8	▲0.1
Ending inventory quantity.....	▲***	▼***	▼***	▲***	▲***	▲***
All import sources:						
Quantity.....	▼(40.5)	▼(43.5)	▼(48.6)	▲205.5	▼(19.3)	▼(16.9)
Value.....	▼(43.1)	▼(41.3)	▼(62.4)	▲202.8	▲2.4	▼(16.9)
Unit value.....	▼(4.5)	▲3.9	▼(26.9)	▼(0.9)	▲27.0	▼(0.0)
Ending inventory quantity.....	▲20.5	▼(15.6)	▼(14.4)	▲46.4	▼(4.9)	▲19.8
U.S. mills' and U.S processors':						
Mills: Average capacity quantity.....	▲8.3	▲0.3	▼(5.1)	▲2.9	▲9.8	▲0.6
Mills: Production quantity.....	▼(27.5)	▼(63.0)	▼(21.6)	▲129.7	▲15.2	▼(5.5)
Mills: Capacity utilization (fn1).....	▼(22.9)	▼(43.8)	▼(4.5)	▲26.1	▲2.3	▼(3.0)
(including Borusan): Average capacity quantity.....	▼***	▼***	▼***	▼***	▲***	▼***
(including Borusan): Production quantity.....	▼***	▼***	▼***	▲***	▼***	▼***
(including Borusan): Capacity utilization (fn1).....	▲***	▼***	▼***	▲***	▼***	▲***
Toll processors: Average capacity quantity.....	▼***	***	▼***	***	***	***
Toll processors: Production quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Toll processors: Capacity utilization (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***
U.S. shipments (fn2):						
Quantity.....	▼(21.1)	▼(58.6)	▼(26.9)	▲109.9	▲27.8	▼(2.8)
Value:						
Fully domestic value.....	▼(30.0)	▼(62.4)	▼(47.2)	▲153.1	▲47.6	▼(5.5)
Incremental value added to imports.....	▼***	▼***	▼***	▲***	▲***	▼***
Total 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 (short tons per 1,000 hours) (fn3).....	▼(11.8)	▼(36.1)	▲12.8	▲39.8	▼(6.7)	▼(6.1)
Unit labor costs (fn3).....	▲20.0	▲58.0	▼(8.6)	▼(30.6)	▲8.5	▲10.4

Table continued on next page.

Table C-1--Continued
OC7G: Summary data concerning the U.S. market, 2014-19

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. mills' (including Borusan):						
Net sales:						
Quantity.....	4,183,317	1,708,959	1,234,085	2,625,447	3,236,847	3,093,545
Value.....	6,722,212	2,507,409	1,314,766	3,339,935	4,755,623	4,373,002
Unit value.....	\$1,607	\$1,467	\$1,065	\$1,272	\$1,469	\$1,414
Cost of goods sold (COGS).....	5,856,689	2,806,765	1,713,597	3,252,218	4,474,370	4,395,577
Gross profit of (loss) (fn4).....	865,523	(299,356)	(398,831)	87,717	281,253	(22,575)
SG&A expenses.....	478,990	425,722	369,283	331,018	503,715	390,394
Operating income or (loss) (fn4).....	386,533	(725,078)	(768,114)	(243,301)	(222,462)	(412,969)
Net income or (loss) (fn4).....	249,076	(1,533,289)	(703,788)	(265,633)	(329,572)	(438,882)
Capital expenditures.....	647,889	761,950	725,465	467,554	251,661	242,155
Research and development expenses.....	14,367	13,762	9,900	7,682	7,066	8,087
Net assets.....	8,574,813	6,935,294	6,799,229	7,975,402	8,016,527	9,052,997
Unit COGS.....	\$1,400	\$1,642	\$1,389	\$1,239	\$1,382	\$1,421
Unit SG&A expenses.....	\$115	\$249	\$299	\$126	\$156	\$126
Unit operating income or (loss) (fn4).....	\$92	\$(424)	\$(622)	\$(93)	\$(69)	\$(133)
Unit net income or (loss) (fn4).....	\$60	\$(897)	\$(570)	\$(101)	\$(102)	\$(142)
COGS/ sales (fn1).....	87.1	111.9	130.3	97.4	94.1	100.5
Operating income or (loss)/ sales (fn1).....	5.8	(28.9)	(58.4)	(7.3)	(4.7)	(9.4)
Net income or (loss)/ sales (fn1).....	3.7	(61.2)	(53.5)	(8.0)	(6.9)	(10.0)
U.S. toll processors':						
Net tolling:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Total cost of tolling services (COTS).....	***	***	***	***	***	***
Gross profit of (loss) (fn4).....	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***
Operating income or (loss) (fn4).....	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***
Research and development expenses.....	***	***	***	***	***	***
Net assets.....	***	***	***	***	***	***
Unit COTS.....	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***
Unit operating income or (loss) (fn4).....	***	***	***	***	***	***
COTS/ sales (fn1).....	***	***	***	***	***	***
Operating income or (loss)/ sales (fn1).....	***	***	***	***	***	***

Table continued on next page.

Table C-1--Continued
OCTG: Summary data concerning the U.S. market, 2014-19

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

	Period changes					
	2014-19	2014-15	Comparison years		2017-18	2018-19
			2015-16	2016-17		
U.S. mills' (including Borusan):						
Net sales:						
Quantity.....	▼(26.1)	▼(59.1)	▼(27.8)	▲112.7	▲23.3	▼(4.4)
Value.....	▼(34.9)	▼(62.7)	▼(47.6)	▲154.0	▲42.4	▼(8.0)
Unit value.....	▼(12.0)	▼(8.7)	▼(27.4)	▲19.4	▲15.5	▼(3.8)
Cost of goods sold (COGS).....	▼(24.9)	▼(52.1)	▼(38.9)	▲89.8	▲37.6	▼(1.8)
Gross profit of (loss) (fn4).....	▼---	▼---	▼---	▲---	▲220.6	▼---
SG&A expenses.....	▼(18.5)	▼(11.1)	▼(13.3)	▼(10.4)	▲52.2	▼(22.5)
Operating income or (loss) (fn4).....	▼---	▼---	▼---	▲---	▲---	▼---
Net income or (loss) (fn4).....	▼---	▼---	▲---	▲---	▼---	▼---
Capital expenditures.....	▼(62.6)	▲17.6	▼(4.8)	▼(35.6)	▼(46.2)	▼(3.8)
Research and development expenses.....	▼(43.7)	▼(4.2)	▼(28.1)	▼(22.4)	▼(8.0)	▲14.4
Net assets.....	▲5.6	▼(19.1)	▼(2.0)	▲17.3	▲0.5	▲12.9
Unit COGS.....	▲1.5	▲17.3	▼(15.5)	▼(10.8)	▲11.6	▲2.8
Unit SG&A expenses.....	▲10.2	▲117.6	▲20.1	▼(57.9)	▲23.4	▼(18.9)
Unit operating income or (loss) (fn4).....	▼---	▼---	▼---	▲---	▲---	▼---
Unit net income or (loss) (fn4).....	▼---	▼---	▲---	▲---	▼---	▼---
COGS/ sales (fn1).....	▲13.4	▲24.8	▲18.4	▼(33.0)	▼(3.3)	▲6.4
Operating income or (loss)/ sales (fn1).....	▼(15.2)	▼(34.7)	▼(29.5)	▲51.1	▲2.6	▼(4.8)
Net income or (loss)/ sales (fn1).....	▼(13.7)	▼(64.9)	▲7.6	▲45.6	▲1.0	▼(3.1)
U.S. toll processors':						
Net tolling:						
Quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Value.....	▼***	▼***	▼***	▲***	▲***	▼***
Unit value.....	▼***	▲***	▼***	▼***	▲***	▲***
Total cost of tolling services (COTS).....	▼***	▼***	▼***	▲***	▲***	▼***
Gross profit of (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
SG&A expenses.....	▼***	▼***	▲***	▲***	▼***	▼***
Operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
Capital expenditures.....	▼***	▼***	▼***	▲***	▲***	▲***
Research and development expenses.....	***	***	***	***	***	***
Net assets.....	▼***	▼***	▼***	▼***	▼***	▼***
Unit COTS.....	▲***	▲***	▲***	▼***	▲***	▲***
Unit SG&A expenses.....	▲***	▲***	▲***	▼***	▼***	▲***
Unit operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
COTS/ sales (fn1).....	▲***	▲***	▲***	▼***	▲***	▲***
Operating income or (loss)/ sales (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***

Table continued on next page.

Table C-1--Continued
OCTG: Summary data concerning the U.S. market, 2014-19

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Shares preceded by a "▲" represent an increase, while shares preceded by a "▼" represent a decrease.

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

fn2.--The quantity for U.S. producers' U.S. shipments reflects the quantity of OCTG sold in the United States from domestically manufactured tube (mill production) OCTG; The value for U.S. producers' U.S. shipments reflects the value of OCTG sold in the United States from domestically manufactured tube (mill production) OCTG plus the additional, or incremental, value added to either domestic or imported OCTG by U.S. non-toll and toll producers. The average unit values presented for U.S. producers' U.S. shipments exclude the incremental value added to imported OCTG, but include the incremental value added by non-toll and toll processors to domestic tube (mill production) OCTG. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported once as an import.

fn3.--Productivity and unit labor cost exclude *** data.

fn4.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150 accessed April 1, 2020.

Related party exclusion

Table C-2

OCTG: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. consumption quantity:						
Amount.....	7,623,764	3,729,760	2,259,586	5,801,021	5,820,042	5,274,470
Producers' share (fn1):						
Included producers.....	***	***	***	***	***	***
Excluded producers.....	***	***	***	***	***	***
All producers.....	50.0	42.3	51.0	41.7	53.1	57.0
Importers' share (fn1):						
India.....	0.6	1.7	0.3	0.2	0.1	0.0
Korea.....	20.7	18.2	15.3	19.8	8.7	8.6
Turkey.....	1.3	1.5	1.3	1.2	1.0	1.0
Ukraine.....	0.6	0.5	0.2	0.7	1.5	2.1
Vietnam.....	0.3	---	---	0.1	0.4	0.8
Subject sources.....	23.5	21.9	17.1	22.0	11.7	12.5
Nonsubject sources.....	26.5	35.8	31.9	36.3	35.2	30.5
All import sources.....	50.0	57.7	49.0	58.3	46.9	43.0
U.S. consumption value:						
Amount.....	***	***	***	***	***	***
Producers' share (fn1):						
Included producers.....	***	***	***	***	***	***
Excluded producers.....	***	***	***	***	***	***
All producers.....	***	***	***	***	***	***
Importers' share (fn1):						
India.....	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***
Turkey.....	***	***	***	***	***	***
Ukraine.....	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***
All import sources.....	***	***	***	***	***	***
U.S. imports from:						
India:						
Quantity.....	47,950	61,723	7,093	9,423	3,637	777
Value.....	58,913	70,148	5,884	7,501	3,674	637
Unit value.....	\$1,229	\$1,136	\$830	\$796	\$1,010	\$821
Ending inventory quantity.....	***	***	***	***	***	***
Korea:						
Quantity.....	1,575,866	678,730	345,997	1,150,842	504,222	450,982
Value.....	1,430,443	601,871	198,308	844,605	426,969	398,963
Unit value.....	\$908	\$887	\$573	\$734	\$847	\$885
Ending inventory quantity.....	***	***	***	***	***	***
Turkey:						
Quantity.....	96,749	56,254	28,402	67,811	58,226	52,286
Value.....	83,552	49,663	16,343	50,356	55,097	45,992
Unit value.....	\$864	\$883	\$575	\$743	\$946	\$880
Ending inventory quantity.....	***	***	***	***	***	***

Table continued on next page.

Table C-2--Continued
OC7G: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

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

	Period changes					
	Comparison years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
U.S. consumption quantity:						
Amount.....	▼(30.8)	▼(51.1)	▼(39.4)	▲156.7	▲0.3	▼(9.4)
Producers' share (fn1):						
Included producers.....	▲***	▼***	▲***	▼***	▲***	▲***
Excluded producers.....	▲***	▲***	▲***	▼***	▲***	▲***
All producers.....	▲7.0	▼(7.7)	▲8.7	▼(9.3)	▲11.4	▲3.9
Importers' share (fn1):						
India.....	▼(0.6)	▲1.0	▼(1.3)	▼(0.2)	▼(0.1)	▼(0.0)
Korea.....	▼(12.1)	▼(2.5)	▼(2.9)	▲4.5	▼(11.2)	▼(0.1)
Turkey.....	▼(0.3)	▲0.2	▼(0.3)	▼(0.1)	▼(0.2)	▼(0.0)
Ukraine.....	▲1.5	▼(0.1)	▼(0.3)	▲0.5	▲0.8	▲0.6
Vietnam.....	▲0.5	▼(0.3)	---	▲0.1	▲0.3	▲0.4
Subject sources.....	▼(11.0)	▼(1.6)	▼(4.8)	▲4.9	▼(10.3)	▲0.9
Nonsubject sources.....	▲4.0	▲9.3	▼(3.9)	▲4.4	▼(1.1)	▼(4.7)
All import sources.....	▼(7.0)	▲7.7	▼(8.7)	▲9.3	▼(11.4)	▼(3.9)
U.S. consumption value:						
Amount.....	▼***	▼***	▼***	▲***	▲***	▼***
Producers' share (fn1):						
Included producers.....	▲***	▼***	▲***	▼***	▲***	▲***
Excluded producers.....	▲***	▲***	▲***	▲***	▲***	▲***
All producers.....	▲***	▼***	▲***	▼***	▲***	▲***
Importers' share (fn1):						
India.....	▼***	▲***	▼***	▼***	▼***	▼***
Korea.....	▼***	▼***	▼***	▲***	▼***	▲***
Turkey.....	▼***	▲***	▼***	▲***	▼***	▼***
Ukraine.....	▲***	▼***	▼***	▲***	▲***	▲***
Vietnam.....	▲***	▼***	***	▲***	▲***	▲***
Subject sources.....	▼***	▼***	▼***	▲***	▼***	▲***
Nonsubject sources.....	▲***	▲***	▼***	▼***	▼***	▼***
All import sources.....	▼***	▲***	▼***	▲***	▼***	▼***
U.S. imports from:						
India:						
Quantity.....	▼(98.4)	▲28.7	▼(88.5)	▲32.9	▼(61.4)	▼(78.6)
Value.....	▼(98.9)	▲19.1	▼(91.6)	▲27.5	▼(51.0)	▼(82.6)
Unit value.....	▼(33.2)	▼(7.5)	▼(27.0)	▼(4.0)	▲26.9	▼(18.7)
Ending inventory quantity.....	▼***	▲***	▼***	▼***	▼***	▼***
Korea:						
Quantity.....	▼(71.4)	▼(56.9)	▼(49.0)	▲232.6	▼(56.2)	▼(10.6)
Value.....	▼(72.1)	▼(57.9)	▼(67.1)	▲325.9	▼(49.4)	▼(6.6)
Unit value.....	▼(2.5)	▼(2.3)	▼(35.4)	▲28.0	▲15.4	▲4.5
Ending inventory quantity.....	▼***	▲***	▼***	▲***	▼***	▲***
Turkey:						
Quantity.....	▼(46.0)	▼(41.9)	▼(49.5)	▲138.8	▼(14.1)	▼(10.2)
Value.....	▼(45.0)	▼(40.6)	▼(67.1)	▲208.1	▲9.4	▼(16.5)
Unit value.....	▲1.9	▲2.2	▼(34.8)	▲29.1	▲27.4	▼(7.0)
Ending inventory quantity.....	▲***	▲***	▼***	▲***	▼***	▲***

Table continued on next page.

Table C-2--Continued
OCTG: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
U.S. imports from:						
Ukraine:						
Quantity.....	47,829	18,930	4,416	41,246	88,195	112,609
Value.....	59,768	23,519	3,012	31,763	84,395	120,849
Unit value.....	\$1,250	\$1,242	\$682	\$770	\$957	\$1,073
Ending inventory quantity.....	***	***	***	***	***	***
Vietnam:						
Quantity.....	22,211	---	---	5,085	25,341	44,134
Value.....	17,729	---	---	3,762	22,882	45,181
Unit value.....	\$798	---	---	\$740	\$903	\$1,024
Ending inventory quantity.....	***	***	***	***	***	***
Subject sources:						
Quantity.....	1,790,605	815,637	385,908	1,274,408	679,620	660,787
Value.....	1,650,405	745,201	223,547	937,988	593,017	611,623
Unit value.....	\$922	\$914	\$579	\$736	\$873	\$926
Ending inventory quantity.....	***	***	***	***	***	***
Nonsubject sources:						
Quantity.....	2,019,667	1,336,226	720,548	2,105,781	2,047,804	1,606,413
Value.....	3,002,347	1,985,304	802,582	2,169,428	2,590,494	2,033,519
Unit value.....	\$1,487	\$1,486	\$1,114	\$1,030	\$1,265	\$1,266
Ending inventory quantity.....	***	***	***	***	***	***
All import sources:						
Quantity.....	3,810,272	2,151,863	1,106,456	3,380,189	2,727,424	2,267,200
Value.....	4,652,753	2,730,506	1,026,129	3,107,415	3,183,510	2,645,142
Unit value.....	\$1,221	\$1,269	\$927	\$919	\$1,167	\$1,167
Ending inventory quantity.....	378,471	319,406	273,393	400,172	380,630	455,869
Included U.S. mills' and toll processors':						
Mills: Average capacity quantity.....	***	***	***	***	***	***
Mills: Production quantity.....	***	***	***	***	***	***
Mills: Capacity utilization (fn1).....	***	***	***	***	***	***
Toll processors: Average capacity quantity.....	***	***	***	***	***	***
Toll processors: Production quantity.....	***	***	***	***	***	***
Toll processors: Capacity utilization (fn1).....	***	***	***	***	***	***
U.S. shipments (fn2):						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Fully domestic value.....	***	***	***	***	***	***
Incremental value added to imports.....	***	***	***	***	***	***
Total value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Export shipments:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***
Inventories/total shipments (fn1).....	***	***	***	***	***	***

Table continued on next page.

Table C-2--Continued

OC7G: Summary data concerning the U.S. market excluding one U.S. producer ***, 2014-19

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

	Period changes					
	Comparison years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
U.S. imports from:						
Ukraine:						
Quantity.....	▲135.4	▼(60.4)	▼(76.7)	▲834.0	▲113.8	▲27.7
Value.....	▲102.2	▼(60.6)	▼(87.2)	▲954.5	▲165.7	▲43.2
Unit value.....	▼(14.1)	▼(0.6)	▼(45.1)	▲12.9	▲24.3	▲12.1
Ending inventory quantity.....	▼***	▼***	▼***	▼***	▼***	▲***
Vietnam:						
Quantity.....	▲98.7	▼(100.0)	---	▲***	▲398.4	▲74.2
Value.....	▲154.8	▼(100.0)	---	▲***	▲508.2	▲97.4
Unit value.....	▲28.2	▼(100.0)	---	▲***	▲22.0	▲13.4
Ending inventory quantity.....	▼***	***	▼***	***	***	***
Subject sources:						
Quantity.....	▼(63.1)	▼(54.4)	▼(52.7)	▲230.2	▼(46.7)	▼(2.8)
Value.....	▼(62.9)	▼(54.8)	▼(70.0)	▲319.6	▼(36.8)	▲3.1
Unit value.....	▲0.4	▼(0.9)	▼(36.6)	▲27.1	▲18.6	▲6.1
Ending inventory quantity.....	▲***	▲***	▼***	▲***	▼***	▲***
Nonsubject sources:						
Quantity.....	▼(20.5)	▼(33.8)	▼(46.1)	▲192.2	▼(2.8)	▼(21.6)
Value.....	▼(32.3)	▼(33.9)	▼(59.6)	▲170.3	▲19.4	▼(21.5)
Unit value.....	▼(14.8)	▼(0.1)	▼(25.0)	▼(7.5)	▲22.8	▲0.1
Ending inventory quantity.....	▲***	▼***	▼***	▲***	▲***	▲***
All import sources:						
Quantity.....	▼(40.5)	▼(43.5)	▼(48.6)	▲205.5	▼(19.3)	▼(16.9)
Value.....	▼(43.1)	▼(41.3)	▼(62.4)	▲202.8	▲2.4	▼(16.9)
Unit value.....	▼(4.5)	▲3.9	▼(26.9)	▼(0.9)	▲27.0	▼(0.0)
Ending inventory quantity.....	▲20.5	▼(15.6)	▼(14.4)	▲46.4	▼(4.9)	▲19.8
Included U.S. mills' and toll processors':						
Mills: average capacity quantity.....	▲***	▼***	▼***	▲***	▲***	▲***
Production quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Capacity utilization (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***
Toll processors: average capacity quantity.....	▼***	***	▼***	***	***	***
Production quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Capacity utilization (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***
U.S. shipments:						
Quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Value.....	▼***	▼***	▼***	▲***	▲***	▼***
Fully domestic value.....	▼***	▼***	▼***	▲***	▲***	▼***
Incremental value added to imports.....	▼***	▼***	▼***	▲***	▲***	▼***
Total value.....	▼***	▼***	▼***	▲***	▲***	▼***
Unit value (fn3).....	▼***	▼***	▼***	▲***	▲***	▼***
Export shipments:						
Quantity.....	▼***	▼***	▼***	▲***	▼***	▼***
Value.....	▼***	▼***	▼***	▲***	▼***	▼***
Unit value.....	▼***	▲***	▼***	▼***	▲***	▲***
Ending inventory quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Inventories/total shipments (fn1).....	▲***	▲***	▲***	▼***	▼***	▼***

Table continued on next page.

Table C-2--Continued
OCTG: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

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

	Reported data					
	Calendar year					
	2014	2015	2016	2017	2018	2019
Included U.S. mills' and toll processors':						
Production workers.....	***	***	***	***	***	***
Hours worked (1,000s).....	***	***	***	***	***	***
Wages paid (\$1,000).....	***	***	***	***	***	***
Hourly wages.....	***	***	***	***	***	***
Productivity (short tons per 1,000 hours) (fn3).....	***	***	***	***	***	***
Unit labor costs (fn3).....	***	***	***	***	***	***
Included U.S. mills':						
Net sales:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Cost of goods sold (COGS).....	***	***	***	***	***	***
Gross profit of (loss) (fn4).....	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***
Operating income or (loss) (fn4).....	***	***	***	***	***	***
Net income or (loss) (fn4).....	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***
Research and development expenses.....	***	***	***	***	***	***
Net assets.....	***	***	***	***	***	***
Unit COGS.....	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***
Unit operating income or (loss) (fn4).....	***	***	***	***	***	***
Unit net income or (loss) (fn4).....	***	***	***	***	***	***
COGS/sales (fn1).....	***	***	***	***	***	***
Operating income or (loss)/ sales (fn1).....	***	***	***	***	***	***
Net income or (loss)/ sales (fn1).....	***	***	***	***	***	***
Included toll processors':						
Net tolling:						
Quantity.....	***	***	***	***	***	***
Value.....	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***
Total cost of tolling services (COTS).....	***	***	***	***	***	***
Gross profit of (loss) (fn4).....	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***
Operating income or (loss) (fn4).....	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***
Research and development expenses.....	***	***	***	***	***	***
Net assets.....	***	***	***	***	***	***
Unit COTS.....	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***
Unit operating income or (loss) (fn4).....	***	***	***	***	***	***
COTS/ sales (fn1).....	***	***	***	***	***	***
Operating income or (loss)/ sales (fn1).....	***	***	***	***	***	***

Table continued on next page.

Table C-2--Continued
OCTG: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

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

	Period changes					
	Comparison years					
	2014-19	2014-15	2015-16	2016-17	2017-18	2018-19
Included U.S. mills' and toll processors':						
Production workers.....	▼***	▼***	▼***	▲***	▲***	▲***
Hours worked (1,000s).....	▼***	▼***	▼***	▲***	▲***	▲***
Wages paid (\$1,000).....	▼***	▼***	▼***	▲***	▲***	▲***
Hourly wages.....	▲***	▲***	▲***	▼***	▲***	▲***
Productivity (short tons per 1,000 hours) (fn3).....	▼***	▼***	▲***	▲***	▼***	▼***
Unit labor costs.....	▲***	▲***	▼***	▼***	▲***	▲***
Included U.S. mills':						
Net sales:						
Quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Value.....	▼***	▼***	▼***	▲***	▲***	▼***
Unit value.....	▼***	▼***	▼***	▲***	▲***	▼***
Cost of goods sold (COGS).....	▼***	▼***	▼***	▲***	▲***	▼***
Gross profit of (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
SG&A expenses.....	▼***	▼***	▼***	▼***	▲***	▼***
Operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
Net income or (loss) (fn4).....	▼***	▼***	▲***	▲***	▼***	▼***
Capital expenditures.....	▼***	▲***	▼***	▼***	▼***	▼***
Research and development expenses.....	▼***	▼***	▼***	▼***	▼***	▲***
Net assets.....	▲***	▼***	▼***	▲***	▲***	▲***
Unit COGS.....	▲***	▲***	▼***	▼***	▲***	▲***
Unit SG&A expenses.....	▲***	▲***	▲***	▼***	▲***	▼***
Unit operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
Unit net income or (loss) (fn4).....	▼***	▼***	▲***	▲***	▲***	▼***
COGS/sales (fn1).....	▲***	▲***	▲***	▼***	▼***	▲***
Operating income or (loss)/ sales (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***
Net income or (loss)/ sales (fn1).....	▼***	▼***	▲***	▲***	▲***	▼***
Included toll processors':						
Net tolling:						
Quantity.....	▼***	▼***	▼***	▲***	▲***	▼***
Value.....	▼***	▼***	▼***	▲***	▲***	▼***
Unit value.....	▼***	▲***	▼***	▼***	▲***	▲***
Total cost of tolling services (COTS).....	▼***	▼***	▼***	▲***	▲***	▼***
Gross profit of (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
SG&A expenses.....	▼***	▼***	▲***	▲***	▼***	▼***
Operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
Capital expenditures.....	▼***	▼***	▼***	▲***	▲***	▲***
Research and development expenses.....	***	***	***	***	***	***
Net assets.....	▼***	▼***	▼***	▼***	▼***	▼***
Unit COTS.....	▲***	▲***	▲***	▼***	▲***	▲***
Unit SG&A expenses.....	▲***	▲***	▲***	▼***	▼***	▲***
Unit operating income or (loss) (fn4).....	▼***	▼***	▼***	▲***	▲***	▼***
COTS/ sales (fn1).....	▲***	▲***	▲***	▼***	▲***	▲***
Operating income or (loss)/ sales (fn1).....	▼***	▼***	▼***	▲***	▲***	▼***

Table continued on next page.

Table C-2--Continued

OCTG: Summary data concerning the U.S. market excluding one U.S. producer *, 2014-19**

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "---". Shares preceded by a "▲" represent an increase, while shares preceded by a "▼" represent a decrease.

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

fn2.--The quantity for U.S. producers' U.S. shipments reflects the quantity of OCTG sold in the United States from domestically manufactured tube (mill production) OCTG; The value for U.S. producers' U.S. shipments reflects the value of OCTG sold in the United States from domestically manufactured tube (mill production) OCTG plus the additional, or incremental, value added to either domestic or imported OCTG by U.S. non-toll and toll producers. The average unit values presented for U.S. producers' U.S. shipments exclude the incremental value added to imported OCTG, but include the incremental value added by non-toll and toll processors to domestic tube (mill production) OCTG. In measuring consumption and market share this methodology avoids reclassifying and/or double counting merchandise already reported once as an import.

fn3.--Productivity and unit labor cost exclude *** data.

fn4.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics using statistical reporting numbers 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150 accessed April 1, 2020.

HISTORIC DATA

Table C-3

OCTG: Summary data concerning the U.S. market, 2011-13, January to March 2013, and January to March 2014

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

	Reported data					Period changes			
	2011	Calendar year 2012	2013	January to March 2013	January to March 2014	2011-13	Calendar year 2011-12	2012-13	Jan-Mar 2013-14
U.S. consumption quantity:									
Amount.....	5,975,616	6,958,567	6,978,687	1,605,438	1,840,854	16.8	16.4	0.3	14.7
Producers' share (fn1).....	52.5	48.7	53.5	54.2	51.6	1.1	(3.8)	4.9	(2.6)
Importers' share (fn1):									
India.....	***	***	***	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***	***	***	***
Philippines.....	0.4	1.0	1.1	0.7	1.0	0.7	0.6	0.1	0.2
Saudi Arabia.....	***	***	***	***	***	***	***	***	***
Taiwan subject.....	***	***	***	***	***	***	***	***	***
Thailand.....	0.1	0.5	0.5	0.2	0.6	0.4	0.4	0.0	0.4
Turkey.....	2.4	2.2	1.9	1.5	1.9	(0.4)	(0.2)	(0.3)	0.3
Ukraine.....	***	***	***	***	***	***	***	***	***
Vietnam.....	0.9	3.2	2.1	2.0	0.1	1.1	2.2	(1.1)	(1.8)
Subtotal subject sources.....	***	***	***	***	***	***	***	***	***
Taiwan Chang Hung nonsubject.....	***	***	***	***	***	***	***	***	***
All other nonsubject sources.....	***	***	***	***	***	***	***	***	***
Subtotal nonsubject sources.....	***	***	***	***	***	***	***	***	***
Total imports.....	47.5	51.3	46.5	45.8	48.4	(1.1)	3.8	(4.9)	2.6
U.S. consumption value:									
Amount.....	9,428,496	11,139,529	10,095,576	2,373,975	2,603,764	7.1	18.1	(9.4)	9.7
Producers' share (fn1):									
U.S. mills' U.S. shipments.....	56.1	52.7	57.8	57.3	56.3	1.7	(3.4)	5.1	(1.0)
U.S. processors' toll revenue/incremental value.....	1.7	2.0	2.6	2.6	2.7	0.9	0.3	0.7	0.1
Total U.S. producer contributions.....	57.8	54.6	60.4	59.9	59.0	2.6	(3.1)	5.8	(0.9)
Importers' share (fn1):									
India.....	***	***	***	***	***	***	***	***	***
Korea.....	***	***	***	***	***	***	***	***	***
Philippines.....	0.2	0.6	0.6	0.4	0.5	0.4	0.4	0.0	0.1
Saudi Arabia.....	***	***	***	***	***	***	***	***	***
Taiwan subject.....	***	***	***	***	***	***	***	***	***
Thailand.....	0.1	0.4	0.4	0.2	0.6	0.3	0.3	0.0	0.4
Turkey.....	1.4	1.3	1.1	0.9	1.1	(0.3)	(0.1)	(0.2)	0.2
Ukraine.....	***	***	***	***	***	***	***	***	***
Vietnam.....	0.6	1.8	1.2	1.1	0.1	0.6	1.2	(0.6)	(1.0)
Subtotal subject sources.....	***	***	***	***	***	***	***	***	***
Taiwan Chang Hung nonsubject.....	***	***	***	***	***	***	***	***	***
All other nonsubject sources.....	***	***	***	***	***	***	***	***	***
Subtotal nonsubject sources.....	***	***	***	***	***	***	***	***	***
Total imports.....	42.2	45.4	39.6	40.1	41.0	(2.6)	3.1	(5.8)	0.9
U.S. importers' U.S. Imports from:									
India:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Korea:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Philippines:									
Quantity.....	23,933	69,757	73,969	12,030	17,794	209.1	191.5	6.0	47.9
Value.....	21,542	64,567	60,391	9,784	13,739	180.3	199.7	(6.5)	40.4
Unit value.....	\$900	\$926	\$816	\$813	\$772	(9.3)	2.8	(11.8)	(5.1)
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Saudi Arabia:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Taiwan subject:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Thailand:									
Quantity.....	6,135	31,833	33,741	3,424	11,911	450.0	418.9	6.0	247.9
Value.....	8,053	43,815	39,752	4,593	16,280	393.6	444.1	(9.3)	254.5
Unit value.....	\$1,313	\$1,376	\$1,178	\$1,341	\$1,367	(10.2)	4.9	(14.4)	1.9
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Turkey:									
Quantity.....	140,806	151,576	133,773	24,217	34,158	(5.0)	7.6	(11.7)	41.0
Value.....	133,698	144,280	114,981	22,481	29,012	(14.0)	7.9	(20.3)	29.1
Unit value.....	\$950	\$952	\$860	\$928	\$849	(9.5)	0.2	(9.7)	(8.5)
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Ukraine:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***

Table continued next page

Table C-3--Continued

OCTG: Summary data concerning the U.S. market, 2011-13, January to March 2013, and January to March 2014

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

	Reported data					Period changes			
	2011	Calendar year 2012	2013	January to March 2013	2014	2011-13	Calendar year 2011-12	2012-13	Jan-Mar 2013-14
U.S. importers' U.S. Imports from--Continued									
Vietnam:									
Quantity.....	56,697	219,997	144,871	31,876	2,757	155.5	288.0	(34.1)	(91.4)
Value.....	53,923	201,905	119,291	26,414	3,144	121.2	274.4	(40.9)	(88.1)
Unit value.....	\$951	\$918	\$823	\$829	\$1,140	(13.4)	(3.5)	(10.3)	37.6
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Subject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Taiwan Chang Hung nonsubject:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
All other nonsubject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Total imports:									
Quantity.....	2,839,740	3,570,796	3,242,306	734,735	890,275	14.2	25.7	(9.2)	21.2
Value.....	3,981,070	5,053,876	3,997,131	952,338	1,067,990	0.4	26.9	(20.9)	12.1
Unit value.....	\$1,402	\$1,415	\$1,233	\$1,296	\$1,200	(12.1)	1.0	(12.9)	(7.4)
Ending inventory quantity.....	401,502	614,953	626,089	583,630	532,202	55.9	53.2	1.8	(8.8)
U.S. mills:									
Average capacity quantity.....	4,925,253	5,181,573	5,804,450	1,374,216	1,478,139	17.9	5.2	12.0	7.6
Production quantity.....	3,329,004	3,587,613	4,107,433	995,468	1,064,678	23.4	7.8	14.5	7.0
Capacity utilization (fn1).....	67.6	69.2	70.8	72.4	72.0	3.2	1.6	1.5	(0.4)
U.S. shipments:									
Quantity.....	3,135,876	3,387,771	3,736,381	870,703	950,579	19.1	8.0	10.3	9.2
Value.....	5,286,771	5,867,506	5,833,652	1,359,773	1,466,007	10.3	11.0	(0.6)	7.8
Unit value.....	\$1,686	\$1,732	\$1,561	\$1,562	\$1,542	(7.4)	2.7	(9.9)	(1.2)
Export shipments:									
Quantity.....	173,398	209,086	258,589	44,839	83,823	49.1	20.6	23.7	86.9
Value.....	306,292	360,066	359,637	74,504	107,397	17.4	17.6	(0.1)	44.1
Unit value.....	\$1,766	\$1,722	\$1,391	\$1,662	\$1,281	(21.3)	(2.5)	(19.2)	(22.9)
Ending inventory quantity.....	357,030	319,151	365,485	382,283	375,999	2.4	(10.6)	14.5	(1.6)
Inventories/total shipments (fn1).....	10.8	8.9	9.1	10.4	9.1	(1.6)	(1.9)	0.3	(1.4)
Production workers.....	5,976	7,135	6,891	6,760	7,092	15.3	19.4	(3.4)	4.9
Hours worked (1,000s).....	13,017	15,059	16,015	3,913	3,973	23.0	15.7	6.3	1.5
Wages paid (\$1,000).....	369,492	451,581	507,746	110,092	129,040	37.4	22.2	12.4	17.2
Hourly wages (dollars per hour).....	\$28.39	\$29.99	\$31.70	\$28.13	\$32.48	11.7	5.6	5.7	15.4
Productivity (short tons per 1,000 hours).....	255.7	238.2	256.5	254.4	268.0	0.3	(6.8)	7.7	5.3
Unit labor costs.....	\$110.99	\$125.87	\$123.62	\$110.59	\$121.20	11.4	13.4	(1.8)	9.6
Net sales:									
Quantity.....	3,306,386	3,602,983	4,010,042	929,328	1,032,178	21.3	9.0	11.3	11.1
Value.....	5,590,347	6,235,687	6,229,566	1,450,989	1,591,597	11.4	11.5	(0.1)	9.7
Unit value.....	\$1,691	\$1,731	\$1,553	\$1,561	\$1,542	(8.1)	2.4	(10.2)	(1.2)
Cost of goods sold (COGS).....	4,536,410	5,158,130	5,411,229	1,248,276	1,420,597	19.3	13.7	4.9	13.8
Gross profit of (loss).....	1,053,937	1,077,557	818,337	202,713	171,000	(22.4)	2.2	(24.1)	(15.6)
SG&A expenses.....	412,811	463,714	506,639	115,314	124,365	22.7	12.3	9.3	7.8
Operating income or (loss).....	641,126	613,843	311,698	87,399	46,635	(51.4)	(4.3)	(49.2)	(46.6)
Capital expenditures.....	705,202	632,842	370,660	86,680	41,216	(47.4)	(10.3)	(41.4)	(52.5)
Unit COGS.....	\$1,372	\$1,432	\$1,349	\$1,343	\$1,376	(1.6)	4.3	(5.7)	2.5
Unit SG&A expenses.....	\$125	\$129	\$126	\$124	\$120	1.2	3.1	(1.8)	(2.9)
Unit operating income or (loss).....	\$194	\$170	\$78	\$94	\$45	(59.9)	(12.1)	(54.4)	(52.0)
COGS/sales (fn1).....	81.1	82.7	86.9	86.0	89.3	5.7	1.6	4.1	3.2
Operating income or (loss)/sales (fn1).....	11.5	9.8	5.0	6.0	2.9	(6.5)	(1.6)	(4.8)	(3.1)

Table continued next page

Table C-3--Continued

OTCG: Summary data concerning the U.S. market, 2011-13, January to March 2013, and January to March 2014

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

	Reported data					Period changes			
	2011	Calendar year 2012	2013	January to March 2013	January to March 2014	2011-13	Calendar year 2011-12	2012-13	Jan-Mar 2013-14
U.S. non-toll and toll processors combined:									
Average capacity quantity.....	674,376	996,876	1,093,280	257,642	320,084	62.1	47.8	9.7	24.2
Production quantity.....	512,674	693,525	783,266	175,046	235,359	52.8	35.3	12.9	34.5
Capacity utilization (fn1).....	76.0	69.6	71.6	67.9	73.5	(4.4)	(6.5)	2.1	5.6
U.S. shipments:									
Quantity.....	499,623	681,109	789,499	176,275	222,560	58.0	36.3	15.9	26.3
Value.....	326,851	441,562	485,012	109,891	125,054	48.4	35.1	9.8	13.8
of which U.S. value-added.....	160,655	218,147	264,793	61,864	69,767	64.8	35.8	21.4	12.8
Ending inventory quantity.....	***	***	***	***	***	***	***	***	***
Inventories/US shipments (fn1).....	***	***	***	***	***	***	***	***	***
Production workers.....	1,510	1,802	2,019	1,915	2,245	33.7	19.3	12.0	17.2
Hours worked (1,000s).....	4,178	5,539	6,084	1,440	1,755	45.6	32.6	9.8	21.9
Wages paid (\$1,000).....	52,423	73,735	83,953	19,649	22,809	60.1	40.7	13.9	16.1
Hourly wages (dollars per hour).....	\$12.55	\$13.31	\$13.80	\$13.65	\$13.00	10.0	6.1	3.7	(4.8)
Productivity (short tons per 1,000 hours).....	122.7	125.2	128.7	121.6	134.1	4.9	2.0	2.8	10.3
Unit labor costs.....	\$102.25	\$106.32	\$107.18	\$112.25	\$96.91	4.8	4.0	0.8	(13.7)
Net sales:									
Quantity.....	503,168	688,332	812,781	184,441	232,520	61.5	36.8	18.1	26.1
Value.....	333,361	460,658	493,428	113,935	129,463	48.0	38.2	7.1	13.6
Cost of goods sold or tolled (COGST).....	251,196	367,135	382,976	89,344	96,942	52.5	46.2	4.3	8.5
Gross profit of (loss).....	82,165	93,523	110,452	24,591	32,521	34.4	13.8	18.1	32.2
SG&A expenses.....	39,144	49,103	51,517	10,905	13,011	31.6	25.4	4.9	19.3
Operating income or (loss).....	43,021	44,420	58,935	13,686	19,510	37.0	3.3	32.7	42.6
Capital expenditures.....	79,029	45,544	44,266	11,667	5,098	(44.0)	(42.4)	(2.8)	(56.3)
COGST/sales (fn1).....	75.4	79.7	77.6	78.4	74.9	2.3	4.3	(2.1)	(3.5)
Operating income or (loss)/sales (fn1).....	12.9	9.6	11.9	12.0	15.1	(1.0)	(3.3)	2.3	3.1

Notes: See Part IV for discussion of how the processors' toll revenue/incremental value was calculated.

Unit values for the combined stand-alone and toll processors data have not been provided due to differences in the nature of the data gathered from the two types of processors. Unit values of each group have been provided in the body of this report in their respective, non-combined data tables.

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

fn2.--Not applicable.

APPENDIX D

COMMENTS ON EFFECTS OF THE ORDERS AND LIKELY EFFECTS OF REVOCATION

The Commission asked U.S. producers, importers, purchasers, and foreign producers to describe the significance of the existing countervailing and antidumping duty orders covering imports of OCTG from India, Korea, Turkey, Ukraine, and Vietnam in terms of its effect on their firm’s operations. The Commission also asked U.S. producers, importers, purchasers, and foreign producers whether they anticipate any changes in the character of their operations or organization in the future if the countervailing and antidumping duty orders covering India, Korea, Turkey, Ukraine, and Vietnam were to be revoked. Table D-1 presents a listing of firm’s responses concerning these questions.

Table D-1
OCTG: Firms’ narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. producers: Effect of orders:	
***	***
***	***
***	***
***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. producers: Effect of orders:	
***	***
***	***
***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. producers: Likely impact of revocation:	
***	***
***	***
***	***
***	***
***	***
***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. producers: Likely impact of revocation:	
***	***
***	***
U.S. importers: Effect of orders:	
***	***
***	***
***	***
***	***
***	***
***	***
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***	***
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***	***

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Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. importers: Effect of orders:	
***	***
***	***
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***	***
***	***
***	***
***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. importers: Effect of orders:	
***	***
***	***
***	***
U.S. importers: Likely impact of revocation:	
***	***
***	***
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***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. importers: Likely impact of revocation:	
***	***
***	***
***	***
***	***
***	***
***	***
***	***
U.S. purchasers: Effect of orders:	
***	***
***	***
***	***
***	***
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***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
U.S. purchasers: Effect of orders:	
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
U.S. purchasers: Likely impact of revocation:	
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***

Table continued on next page.

Table D-1--Continued

OCTG: Firms' narratives on the impact of the orders and the likely impact of revocation

Item / Firm	Narrative
Foreign producers or exporters: Effect of orders:	
***	***
***	***
***	***
Foreign producers or exporters: Likely effect of revocation of order:	
***	***
***	***
***	***

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

APPENDIX E
SECTION 232 PROCLAMATIONS

Table E-1
Section 232 actions: Presidential proclamations, 2017-19

Effective date	Action
April 19, 2017	The Department of Commerce announced the institution of an investigation, by its U.S. Bureau of Industry and Security (“BIS”) into the potential impact of imported steel mill products on national security (82 FR 19205). ¹
January 11, 2018	The Secretary of Commerce submitted the BIS Section 232 steel imports report to the President. ²
March 23, 2018	The President announced the imposition of 25 percent ad valorem national-security duties on U.S. steel imports. Initially exempted— Canada and Mexico (83 FR 11625). ³
March 23 through May 1, 2018	Adjustment: Exempted— Argentina, Australia, Brazil, Canada, the European Union (“EU”) member states, Korea, and Mexico (83 FR 13361). ⁴
May 1 through June 1, 2018	Adjustment: Exemptions continued with annual quota limits— Argentina, Brazil, and Korea. Exemptions not continued— Canada, Mexico, and EU member states (83 FR 20683, 83 FR 25857). ⁵
August 13, 2018	Adjustment: Exemptions continued— Argentina, Australia, Brazil, and Korea. Duty rate doubled to 50 percent ad valorem— Turkey (83 FR 40429). ⁶
May 20, 2019	Adjustment: Exemptions reinstated— Canada and Mexico (84 FR 23987). ⁷
May 21, 2019	Adjustment: Duty rate reduced from 50 percent back to 25 percent ad valorem— Turkey (84 FR 23421). ⁸

¹ *Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Steel*, April 17, 2017, 82 FR 19205, April 26, 2017.

² “Statement from the Department of Commerce on Submission of Steel Section 232 Report to the President,” News Release January 11, 2018, <https://www.commerce.gov/news/press-releases/2018/01/statement-department-commerce-submission-steel-section-232-report>.

³ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9705, March 8, 2018, 83 FR 11625, March 15, 2018.

⁴ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9711, March 22, 2018, 83 FR 13361, March 28, 2018.

⁵ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9740, April 30, 2018, 83 FR 20683, May 7, 2018; *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9759, May 31, 2018, 83 FR 25857, June 5, 2018. Continuation of the exemption for Australia, as of June 1, 2018, was included in subsequent Presidential Proclamation 9772, August 10, 2018.

⁶ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9772, August 10, 2018, 83 FR 40429, August 15, 2018.

⁷ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9894, May 19, 2019, 84 FR 23987, May 23, 2019.

⁸ *Adjusting Imports of Steel Into the United States*, Presidential Proclamation 9886, May 16, 2019, 84 FR 23421, May 21, 2019.

APPENDIX F

U.S. AND FOREIGN MILLS' OCTG OPERATING STATUS AS OF JUNE 1, 2020

The Commission inquired to responding U.S. producers and foreign producers on their operating status of specific OCTG facilities as of June 1, 2020. Table F-1 presents a listing of U.S. producers' responses, while table F-2 presents a listing of foreign producers' responses.

Table F-1
OCTG: U.S. producers' facility operating status as of June 1, 2020

Firm	Narrative
U.S. producers' operating status:	
Axis	***
Benteler	***
Boomerang	***
Borusan	***
EVRAZ	***
Tenaris USA	***
Tubular Services	***
TSC	***

Table continued on next page.

Table F-1--Continued
OCTG: U.S. producers' facility operating status as of June 1, 2020

Firm	Narrative
U.S. producers' operating status:	
U.S. Steel	***
Vallourec	***
Welded Tube	***
Zekelman Industries	***

Source: Compiled from an inquiry from Commission staff to industry participants.

Table F-2
OCTG: Foreign producers' facility operating status as of June 1, 2020

Firm	Narrative
Foreign producers' operating status:	
Borusan	***
Interpipe	***
ISMT Limited	***
Maharashtra Seamless	***

Source: Compiled from an inquiry from Commission staff to industry participants.

