

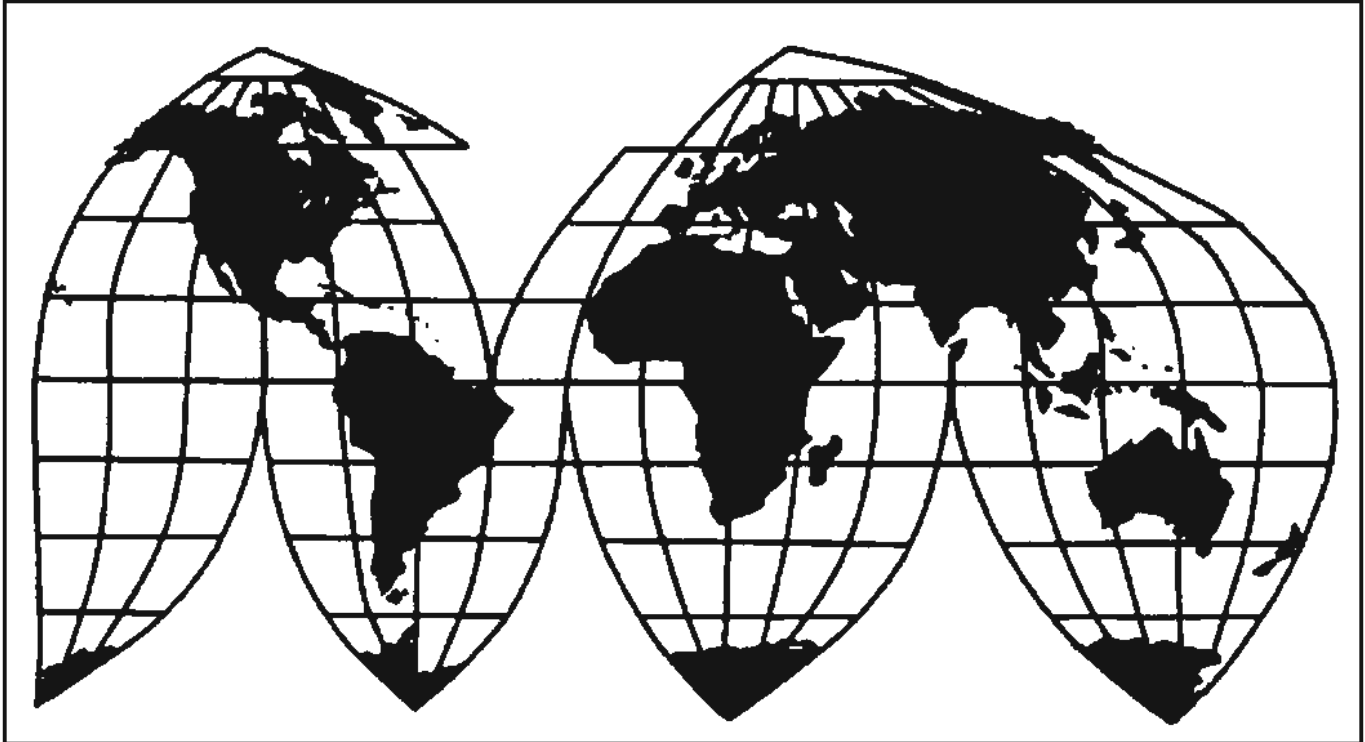
# **Kitchen Appliance Shelving and Racks from China**

Investigation Nos. 701-TA-458 and 731-TA-1154 (Second Review)

**Publication 5123**

**September 2020**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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## UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-458 and 731-TA-1154 (Second Review)

Kitchen Appliance Shelving and Racks from China

### DETERMINATIONS

On the basis of the record<sup>1</sup> 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 antidumping and countervailing duty orders on kitchen appliance shelving and racks from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

### BACKGROUND

The Commission instituted these reviews on February 3, 2020 (85 FR 5980) and determined on May 8, 2020 that it would conduct expedited reviews (85 FR 55321, September 4, 2020).

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



## Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping and countervailing duty orders on certain kitchen appliance shelving and racks (“KASAR”) from China would be likely to lead to continuation or recurrence of material injury to a U.S. industry producing certain refrigeration shelving and baskets for refrigerators, freezers, combination refrigerator/freezers, and other refrigerating or freezing equipment (“refrigeration shelving”) and to a U.S. industry producing certain oven racks, side racks, and subframes for cooking stoves, ranges, and ovens (“oven racks”) within a reasonably foreseeable time.

### I. Background

#### A. Procedural Background

**Original Determinations.** On July 31, 2008, Nashville Wire Products, Inc. (“Nashville Wire”), SSW Holding Company, Inc. (“SSW”), the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, and the International Association of Machinists and Aerospace Workers, District Lodge 6, filed antidumping and countervailing duty petitions regarding imports of certain KASAR from China.<sup>1</sup> In the original investigations, the Commission defined two domestic like products corresponding to the imported KASAR within Commerce’s scope: (1) refrigeration shelving and (2) oven racks.<sup>2</sup> The Commission defined two corresponding domestic industries.<sup>3</sup> In August 2009, the Commission made affirmative material injury determinations regarding imports of refrigeration shelving from China and affirmative threat of material injury determinations regarding imports of oven racks from China.<sup>4</sup> Commerce issued antidumping and countervailing duty orders on these imports from China on September 14, 2009.<sup>5</sup>

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<sup>1</sup> *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Final), USITC Pub. 4098 at 1 (Aug. 2009); Confidential Original Views, EDIS Doc. 707343 at 1.

<sup>2</sup> Confidential Original Views at 2-7; USITC Pub. 4098 at 5-7.

<sup>3</sup> Confidential Original Views at 7; USITC Pub. 4098 at 7.

<sup>4</sup> USITC Pub. 4098 at 3-7, 13-29; Confidential Original Views, at 2-7, 19-41.

<sup>5</sup> 74 Fed. Reg. 46971 (Sept. 14, 2009) (antidumping duty order); 74 Fed. Reg. 46973 (Sept. 14, 2009) (countervailing duty order).

**First Five-Year Reviews.** On August 1, 2014, the Commission instituted reviews to determine whether revocation of the antidumping and countervailing duty orders on KASAR from China would be likely to lead to the continuation or recurrence of material injury to the domestic industry.<sup>6</sup> No respondent interested party responded to the notice of institution. On November 4, 2014, the Commission determined to conduct expedited five-year reviews of the orders pursuant to section 751(c)(3)(b) of the Tariff Act (19 U.S.C. § 1675(c)(3)(b)).<sup>7</sup> It conducted expedited reviews and determined that revocation of the orders would be likely to lead to continuation or recurrence of material injury to a U.S. industry producing refrigeration shelving and a U.S. industry producing oven racks within a reasonably foreseeable time.<sup>8</sup> In March 2015, Commerce published its notice of continuation of the antidumping and countervailing duty orders on imports of KASAR from China.<sup>9</sup>

**Current Reviews.** On February 3, 2020, the Commission instituted reviews to determine whether revocation of the antidumping and countervailing duty orders on KASAR from China would be likely to lead to the continuation or recurrence of material injury to the domestic industry.<sup>10</sup> No respondent interested party responded to the notice of institution. On May 8, 2020, the Commission determined to conduct expedited five-year reviews of the orders pursuant to section 751(c)(3)(b) of the Tariff Act (19 U.S.C. § 1675(c)(3)(b)).<sup>11</sup>

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<sup>6</sup> 79 Fed. Reg. 44862 (Aug. 1, 2014); *see also* 79 Fed. Reg. 44743 (Aug. 1, 2014) (Commerce's notice of initiation of five-year reviews); *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Review), USITC Pub. 4520 (Feb. 2015) ("First Five-Year Reviews") at I-1.

<sup>7</sup> Explanation of Commission Determinations on Adequacy in *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Review), EDIS Doc. No. 551255.

<sup>8</sup> *Certain Kitchen Appliance Shelving and Racks From China; Scheduling of Expedited Five-Year Reviews*, 85 Fed. Reg. 5980, 5980-83 (Feb. 3, 2020).

<sup>9</sup> *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Continuation of Antidumping Duty Order and Countervailing Duty Order*, 80 Fed. Reg. 12983, 12983-84 (Mar. 12, 2015).

<sup>10</sup> *Certain Kitchen Appliance Shelving and Racks From China; Scheduling of Expedited Five-Year Reviews*, 85 Fed. Reg. 5980, 5980-83 (Feb. 3, 2020).

<sup>11</sup> With respect to refrigeration shelving, the Commission received a joint response to the notice of institution from Nashville Wire and SSW. It found the individual response of each of these domestic producers to be adequate. With respect to oven racks, the Commission received a joint response to the notice of institution from Nashville Wire and SSW. The Commission found the individual response of each of these domestic producers to be adequate. Because these producers collectively accounted for a  
(Continued...)

## B. Participants and Data in the Current Reviews

**Parties to the Investigations.** In these reviews, U.S. KASAR producers Nashville Wire and SSW (jointly, “Domestic Producers”), two of the petitioners in the original investigations, submitted a joint response to the notice of institution, comments on adequacy, and final comments supporting affirmative determinations.<sup>12</sup> No respondent interested party participated in these reviews.

**Data/Response Coverage.** U.S. industry data are based on the responses to the notice of institution of two domestic producers Nashville Wire and SSW. They estimate that they account for the vast majority of reported U.S. production of the domestic like products in 2019.<sup>13</sup> Because official U.S. import data involve “basket” categories that encompass products in addition to certain KASAR,<sup>14</sup> U.S. import data and related information are based on estimates

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(...Continued)

substantial portion of U.S. refrigeration shelving and U.S. oven rack production, the Commission further determined that the domestic interested party group response was adequate.

The Commission did not receive a response to the notice of institution from any respondent interested party. It determined that the respondent interested party group response was inadequate with respect to each of the orders under review.

The Commission did not find any circumstances that would warrant conducting full reviews. It, therefore, determined to conduct expedited reviews of the orders. See Explanation of Commission Determinations on Adequacy in *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Second Review). See EDIS Doc. No. 718341 and Commissioners’ Adequacy Votes, EDIS Doc. No. 709943.

<sup>12</sup> Domestic Interested Parties’ Response to Notice of Institution (“Domestic Producers Response”) at 16.

<sup>13</sup> Confidential Report (“CR”), Memorandum INV-SS-051 (April 27, 2020), Public Report (“PR”) at I-2, I-9, & Table I-1. The responding domestic producers represent \*\*\* percent of domestic production of refrigerator shelving and \*\*\* percent of oven rack production. *Id.* See also Domestic Producers Response at 20.

<sup>14</sup> KASAR is currently imported under Harmonized Tariff Schedule of the United States (“HTSUS”) statistical reporting numbers 7321.90.5000, 7321.90.6040, 7321.90.6060, 7321.90.6090, 8418.99.8050, 8418.99.8060, 8516.90.8010, and 8516.90.8050, most of which are “basket” categories that encompass products in addition to certain KASAR. CR/PR at I-6 and I-14 n.46. In the original investigations, the Commission relied on importer questionnaire data for imports from subject and nonsubject sources because official import statistics corresponded to “basket” categories containing numerous non-KASAR products. CR/PR at I-6 n.20; see also *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Final), USITC Pub. 4098 at 16 n.86 (Aug. 2009).

provided by Domestic Producers, as well as other available information from the original investigations, prior reviews, and the current reviews.<sup>15</sup> Foreign industry data and related information are based on information from the original investigations, first five-year reviews, Global Trade Atlas data, and information reported by Domestic Producers in these reviews.<sup>16</sup>

## II. Domestic Like Product and Domestic 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.”<sup>17</sup> The Tariff Act defines the “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.”<sup>18</sup> The Commission’s 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.<sup>19</sup>

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

... shelving and racks for refrigerators, freezers, combined refrigerator-freezers, other refrigerating or freezing equipment, cooking stoves, ranges, and ovens. Certain kitchen appliance shelving and racks are defined as shelving, baskets, racks (with or without extension slides, which are carbon or stainless steel hardware devices that are connected to shelving, baskets, or racks to enable sliding), side racks (which are welded wire support structures for oven racks that attach to the interior walls of an oven cavity that does not include

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<sup>15</sup> CR/PR at I-13 to I-14 and Table I-4.

<sup>16</sup> CR/PR at I-16 to I-17 and Table I-7.

<sup>17</sup> 19 U.S.C. § 1677(4)(A).

<sup>18</sup> 19 U.S.C. § 1677(10); see, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); see also S. Rep. No. 249, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>19</sup> 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).



support ribs as a design feature), and sub-frames (which are welded wire support structures that interface with formed support ribs inside an oven cavity to support oven rack assemblies utilizing extension slides) with the following dimensions:

-- Shelving and racks with dimensions ranging from 3 inches by 5 inches by 0.10 inch to 28 inches by 34 inches by 6 inches; or

-- Baskets with dimensions ranging from 2 inches by 4 inches by 3 inches to 28 inches by 34 inches by 16 inches; or

-- Side racks from 6 inches by 8 inches by 0.10 inch to 16 inches by 30 inches by 4 inches; or

-- Sub-frames from 6 inches by 10 inches by 0.10 inch to 28 inches by 34 inches by 6 inches.

The subject merchandise is comprised of carbon or stainless steel wire ranging in thickness from 0.050 inch to 0.500 inch and may include sheet metal of either carbon or stainless steel ranging in thickness from 0.020 inch to 0.20 inch. The subject merchandise may be coated or uncoated and may be formed and/or welded. Excluded from the scope of the order is shelving in which the support surface is glass.<sup>20</sup>

#### **a. Original Investigations and First Five-Year Reviews**

In its preliminary determinations in the original investigations, the Commission defined two domestic like products corresponding to the imported merchandise within Commerce's scope: refrigeration shelving and oven racks.<sup>21</sup> In the final phase of the original investigations, no party contested this finding. Based on the record, the Commission again found two domestic like products. As the Commission explained, despite certain physical similarities, refrigeration shelving and oven racks have different uses. Manufacturers apply different coatings to them because of the different functions of the appliances, which precludes

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<sup>20</sup> *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Antidumping Duty Order*, 85 Fed. Reg. 35063, 35063-64 (June 8, 2020) ("Commerce Second Sunset AD Review"); *Certain Kitchen Appliance Shelving and Racks From the People's Republic of China: Final Results of the Expedited Second Sunset Review of the Countervailing Duty Order*, 85 Fed. Reg. 35061, 35062-63 (June 8, 2020) ("Commerce Second Sunset CVD Review").

<sup>21</sup> *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Preliminary), USITC Pub. 4035 at 4-11 (Sept. 2008).

interchangeability. Refrigeration shelving and oven racks are made in separate manufacturing facilities, using different employees and equipment. Moreover, customers have their own separate, dedicated facilities for assembling or manufacturing the two types of appliances into which the refrigeration shelving and oven racks are incorporated. The Commission concluded that this lack of overlap, as well as the lack of interchangeability between the products supported the evidence that customers perceived them to be different products.<sup>22</sup>

In the first five-year reviews, the domestic interested parties requested the Commission find two domestic like products as it had in the original investigations and the Commission found that there was no information on the record that would suggest a need to reconsider the domestic like product definitions. Therefore, the Commission defined two domestic like products consisting of refrigeration shelving and oven racks corresponding to the products within the scope of the reviews for the same reasons as articulated in the original determinations.<sup>23</sup>

#### **b. Current Reviews**

In these expedited second five-year reviews, Domestic Producers have stated that they agree with the Commission's domestic like product definitions from the original investigations and first five-year reviews.<sup>24</sup> There is no new information obtained during these reviews that would suggest any reason to revisit either of the Commission's two domestic like product definitions from the original investigations and first five-year reviews.<sup>25</sup> We thus define two domestic like products consisting of refrigeration shelving and oven racks corresponding to the products within the scope of the reviews for the same reasons articulated in the original determinations.<sup>26</sup>

#### **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

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<sup>22</sup> Confidential Original Views at 4-7, EDIS Doc. 409930; USITC Pub. 4098 at 5-7.

<sup>23</sup> *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Review), USITC Pub. 4520 at 6 (Feb. 2015) ("First Five-Year Reviews").

<sup>24</sup> See Response at 21 and Final Comments at 4.

<sup>25</sup> See CR/PR at I-13.

<sup>26</sup> See, e.g., *Certain Kitchen Appliance Shelving and Racks from China*, Inv. Nos. 701-TA-458 and 731-TA-1154 (Preliminary), USITC Pub. 4035 at 4-11 (Sept. 2008).

of a domestic like product constitutes a major proportion of the total domestic production of the product.”<sup>27</sup>

In the original investigations and first five-year reviews, the Commission defined two domestic industries: (1) U.S. producers of refrigeration shelving and (2) U.S. producers of oven racks.<sup>28</sup> Consistent with our determinations regarding the domestic like product definitions, we defined two corresponding domestic industries: the refrigeration shelving industry and the oven racks industry.

The record in these expedited reviews does not indicate that any U.S. producer of refrigeration shelving or oven racks is a related party.<sup>29</sup> We consequently define the domestic refrigeration shelving industry to include all domestic producers of refrigeration shelving and the domestic oven racks industry to include all domestic producers of oven racks.

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

#### **A. Legal Standards**

In five-year reviews conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”<sup>30</sup> The SAA states that “under the likelihood standard, the Commission will engage in a

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<sup>27</sup> 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 apply 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. 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.

<sup>28</sup> Confidential Original Views at 7; USITC Pub. 4098 at 7.

<sup>29</sup> CR/PR at I-13; Domestic Producers Response at 17. In the original investigations, no U.S. producer of refrigeration shelving was a related party. Oven rack producers \*\*\* and \*\*\* were related parties by virtue of their imports of subject merchandise from China, but the Commission did not find appropriate circumstances existed to exclude either firm. Confidential Original Views at 7-8 at n.28; USITC Pub. 4098 at 7-8 n.28.

<sup>30</sup> 19 U.S.C. § 1675a(a).

counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the *status quo* – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”<sup>31</sup> Thus, the likelihood standard is prospective in nature.<sup>32</sup> 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.<sup>33</sup>

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.”<sup>34</sup> 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.”<sup>35</sup>

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<sup>31</sup> 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.

<sup>32</sup> 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.

<sup>33</sup> 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’”).

<sup>34</sup> 19 U.S.C. § 1675a(a)(5).

<sup>35</sup> 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.*

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.”<sup>36</sup> It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>37</sup> 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.<sup>38</sup>

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.<sup>39</sup> 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.<sup>40</sup>

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the

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<sup>36</sup> 19 U.S.C. § 1675a(a)(1).

<sup>37</sup> 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings. CR/PR at I-4.

<sup>38</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

<sup>39</sup> 19 U.S.C. § 1675a(a)(2).

<sup>40</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.<sup>41</sup>

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.<sup>42</sup> All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.<sup>43</sup>

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the refrigeration shelving and oven racks industries in China. There also is limited information on the refrigeration shelving and oven racks markets in the United States during the period of review. Accordingly, we rely for our determinations on the facts available from the original investigations, the limited information from the first five-year reviews, and the limited new information on the record in these second five-year reviews.<sup>44</sup>

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<sup>41</sup> 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.

<sup>42</sup> 19 U.S.C. § 1675a(a)(4).

<sup>43</sup> 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.

<sup>44</sup> 19 U.S.C. § 1677e(a).

## **B. Refrigeration Shelving**

### **1. Conditions of Competition and the Business Cycle**

In evaluating the likely impact of 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.”<sup>45</sup> The following conditions of competition, several of which also existed during the original investigations, inform our determinations regarding the U.S. refrigeration shelving market in these reviews.

#### **a. Demand Conditions**

During the original investigations, the Commission found that demand for refrigeration shelving, which was closely related to the U.S. housing market, had declined between 2006 and 2008 due to housing market declines and the economic recession.<sup>46</sup> In the current reviews, refrigeration shelving continues to be used by original equipment manufacturers (“OEMs”) of residential and recreational vehicle refrigerators, freezers, and refrigerator/freezers.<sup>47</sup> According to estimates provided by Domestic Producers, apparent U.S. consumption of refrigeration shelving declined since the first five-year reviews and was approximately \*\*\* units in 2019.<sup>48</sup>

#### **b. Supply Conditions**

The share of the U.S. refrigeration shelving market held by Domestic Producers during the full years of the original investigations ranged from \*\*\* percent to \*\*\* percent.<sup>49</sup> In 2019, they accounted for approximately \*\*\* percent of the U.S. market.<sup>50</sup>

During the original investigations, there were four known U.S. refrigeration shelving producers (Nashville Wire; SSW; Matrix Wire Inc.; and \*\*\*). The two petitioning firms

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<sup>45</sup> 19 U.S.C. § 1675a(a)(4).

<sup>46</sup> Apparent U.S. consumption of refrigeration shelving declined steadily from \*\*\* units in 2006 to \*\*\* units in 2007 and \*\*\* units in 2008, an overall decline of \*\*\* percent. Confidential Original Views at 15-16; USITC Pub. 4098 at 13-14.

<sup>47</sup> CR/PR at I-10.

<sup>48</sup> CR/PR at Table I-5.

<sup>49</sup> CR/PR at Table C-2.

<sup>50</sup> CR/PR at Table I-5.



(Nashville Wire and SSW) accounted for \*\*\* percent of reported U.S. production in 2008.<sup>51</sup> During the first five-year review, the domestic industry underwent restructuring, including acquisitions, plant closures, and new entrants.<sup>52</sup> Since the first five-year review, Mid-West Wire Products closed its refrigerator shelving operations in late 2016.<sup>53</sup> Of the five U.S. firms currently manufacturing refrigeration shelving, two – Nashville Wire (\*\*\* percent of U.S. production in 2019) and SSW (\*\*\* percent of U.S. production in 2019) – provided information in these reviews.<sup>54</sup>

The U.S. refrigeration shelving industry had production capacity that exceeded apparent U.S. consumption throughout the January 2006 to March 2009 period of investigation (“POI”) and had \*\*\* unused production capacity.<sup>55</sup> The two participating U.S. producers in these reviews reported combined production of \*\*\* units and production capacity of \*\*\* units in 2019, a level that exceeded the \*\*\* units of apparent U.S. consumption of refrigeration shelving in that year.<sup>56</sup> Therefore, Domestic Producers continued to report excess capacity to produce refrigeration shelving in 2019.

The share of the U.S. refrigeration shelving market held by subject imports from China during the full years of the original investigations ranged from \*\*\* percent to \*\*\* percent.<sup>57</sup> Subject producers in China have continued to export to the United States since imposition of

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<sup>51</sup> Confidential Original Views at 1, USITC Pub. 4098 at 3.

<sup>52</sup> Confidential First Five-Year Reviews at 16-17; USITC Pub. 4520 at 13. Nashville Wire purchased Matrix Wire in December 2012. SSW closed its KASAR plant in Fort Smith, Arkansas in early 2011 and closed another facility in 2012. Archer Wire and Latitude Corporation both began producing refrigeration shelving during the first five-year period of review. *Id.*

<sup>53</sup> CR/PR at I-9.

<sup>54</sup> CR/PR at I-9; Domestic Producers Response at 20 (Table). Non-participating firms reportedly accounted for significantly smaller shares of U.S. production in 2019, collectively accounting for approximately \*\*\* percent. These were Archer Wire, Latitude Corporation, and Whirlpool Corporation. Domestic Producers Response at 20 (Table) and pp. 16-17.

<sup>55</sup> Confidential Original Views at 16; USITC Pub. 4098 at 14.

<sup>56</sup> CR/PR at Tables I-2 and I-5. In the first five-year reviews, the two participating U.S. producers reported combined production of \*\*\* units and production capacity of \*\*\* units in 2013, a level that exceeded their estimate of \*\*\* units of apparent U.S. consumption of refrigeration shelving in that year. Confidential First Five-Year Reviews at 17; USITC Pub. 4520 at 13.

<sup>57</sup> CR/PR at Table C-2.



the orders, and by 2019, they held approximately \*\*\* percent of apparent U.S. consumption of refrigeration shelving.<sup>58</sup>

Nonsubject imports accounted for \*\*\* percent or less of apparent U.S. consumption of refrigeration shelving during the original investigations.<sup>59</sup> In 2019, they accounted for approximately \*\*\* percent of the U.S. market.<sup>60</sup>

### **c. Substitutability**

In the original investigations, the Commission found that once producers were qualified by OEMs to manufacture refrigeration shelving that met specific design requirements, there was a high degree of interchangeability among products made in the United States and China.<sup>61</sup> The Commission found that price was an important consideration in purchasing decisions, but not the only consideration.<sup>62</sup>

In the current reviews, domestic interested parties argue that there are multiple OEM-qualified producers in China, products made in China by qualified producers are highly interchangeable with the domestic like product, and price continues to be the predominant factor driving purchases.<sup>63</sup> There is nothing on the current record indicating that the substitutability between refrigeration shelving made in China and in the United States has changed since the original investigations. Accordingly, we again find a high degree of substitutability between refrigeration shelving made in the United States and China.

## **2. Likely Volume of Subject Imports**

*Original Investigations and First Five-Year Reviews:* During the original investigations, apparent U.S. consumption declined \*\*\* percent between 2006 and 2008, but the absolute volume of subject imports' shipments increased \*\*\* percent.<sup>64</sup> Subject imports gained \*\*\* percentage points of market share, which the Commission determined came \*\*\* at the

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<sup>58</sup> CR/PR at Table I-5.

<sup>59</sup> Confidential Original Views at 17; USITC Pub. 4098 at 14.

<sup>60</sup> CR/PR at Table I-5.

<sup>61</sup> Confidential Original Views at 18; USITC Pub. 4098 at 15.

<sup>62</sup> Confidential Original Views at 18-19; USITC Pub. 4098 at 15.

<sup>63</sup> Domestic Producers Final Comments at 4-5.

<sup>64</sup> Confidential Original Views at 19-20; USITC Pub. 4098 at 16.

domestic industry's expense.<sup>65</sup> The ratio of subject imports to domestic production also increased significantly, from \*\*\* percent in 2006 to \*\*\* percent in 2007 and \*\*\* percent in 2008.<sup>66</sup> On this basis, the Commission found that the volume of subject imports of refrigeration shelving was significant, both in absolute terms and relative to apparent U.S. consumption and production in the United States, and that the increase in subject import volume and market share was also significant.<sup>67</sup>

In the first five-year reviews, the Commission found that the antidumping and countervailing duty orders had a disciplining effect on the volume of subject imports. It found that producers in China had massive production capacity and excess capacity, remained export oriented, and had benefitted from additional prohibited export subsidy programs. The Commission also found that the United States remained an attractive market to the industry in China and that subject imports remained in the U.S. market after imposition of the orders. In light of these considerations, it found the likely volume of subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant if the orders were revoked.<sup>68</sup>

*Current Reviews:* In the current reviews, the available information indicates that the antidumping and countervailing duty orders have had a disciplining effect on the volume of subject imports of refrigeration shelving from China. The volume of subject imports of refrigeration shelving from China in the U.S. market in 2019 is appreciably lower than in 2013 and during the original investigations.<sup>69</sup>

In the original investigations, producers/exporters of subject merchandise in China, accounting for more than 98 percent of U.S. imports of KASAR during the POI, reported excess capacity throughout the period.<sup>70</sup> The industry in China was export oriented throughout the

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<sup>65</sup> Confidential Original Views at 20; USITC Pub. 4098 at 16. Subject imports' market share increased from \*\*\* percent in 2006 to \*\*\* percent in 2007 and \*\*\* percent in 2008. CR/PR at Table C-2.

<sup>66</sup> Confidential Original Views at 20; USITC Pub. 4098 at 16.

<sup>67</sup> Confidential Original Views at 19-20; USITC Pub. 4098 at 16.

<sup>68</sup> Confidential First Five-Year Reviews at 20-22; USITC Pub. 4520 at 15-16.

<sup>69</sup> CR/PR at Table I-5 (indicating that the volume of subject imports from China was \*\*\* units in 2008, \*\*\* units in 2013, and \*\*\* units in 2019). CR/PR at Table I-5.

<sup>70</sup> Confidential Original Views at 29; USITC Pub. 4098 at 22. Some of the producers in China reported manufacturing other products using the same equipment and machinery as used to manufacture refrigeration shelving. USITC Pub. 4098 at II-3.

original investigations and exports to the United States constituted the largest share of its shipments during the POI.<sup>71</sup>

No foreign producer or exporter of refrigeration shelving participated in these expedited reviews. Domestic Producers report the existence of a number of firms in China that are allegedly involved in producing or exporting subject merchandise. Based on information from subject producers/exporters' websites, Domestic Producers report that producers in China supply the full range of products, have massive production capacity and excess capacity, and remain export oriented.<sup>72</sup> Further, export data on parts for refrigeration and cooking appliances, which includes both refrigeration shelving and out-of-scope products, indicate that producers in China are the largest overall exporters in the world.<sup>73</sup> The information available in these reviews consequently indicates that the refrigeration shelving industry in China maintains the excess capacity and export orientation that characterized the original POI.

The United States remains an attractive market to the industry in China. Subject imports of refrigeration shelving from China have remained in the U.S. market after imposition of the orders, although in lower volumes than during the original investigations.<sup>74</sup> Additionally, the United States remains the largest destination for exports of parts for refrigeration and cooking appliances from China, which includes refrigeration shelving and out-of-scope products.<sup>75</sup>

In light of these considerations, we find that subject producers in China are likely, absent the restraining effects of the orders, to direct substantial and increasing volumes of refrigeration shelving to the U.S. market, as they did during the original investigations. We find that the likely volume of subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant if the orders were revoked.

### **3. Likely Price Effects**

*Original Investigations and First Five-Year Reviews:* In the original investigations, the Commission found the domestic like product was highly interchangeable with subject imports

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<sup>71</sup> USITC Pub. 4098 at VII-3.

<sup>72</sup> Domestic Producers Response at 7-9 and Final Comments at 8-9.

<sup>73</sup> CR/PR at Table I-8.

<sup>74</sup> CR/PR at Table I-5.

<sup>75</sup> CR/PR at Table I-7.

and that price was an important consideration in purchasing decisions.<sup>76</sup> Although the Commission collected quarterly data on U.S. f.o.b. sales prices for seven refrigeration shelving products, there were no pricing data that allowed direct comparisons between domestic f.o.b. sales prices and importer f.o.b. sales prices for subject merchandise.<sup>77</sup> Accordingly, the Commission compared prices charged to purchasers for delivered subject merchandise with prices charged to purchasers for delivered domestic like product.<sup>78</sup> The Commission found significant underselling because subject imports undersold the domestic like product in \*\*\* comparisons and there were confirmed lost sales data, and purchaser testimony that indicated a shift in domestic refrigeration shelving products to subject imports based on price.<sup>79</sup> Given that underselling by subject imports contributed significantly to subject imports' market share gains at the domestic industry's expense, the Commission concluded that subject imports had significant adverse effects on domestic prices during the POI.<sup>80</sup>

In the first five-year reviews, the Commission continued to find that subject imports from China were highly substitutable for refrigeration shelving manufactured in the United States and that price was an important factor in purchasing decisions. It found that the significant underselling observed during the original investigations would likely recur if the orders were revoked. Thus, the Commission concluded that the likely significant volume of subject imports of refrigeration shelving from China would again undersell the domestic like product to a significant degree and would likely significantly impact the domestic industry's condition if the orders were revoked.<sup>81</sup>

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<sup>76</sup> Confidential Original Views at 32; USITC Pub. 4098 at 16.

<sup>77</sup> Confidential Original Views at 20-21; USITC Pub. 4098 at 17.

<sup>78</sup> The Commission had also collected quarterly data on delivered import prices, delivered U.S. purchase prices, and delivered Chinese purchase prices. Confidential Original Views at 21; USITC Pub. 4098 at 17.

<sup>79</sup> Confidential Original Views at 20-22; USITC Pub. 4098 at 16, 18. The Commission, however, found that subject imports did not depress prices of the domestic like product to a significant degree, because domestic prices were higher at the end of the POI than at the beginning for six of the seven pricing products. It also found that subject imports did not suppress prices of the domestic like product to a significant degree because the domestic industry's cost of goods sold ("COGS") to net sales ratio was stable from 2006 through 2008, although it acknowledged that the ratio reached its highest point in interim 2009 at the peak of subject import market penetration. Confidential Original Views at 22; USITC Pub. 4098 at 17-18.

<sup>80</sup> Confidential Original Views at 22-23; USITC Pub. 4098 at 18.

<sup>81</sup> Confidential First Five-Year Reviews at 24; USITC Pub. 4520 at 17-18.

*Current Reviews:* As indicated above, in these reviews, we continue to find that subject imports from China are highly substitutable for refrigeration shelving manufactured in the United States and that price is an important factor in purchasing decisions. The record does not contain current pricing comparisons due to the failure of any respondent interested party to participate and the expedited nature of these reviews. We find that the significant underselling observed during the original investigations would likely recur if the orders were revoked. Given subject imports' continued presence in the U.S. market and our finding of a likely significant volume of subject imports in the event of revocation, we conclude that the likely significant volume of subject imports of refrigeration shelving from China would again undersell the domestic like product to a significant degree leading to gains in sales and market share for subject imports at the expense of the domestic industry, if the orders were revoked. We therefore find that there would likely be significant adverse price effects if the orders were revoked.

#### **4. Likely Impact<sup>82</sup>**

*Original Investigations and First Five-Year Reviews:* In the original investigations, the Commission found that the domestic industry's trade and financial indicators declined throughout the POI, particularly in 2008 and interim 2009.<sup>83</sup> A number of employment-related

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<sup>82</sup> Under the statute, "the Commission may consider the magnitude of the margin of dumping" in making its five-year review determinations. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" to be used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv); *see also* SAA at 887. In its expedited review of the antidumping duty order, Commerce determined that revocation of the order would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 95.99 percent. *Commerce Second Sunset AD Review*, 85 Fed. Reg. 35063, 35064 (June 8, 2020). As a result of its expedited review of the countervailing duty order, Commerce determined that revocation of the order would be likely to lead to continuation or recurrence of subsidies at weighted average rates of 19.13 percent (Guangdong Wire King Co., Ltd.); 175.03 percent (Asber Enterprises Co., Ltd.); 154.12 percent (Changzhou Yixiong Metal Products Co., Ltd.; Foshan Winleader Metal Products Co., Ltd.; Kingsun Enterprises Group Co., Ltd.; Yuyao Hanjun Metal Work Co./Yuyao Hanun Metal Work Co.; and Zhongshan Iwatani Co., Ltd.); and 17.51 percent (all others). *Commerce Second Sunset CVD Review*, 85 Fed. Reg. at 35062-63.

<sup>83</sup> Confidential Original Views at 23; USITC Pub. 4098 at 18. The domestic industry's market share declined from \*\*\* percent in 2006 to \*\*\* percent in 2007 and \*\*\* percent in 2008, and its U.S. shipments and net sales quantities also declined by \*\*\* percent and \*\*\* percent respectively. The domestic industry's production and capacity also declined \*\*\*, and its capacity utilization fell from \*\*\* (Continued...)

indicators also declined in each year of the POI.<sup>84</sup> The domestic industry's net sales values declined, and it had \*\*\* operating income and operating margins throughout the POI.<sup>85</sup> The Commission acknowledged that the decline in apparent U.S. consumption of refrigeration shelving had a negative impact on the domestic industry, but it explained that the impact of declining demand was exacerbated by the significant and increasing volume of low-priced subject imports entering the declining U.S. market and displacing the domestic industry's sales.<sup>86</sup> The Commission found that nonsubject imports did not explain the domestic industry's condition, given that nonsubject imports declined over the POI and at their highest level accounted for only \*\*\* percent of the U.S. market.<sup>87</sup>

In the first five-year reviews, the Commission noted the changes in the domestic industry since the original investigations with mergers, acquisitions, and new entrants. The Commission stated that the limited record was insufficient to make a finding as to whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event that the orders are revoked. The Commission concluded, based on the limited record, the likely significant volume and likely significant price effects of subject imports would likely have a significant adverse impact on the domestic industry if the orders were revoked.<sup>88</sup>

*Current Reviews:* In the current reviews, the available information concerning the domestic refrigeration shelving industry's condition is limited to the data provided in response to the notice of institution by two domestic producers that accounted for approximately \*\*\* percent of domestic production in 2019.<sup>89</sup> Because these are expedited reviews, we also have

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percent in 2006 to \*\*\* percent in 2007 and \*\*\* percent in 2008. Confidential Original Views at 23-24; USITC Pub. 4098 at 18-19.

<sup>84</sup> Confidential Original Views at 24; USITC Pub. 4098 at 18-19.

<sup>85</sup> Confidential Original Views at 25; USITC Pub. 4098 at 19.

<sup>86</sup> Confidential Original Views at 25-26; USITC Pub. 4098 at 19 (noting that the percentage decline in the domestic industry's shipments and net sales exceeded the decline in apparent U.S. consumption).

<sup>87</sup> Confidential Original Views at 26 at n.119; USITC Pub. 4098 at 19-20.

<sup>88</sup> Confidential First Five-Year Reviews at 22-26; USITC Pub. 4520 at 19-20.

<sup>89</sup> CR/PR at Table I-1. The two participating U.S. producers in these reviews reported combined production capacity of \*\*\* units in 2019, which is greater than the level of apparent U.S. consumption (\*\*\* units). Consequently, they continued to have excess capacity to produce refrigeration shelving in (Continued...)

only limited information regarding the domestic industry's financial performance.<sup>90</sup> As indicated above, one domestic producer closed its production facility during the period of review.<sup>91</sup> This limited record is insufficient for us to make a finding as to whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event that the orders are revoked.

Based on the record, we find that, should the orders be revoked, the likely significant volume and likely significant price effects of subject imports would likely have a significant adverse impact on the domestic industry's production, capacity utilization, shipments, sales, market share, and revenues. These declines would likely cause the domestic industry's profitability to fall.

We also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. As indicated above, imports from nonsubject sources continue to have a limited U.S. market presence, as they did in the original investigations, although we observe they have increased their market share somewhat since the original investigations.<sup>92</sup> As noted above, the industry in China remains export oriented and appears to have greater production capacity than nonsubject producers, with global exports of parts for cooking and refrigeration appliances from China (inclusive of refrigeration shelving and other products) being triple the next largest source of such global exports.<sup>93</sup> We thus find that upon revocation, the significant volume of subject imports would again likely take market share from the domestic industry through significant underselling.

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2019. Nashville Wire and SSW collectively reported production of \*\*\* units in 2019 and capacity utilization of \*\*\* percent that year. CR/PR at Table I-2.

<sup>90</sup> For 2019, Nashville Wire and SSW reported combined net sales of \$\*\*\*, operating income of \$\*\*\*, and operating income as a share of net sales of \*\*\* percent. CR/PR at Table I-2.

<sup>91</sup> CR/PR at I-9.

<sup>92</sup> Nonsubject imports accounted for \*\*\* percent or less of apparent U.S. consumption of refrigeration shelving during the original investigations. Confidential Original Views at 17; USITC Pub. 4098 at 14. In 2019, they accounted for approximately \*\*\* percent of the U.S. market. CR/PR at Table I-5.

<sup>93</sup> CR/PR at Table I-8.

Accordingly, we conclude that, if the antidumping and countervailing duty orders were revoked, subject imports from China would likely have a significant adverse impact on the domestic refrigeration shelving industry within a reasonably foreseeable time.

**C. Oven Racks**

**1. Conditions of Competition and the Business Cycle**

The following conditions of competition, several of which also existed during the original investigations, inform our determinations regarding the U.S. oven racks market in these reviews.

**a. Demand Conditions**

During the original investigations, the Commission found that demand for oven racks, which was closely related to the U.S. housing market, had declined between 2006 and 2008 due to housing market declines and the economic recession.<sup>94</sup> In the current reviews, oven racks continue to be used by OEMs of residential and recreational vehicle freestanding ranges and wall ovens.<sup>95</sup> According to estimates provided by Domestic Producers, apparent U.S. consumption of oven racks was \*\*\* units in 2019.<sup>96</sup>

**b. Supply Conditions**

The share of the U.S. oven racks market held by Domestic Producers during the full years of the original investigations ranged from \*\*\* percent to \*\*\* percent.<sup>97</sup> In 2019, they accounted for approximately \*\*\* percent of the U.S. market.<sup>98</sup>

The two petitioning firms (Nashville Wire and SSW) accounted for \*\*\* percent of reported U.S. production of oven racks in 2008.<sup>99</sup> Since the original investigations, one new

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<sup>94</sup> Confidential Original Views at 15-16; USITC Pub. 4098 at 13-14. Apparent U.S. consumption of oven racks declined steadily from \*\*\* units in 2006 to \*\*\* units in 2007 and \*\*\* units in 2008, an overall decline of \*\*\* percent. CR/PR at Table C-3.

<sup>95</sup> CR/PR at I-7.

<sup>96</sup> CR/PR at Table I-6.

<sup>97</sup> CR/PR at Table C-3.

<sup>98</sup> CR/PR at Table I-6.

<sup>99</sup> CR/PR at I-9.



entrant, \*\*\*, began producing and is a current producer of oven racks.<sup>100</sup> Of the three U.S. firms currently manufacturing oven racks, two – Nashville Wire (\*\*% percent of U.S. production in 2019) and SSW (\*\*% percent) – provided information in these reviews.<sup>101</sup>

The domestic oven racks industry had production capacity that exceeded apparent U.S. consumption throughout the original investigations and first five-year reviews, and it had \*\*% unused production capacity.<sup>102</sup> The two participating U.S. producers in these reviews reported combined production of \*\*% units and production capacity of \*\*% units in 2019, a level that exceeded their estimate of \*\*% units of apparent U.S. consumption of oven racks in that year.<sup>103</sup> Domestic Producers continued to report excess oven racks production capacity in 2019.<sup>104</sup>

The share of the U.S. oven racks market held by subject imports from China during the full years of the original investigations ranged from \*\*% percent to \*\*% percent.<sup>105</sup> Subject producers in China continued to export to the United States at reduced volumes after the imposition of antidumping and countervailing duty orders, and by 2019, they held approximately \*\*% percent of apparent U.S. consumption of oven racks.<sup>106</sup>

There were \*\*% nonsubject imports of oven racks during the original investigations.<sup>107</sup> In 2019, nonsubject imports accounted for approximately \*\*% percent of the U.S. market.<sup>108</sup>

### **c. Substitutability**

In the original investigations, the Commission found that, once producers were qualified by OEMs to manufacture oven racks that met specific design requirements, the products made in the United States and China were interchangeable. All reporting U.S. producers and purchasers reported the domestic like product and subject imports were always

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<sup>100</sup> Domestic Producers Response at 16. Domestic Producers estimate that \*\*% production of oven racks was \*\*% units in 2019. *Id.* at 20 n.6.

<sup>101</sup> CR/PR at I-1 note; Domestic Producers Response at 20.

<sup>102</sup> Confidential Original Views at 16; USITC Pub. 4098 at 14.

<sup>103</sup> CR/PR at Tables I-3 and I-6.

<sup>104</sup> CR/PR at Table I-3.

<sup>105</sup> CR/PR at Table C-3.

<sup>106</sup> CR/PR at Table I-6. Subject imports held approximately \*\*% percent of apparent U.S. consumption of oven racks in 2008 and \*\*% percent in 2013. *Id.*

<sup>107</sup> Confidential Original Views at 17; USITC Pub. 4098 at 14.

<sup>108</sup> CR/PR at Table I-6. Nonsubject imports of oven racks held approximately \*\*% percent of apparent U.S. consumption in 2013. *Id.*

interchangeable, whereas one importer reported them to be frequently interchangeable, and one importer reported they were never interchangeable. The Commission found that price was an important consideration in purchasing decisions, but not the only consideration.<sup>109</sup>

In the current reviews, domestic interested parties argue that there are multiple OEM-qualified producers in China, products made in China by qualified producers are highly interchangeable with the domestic like product, and price continues to be the predominant factor driving purchases.<sup>110</sup> There is nothing on the current record indicating that the substitutability between oven racks made in China and in the United States has changed since the original investigations. Accordingly, we find oven racks made in the United States and China are generally interchangeable.

## 2. Likely Volume of Subject Imports

*Original Investigations and First Five-Year Reviews:* Between 2006 and 2008, apparent U.S. consumption of oven racks declined \*\*\* percent, but the absolute volume of subject imports' shipments of oven racks from China increased \*\*\* percent.<sup>111</sup> Subject imports gained \*\*\* percentage points of market share during that period, which the Commission determined came entirely at the domestic industry's expense, given the absence of nonsubject imports in the U.S. market.<sup>112</sup> In the first three months of 2009, the absolute volume of subject imports was lower, but subject imports' market share was higher (\*\*\* percent) than in the first three months of 2008 (\*\*\* percent), despite the imposition of provisional duties.<sup>113</sup> The ratio of subject imports to domestic production also increased overall, from \*\*\* percent in 2006 to \*\*\* percent in 2007 and \*\*\* percent in 2008.<sup>114</sup> Consequently, the Commission found that the increase in subject imports, both on an absolute basis and relative to apparent U.S. consumption, was significant.<sup>115</sup>

In the original investigations, the Commission observed in its threat analysis that the oven racks industry in China had substantial production capacity, falling capacity utilization, and

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<sup>109</sup> Confidential Original Views at 18-19; USITC Pub. 4098 at 15.

<sup>110</sup> See Domestic Producers Final Comments at 4-5.

<sup>111</sup> Confidential Original Views at 27; USITC Pub. 4098 at 21.

<sup>112</sup> Confidential Original Views at 27-28; USITC Pub. 4098 at 21.

<sup>113</sup> Confidential Original Views at 28-29; USITC Pub. 4098 at 21-22.

<sup>114</sup> Confidential Original Views at 28; USITC Pub. 4098 at 21.

<sup>115</sup> Confidential Original Views at 19-20; USITC Pub. 4098 at 21.

unused capacity equivalent to \*\*\* percent of apparent U.S. consumption in 2008.<sup>116</sup> It also observed that, although the capacity utilization of the industry in China had declined, the share of its shipments that were exported to the United States had steadily increased.<sup>117</sup> The Commission found the oven racks industry in China was highly export oriented throughout the period of the original investigations, and exports to the United States constituted the largest share of its shipments by 2008.<sup>118</sup>

In its threat analysis, the Commission found that the industry in China had a strong and growing interest in the U.S. market, based on the share of its shipments that were exported to the United States. The Commission found that subject producers in China were likely to continue to displace the domestic industry's sales of nickel-plated oven racks, a lower-value product, and that they had recently begun competing for slide rack oven racks, even if they did not yet sell porcelain racks in the U.S. market.<sup>119</sup> For these reasons, the Commission found that subject imports were likely to continue to capture additional market share from the domestic industry in the imminent future.<sup>120</sup>

In the first five-year reviews, the Commission found that the orders had a disciplining effect on the volume of subject imports of oven racks and that the volume of subject imports in 2013 was consequently lower than during the original investigations. It found, based on available information, that subject producers in China had massive production capacity and excess capacity, remained export oriented and had benefitted from additional prohibited export subsidy programs. It also observed that the United States remained an attractive market given that subject imports had remained in the U.S. market after imposition of the orders, although in lower volumes. In light of these considerations, the Commission found that the likely volume of subject imports, both in absolute terms and relative to production and consumption in the United States, would be significant if the orders were revoked.<sup>121</sup>

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<sup>116</sup> Confidential Original Views at 31-32; USITC Pub. 4098 at 22-23. Some of the producers in China reported manufacturing other products using the same equipment and machinery as used to manufacture oven racks. USITC Pub. 4098 at II-3.

<sup>117</sup> Confidential Original Views at 32; USITC Pub. 4098 at 22-23.

<sup>118</sup> USITC Pub. 4098 at Table VII-4.

<sup>119</sup> Confidential Original Views at 31-32; USITC Pub. 4098 at 22-23.

<sup>120</sup> Confidential Original Views at 31-32; USITC Pub. 4098 at 23-24.

<sup>121</sup> Confidential First Five-Year Reviews at 32-34; USITC Pub. 4520 at 23-24.

*Current Reviews:* In the current reviews, the available information indicates that the orders had a disciplining effect on the volume of subject imports. The volume of subject imports of oven racks from China in the U.S. market in 2019 is appreciably lower than during the original investigations.<sup>122</sup> In the first five-year reviews, the Commission noted, as further support for the restraining effects of the orders on the volume of subject imports, that several U.S. purchasers reported no longer purchasing or limiting their purchasing of subject imports due to the orders.<sup>123</sup> The available data in these current reviews show that subject imports are at an even lower level than the volume found during the original investigations and first five-year reviews, indicating the continuing restraining effects of the orders on the volume of subject imports.<sup>124</sup>

No foreign producer or exporter of oven racks participated in these expedited reviews. Nonetheless, domestic interested parties report the existence of a number of firms in China that are allegedly involved in producing and/or exporting subject merchandise. Based on information from subject producers/exporters' websites, domestic interested parties report that producers in China supply the full range of products, have massive production capacity and excess capacity, and remain export oriented.<sup>125</sup> Further, export data on parts for refrigeration and cooking appliances, which includes both oven racks and out-of-scope products, indicate that producers in China are the largest overall exporters in the world.<sup>126</sup> The information available in these reviews consequently indicates that the oven racks industry in China maintains the excess capacity and export orientation that characterized the original POI.

The United States remains an attractive market to the industry in China. Subject imports of oven racks from China have remained in the U.S. market after imposition of the orders, although in lower volumes than during the original investigations and first five-year reviews.<sup>127</sup> Additionally, the United States remains the largest destination for exports of parts

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<sup>122</sup> CR/PR at Table I-6 (indicating that the volume of subject imports from China was \*\*\* units in 2008 and \*\*\* units in 2013, and \*\*\* units in 2019).

<sup>123</sup> Confidential First Five-Year Reviews at 32; USITC Pub. 4520 at 23.

<sup>124</sup> See CR/PR at Tables I-4 and C-3.

<sup>125</sup> Domestic Producers Response at 7-9 and Exhibit 4, and Final Comments at 8-9 and Exhibits 4 and 5.

<sup>126</sup> CR/PR at Table I-8.

<sup>127</sup> CR/PR at Table I-6.

for refrigeration and cooking appliances from China, which includes oven racks and out-of-scope products.<sup>128</sup>

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

### **3. Likely Price Effects**

*Original Investigations and First Five-Year Reviews:* In the original investigations, the Commission found the domestic like product was generally interchangeable with subject imports and found that price was an important consideration in purchasing decisions.<sup>129</sup> The Commission collected quarterly pricing data and found that pricing comparisons were limited in several categories, so it considered comparisons of both f.o.b. sales and delivered purchase prices of oven racks produced in the United States and China.<sup>130</sup> It found mixed underselling and also found that the underselling occurred primarily at the end of the POI.<sup>131</sup> The Commission did not find that subject imports depressed prices or prevented increases of prices of the domestic like product to a significant degree.<sup>132</sup> In its threat analysis, the Commission found that, as subject imports continued to gain market share in the imminent future, the domestic industry would not be able to sustain its strategy of ceding market share to maintain price levels.<sup>133</sup> Finding that the underselling trend observed in 2008 would likely continue in the imminent future, the Commission found that low prices for subject imports would likely

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<sup>128</sup> CR/PR at Table I-7.

<sup>129</sup> Confidential Original Views at 32; USITC Pub. 4098 at 24.

<sup>130</sup> Confidential Original Views at 32; USITC Pub. 4098 at 24.

<sup>131</sup> Confidential Original Views at 32-33; USITC Pub. 4098 at 24-25.

<sup>132</sup> The Commission found that prices of subject imports and the domestic like product generally increased during the POI. The domestic industry's COGS to net sales ratio was high, but declined in 2008, because as subject import volumes increased, the domestic industry relied increasingly on higher-value oven racks that were not supplied to the U.S. market by producers in China. Confidential Original Views at 33; USITC Pub. 4098 at 25-26.

<sup>133</sup> Confidential Original Views at 33; USITC Pub. 4098 at 26.

negatively impact prices for the domestic like product by suppressing them to a significant degree.<sup>134</sup>

In the first five-year reviews, the Commission continued to find that subject imports from China are generally interchangeable with oven racks manufactured in the United States and that price was an important factor in purchasing decisions. Given subject imports' continued presence in the U.S. market and the finding of a likely significant volume of subject imports, the Commission concluded that the price competition demonstrated in the latter portion of the original POI would likely recur upon revocation.<sup>135</sup>

*Current Reviews:* As indicated above, in these second five-year reviews, we continue to find that subject imports from China are generally interchangeable with oven racks manufactured in the United States and that price is an important factor in purchasing decisions. The record does not contain current pricing comparisons due to the failure of respondent interested parties to participate and the expedited nature of these reviews. Given subject imports' current presence in the U.S. market and our finding of a likely significant volume of subject imports were the orders revoked, we conclude that the price effects observed in the original investigations — in particular, increased competition across the spectrum of oven rack products and underselling during the latter portion of the original POI leading to likely price suppression — would likely occur if the orders were revoked.

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<sup>134</sup> Confidential Original Views at 33; USITC Pub. 4098 at 26.

<sup>135</sup> Confidential First Five-Year Reviews at 35; USITC Pub. 4520 at 25.

#### 4. Likely Impact<sup>136</sup>

*Original Investigations and First Five-Year Reviews:* In the original investigations, the Commission found declines in the domestic industry's output, U.S. shipments, net sales, and market share from 2006 to 2007.<sup>137</sup> In 2008, when subject imports increased and their underselling peaked, the Commission found that the domestic industry lost another \*\*\* percentage points of market share from 2007 to 2008 due to pricing and volume pressures from subject imports.<sup>138</sup> The Commission observed that, given declining demand, limited customers, and the tendency of purchasers to buy from a few suppliers, the pricing pressure was enough to cause purchasers to switch to subject imports, resulting in lost sales and market share for the domestic industry.<sup>139</sup> Although the domestic industry was able to sustain or even raise its prices, the Commission found that it did so at the expense of market share.<sup>140</sup> It found that the domestic industry was able to improve its operating performance over the POI by obtaining higher prices on limited quantities of sales of higher-value porcelain oven racks and slide racks.<sup>141</sup>

The Commission did not find that subject imports of oven racks were having a significant adverse impact on the domestic industry, but it found the domestic industry was vulnerable.<sup>142</sup>

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<sup>136</sup> Under the statute, "the Commission may consider the magnitude of the margin of dumping" in making its five-year review determinations. 19 U.S.C. § 1675a(a)(6). The statute defines the "magnitude of the margin of dumping" used by the Commission in five-year reviews as "the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title." 19 U.S.C. § 1677(35)(C)(iv); see also SAA at 887. In its expedited review of the antidumping duty order, Commerce determined that revocation of the order would be likely to lead to continuation or recurrence of dumping at weighted-average margins of up to 95.99 percent. *Commerce Second Sunset AD Review*, 85 Fed. Reg. at 35064. As a result of its expedited review of the countervailing duty order, Commerce determined that revocation of the order would be likely to lead to continuation or recurrence of subsidies at weighted average rates of 19.13 percent (Guangdong Wire King Co., Ltd.); 175.03 percent (Asber Enterprises Co., Ltd.); 154.12 percent (Changzhou Yixiong Metal Products Co., Ltd.; Foshan Winleader Metal Products Co., Ltd.; Kingsun Enterprises Group Co., Ltd.; Yuyao Hanjun Metal Work Co./Yuyao Hanun Metal Work Co.; and Zhongshan Iwatani Co., Ltd.); and 17.51 percent (all others). *Commerce Second Sunset CVD Review*, 85 Fed. Reg. at 35062-63.

<sup>137</sup> Confidential Original Views at 36-37; USITC Pub. 4098 at 26-27.

<sup>138</sup> Confidential Original Views at 37; USITC Pub. 4098 at 27.

<sup>139</sup> Confidential Original Views at 38; USITC Pub. 4098 at 27.

<sup>140</sup> Confidential Original Views at 38; USITC Pub. 4098 at 27.

<sup>141</sup> Confidential Original Views at 38-39; USITC Pub. 4098 at 28.

<sup>142</sup> Confidential Original Views at 39-40; USITC Pub. 4098 at 28.

It explained that the domestic industry's temporary strategy of ceding market share for price and focusing on higher-value porcelain or slide oven racks was unsustainable. The Commission found that significant volumes of dumped and subsidized imports were likely to gain additional market share from the domestic industry in the imminent future unless orders were issued. Accordingly, the Commission found that the domestic industry was threatened with material injury by reason of imports of oven racks from China.<sup>143</sup>

In the first five-year reviews, the Commission observed that one new entrant began production of oven racks in the United States during the POR. The Commission stated that the limited record was insufficient to make a finding as to whether the domestic industry was vulnerable to the continuation or recurrence of material injury in the event that the orders are revoked. The Commission concluded, based on the limited record, there would likely be a significant volume of subject imports from China and the price competition demonstrated in the latter portion of the original POI would recur, leading to a significant adverse impact on the domestic industry's financial condition. It concluded that, if the antidumping and countervailing duty orders were revoked, subject imports from China would likely have had a significant impact on the domestic oven racks industry within a reasonably foreseeable time.<sup>144</sup>

*Current Reviews:* In the current reviews, the available information concerning the domestic industry's condition is limited to the data provided in response to the notice of institution by two domestic producers that accounted for \*\*\*, ( *i.e.*, approximately \*\*\* percent) of domestic production of oven racks in 2019.<sup>145</sup> Because these are expedited reviews, we also have only limited information regarding the domestic industry's financial performance.<sup>146</sup> This limited record is insufficient for us to make a finding as to whether the domestic industry is

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<sup>143</sup> Confidential Original Views at 41; USITC Pub. 4098 at 29. The Commission found that nonsubject imports also did not explain the domestic industry's condition, given that there were \*\*\*. Confidential Original Views at 41 n.190; USITC Pub. 4098 at 29 n.190.

<sup>144</sup> Confidential First Five-Year Reviews at 38-40; USITC Pub. 4520 at 27-28.

<sup>145</sup> CR/PR at Table I-1. The two participating U.S. producers in these reviews reported combined production capacity of \*\*\* units in 2019, which is greater than the level of apparent U.S. consumption (\*\*\* units). CR/PR at Tables I-3 and I-6. Consequently, they continued to have excess capacity to produce oven racks in 2019. Nashville Wire and SSW collectively reported production of \*\*\* units in 2019 and capacity utilization of \*\*\* percent that year. CR/PR at Table I-3.

<sup>146</sup> For 2019, Nashville Wire and SSW reported combined net sales of \$\*\*\*, operating income of \$\*\*\*, and operating income as a share of net sales of \*\*\* percent. CR/PR at Table I-3.



vulnerable to the continuation or recurrence of material injury in the event that the orders are revoked.

Based on the record, we find that, should the orders be revoked, there will likely be a significant volume of subject imports from China and that the price effects observed in the original investigations, found above to include increased competition across the spectrum of oven rack products and underselling during the latter portion of the original POI leading to likely price suppression, would likely occur, leading to a significant adverse impact on the domestic industry's production, capacity utilization, shipments, sales, market share, and revenues. These declines would likely cause the domestic industry's profitability to fall.

We also considered the role of factors other than subject imports, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. As indicated above, imports from nonsubject sources have increased their presence in the U.S. market since imposition of the orders, but their share of apparent U.S consumption has declined since 2013. As noted above, the industry in China remains export oriented and appears to have greater production capacity than nonsubject producers, with global exports of parts for cooking and refrigeration appliances from China (inclusive of oven racks and other products) being triple the next largest source of such global exports.<sup>147</sup> Moreover, the domestic industry estimates that its current market share is higher than at the end of both the POI in the original investigations and the POR in the first five-year reviews.<sup>148</sup> We find that if the orders were revoked, the significant volume of subject imports would likely take market share from the domestic industry, which is the predominant supplier of oven racks to the U.S. market.<sup>149</sup>

Accordingly, we conclude that, if the antidumping and countervailing duty orders were revoked, subject imports from China would likely have a significant impact on the domestic oven racks industry within a reasonably foreseeable time.

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<sup>147</sup> CR/PR at Table I-8.

<sup>148</sup> See CR/PR at Table I-6 (domestic industry's share of the U.S. oven racks market was \*\*\* percent in 2008 and estimated to be \*\*\* percent in 2013 and \*\*\* percent in 2019).

<sup>149</sup> During the original investigations, nonsubject imports held \*\*\* percent of apparent U.S. consumption (\*\*\*), approximately \*\*\* percent in 2013, and approximately \*\*\* percent in 2019. CR/PR at Table I-6.

#### **IV. Conclusion**

For the foregoing reasons, we determine that revocation of the antidumping and countervailing duty orders on KASAR from China would be likely to lead to continuation or recurrence of material injury to a U.S. industry producing refrigeration shelving and a U.S. industry producing oven racks within a reasonably foreseeable time.

# Information obtained in these reviews

## Background

On February 3, 2020, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of antidumping and countervailing duty orders on certain kitchen appliance shelving and racks (“KASAR”) from China would be likely to lead to the continuation or recurrence of material injury to a domestic industry.<sup>2</sup> All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.<sup>3</sup> <sup>4</sup> The following tabulation presents information relating to the background and schedule of this proceeding:

<b>Effective date</b>	<b>Action</b>
February 1, 2020	Notice of initiation by Commerce (85 FR 5940, February 3, 2020)
February 3, 2020	Notice of institution by Commission (85 FR 5980, February 3, 2020)
May 8, 2020	Commission’s vote on adequacy
June 8, 2020	Commerce’s results of its expedited reviews
September 30, 2020	Commission’s determinations and views

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<sup>1</sup> 19 U.S.C. 1675(c).

<sup>2</sup> 85 FR 5980, February 3, 2020. 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. 85 FR 5940, February 3, 2020. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

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

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

## Responses to the Commission’s notice of institution

### Individual responses

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of Nashville Wire Products Manufacturing Company (“Nashville Wire”)<sup>5</sup> and SSW Holding Company, Inc. (“SSW”), domestic producers of KASAR (collectively referred to herein as “domestic interested parties”).<sup>6</sup>

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-1.

**Table I-1**  
**KASAR: Summary of responses to the Commission’s notice of institution**

Type of interested party	Completed responses	
	Number of firms	Coverage
Domestic:		
U.S. producer (refrigeration shelving)	2	***
U.S. producer (oven racks)	2	***

Note: Based on its definition of two domestic like products in the original investigations, the Commission found two corresponding domestic industries consisting of the following: (1) all producers of certain refrigeration shelving; and (2) all producers of certain oven racks. For a discussion on the product and domestic industry, please see “Definitions of the domestic like product and domestic industry” section.

Note: In their response to the notice of institution, domestic interested parties estimated that they account for this share of total U.S. production of refrigeration shelving and oven racks during 2019. Domestic interested parties have based their computation on \*\*\*. Based on estimated 2019 total U.S. production of refrigeration shelving, Nashville Wire and SSW accounted for \*\*\* percent and \*\*\* percent, respectively. Based on estimated 2019 total U.S. production of oven racks, Nashville Wire and SSW accounted for \*\*\* percent and \*\*\* percent, respectively. Domestic interested parties’ response to the notice of institution, March 4, 2020, p. 20.

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<sup>5</sup> In the response to the notice of institution, Nashville Wire is also referred to as Nashville Wire Products, Inc.

<sup>6</sup> Nashville Wire and SSW were petitioners in the original investigations.

## **Party comments on adequacy**

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from Nashville Wire and SSW. The domestic interested parties request that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on KASAR.<sup>7</sup>

## **The original investigations and subsequent reviews**

### **The original investigations**

The original investigations resulted from petitions filed on July 31, 2008 with Commerce and the Commission by Nashville Wire, Nashville, Tennessee; SSW, Elizabethtown, Kentucky; the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union, and the International Association of Machinists and Aerospace Workers, District Lodge 6, Clinton, Iowa, concerning imports of KASAR from China.<sup>8</sup> On July 24, 2009, Commerce determined that imports of KASAR from China were, or were likely to be, sold in the United States at less than fair value (“LTFV”);<sup>9</sup> and on July, 27, 2009, Commerce determined that such imports were being subsidized by the Government of China.<sup>10</sup> On September 2, 2009, the Commission determined that the refrigeration shelving industry in the United States was materially injured and the oven racks industry in the United States was threatened with material injury by reason of such imports from China.<sup>11</sup> On September 14, 2009, Commerce issued its antidumping and countervailing duty orders with the final weighted-average dumping margins ranging from 43.09 to 95.99 percent and net subsidy rates ranging from 13.30 to 170.82 percent.<sup>12</sup>

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<sup>7</sup> Domestic interested parties’ comments on adequacy, April 16, 2020, pp. 1-2.

<sup>8</sup> Certain Kitchen Appliance Shelving and Racks from China, Inv. Nos. 701-TA-458 and 731-TA-1154 (Final), USITC Publication 4098, August 2009 (“Original publication”), p. I-1.

<sup>9</sup> 74 FR 36656, July 24, 2009.

<sup>10</sup> 74 FR 37012, July 27, 2009.

<sup>11</sup> 74 FR 46464, September 9, 2009.

<sup>12</sup> 74 FR 46971 and 74 FR 46973, September 14, 2009. On July 20, 2015, acting at the direction of the U.S. Trade Representative (“USTR”), Commerce issued section 129 determinations with recalculated antidumping duty cash deposit rates for KASAR from China ranging from 41.92 percent to 95.99 percent. 80 FR 45184, July 29, 2015.

## **The first five-year reviews**

On November 4, 2014, the Commission determined that it would conduct expedited reviews of the antidumping and countervailing duty orders on KASAR from China.<sup>13</sup> On November 13, 2014, Commerce determined that revocation of the antidumping duty order on KASAR from China would be likely to lead to continuation or recurrence of dumping,<sup>14</sup> and on December 9, 2014, Commerce determined that revocation of the countervailing duty order on KASAR from China would be likely to lead to continuation or recurrence of a countervailable subsidy.<sup>15</sup> On February 24, 2015, the Commission determined that revocation of the existing antidumping and countervailing duty orders on KASAR from China would be likely to lead to continuation or recurrence of material injury to a U.S. industry producing refrigeration shelving and a U.S. industry producing oven racks within a reasonably foreseeable time.<sup>16</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective March 12, 2015, Commerce issued a continuation of the antidumping and countervailing duty orders on imports of KASAR from China.<sup>17</sup>

## **Previous and related investigations**

KASAR has not been the subject of any prior related antidumping or countervailing duty investigations in the United States.

## **Commerce's five-year reviews**

Commerce is conducting expedited reviews with respect to the orders on imports of KASAR from China and intends to issue the final results of these reviews based on the facts available not later than June 2, 2020.<sup>18</sup> Commerce's Issues and Decision Memoranda, published concurrently with Commerce's final results, will contain complete and up-to-date information regarding the background and history of the orders, including scope rulings, duty absorption, changed circumstances reviews, and anti-circumvention. Upon publication, a complete version

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<sup>13</sup> 79 FR 69525, November 21, 2014.

<sup>14</sup> 79 FR 67423, November 13, 2014.

<sup>15</sup> 79 FR 73029, December 9, 2014.

<sup>16</sup> 80 FR 10713, February 27, 2015.

<sup>17</sup> 80 FR 12983, March 12, 2015.

<sup>18</sup> Letter from Shawn Thompson, Director, Office V, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, March 24, 2020.

of the Issues and Decision Memoranda can be accessed at <http://enforcement.trade.gov/frn/>. The Memoranda will also include any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping and countervailing duty orders on imports of KASAR from China are noted in the sections titled “The original investigations” and “U.S. imports,” if applicable.

## **The product**

### **Commerce’s scope**

Commerce has defined the scope as follows:

*The merchandise covered by these orders consists of shelving and racks for refrigerators, freezers, combined refrigerator-freezers, other refrigerating or freezing equipment, cooking stoves, ranges, and ovens. Certain kitchen appliance shelving and racks are defined as shelving, baskets, racks (with or without extension slides, which are carbon or stainless steel hardware devices that are connected to shelving, baskets, or racks to enable sliding), side racks (which are welded wire support structures for oven racks that attach to the interior walls of an oven cavity that does not include support ribs as a design feature), and sub-frames (which are welded wire support structures that interface with formed support ribs inside an oven cavity to support oven rack assemblies utilizing extension slides) with the following dimensions:*

- *Shelving and racks with dimensions ranging from 3 inches by 5 inches by 0.10 inch to 28 inches by 34 inches by 6 inches; or*
- *Baskets with dimensions ranging from 2 inches by 4 inches by 3 inches to 28 inches by 34 inches by 16 inches; or*
- *Side racks from 6 inches by 8 inches by 0.10 inch to 16 inches by 30 inches by 4 inches; or*
- *Sub-frames from 6 inches by 10 inches by 0.10 inch to 28 inches by 34 inches by 6 inches.*

*The subject merchandise is comprised of carbon or stainless steel wire ranging in thickness from 0.050 inch to 0.500 inch and may include sheet metal of either carbon or stainless steel ranging in thickness from 0.020 inch to 0.20 inch. The subject merchandise may be coated or uncoated*

*and may be formed and/or welded. Excluded from the scope of the order is shelving in which the support surface is glass.*<sup>19</sup>

## **U.S. tariff treatment**

KASAR is currently imported under HTS statistical reporting numbers 7321.90.5000, 7321.90.6040, 7321.90.6060, 7321.90.6090, 8418.99.8050, 8418.99.8060, 8516.90.8010, and 8516.90.8050. The general rate of duty for the HTS subheadings that include HTS 7321.90.5000, 7321.90.6040, 7321.90.6060, 7321.90.6090, 8418.99.8050, 8418.99.8060, 8516.90.8010, and 8516.90.8050 is free. Most of these statistical reporting numbers are “basket” categories that contain other products besides KASAR.<sup>20</sup> The only two statistical reporting numbers that separately cover KASAR are 7321.90.6040 (“Shelving and racks for cooking ovens, of iron or steel”) and 8516.90.8010 (“Shelving and racks for electric cooking stoves, range and ovens of subheading 8516.60.40”). Effective October 1, 2018, KASAR from China imported under the subheadings that include HTS statistical reporting numbers 7321.90.5000, 7321.90.6040, 7321.90.6060, 7321.90.6090, 8418.99.8050, 8418.99.8060, 8516.90.8010, and 8516.90.8050 is subject to an additional 10 percent ad valorem duty under Section 301 of the Trade Act of 1974.<sup>21</sup> Effective March 8, 2018, HTS subheadings for carbon or stainless steel wire rod and wire, principal materials used in producing KASAR, are subject to an additional 25 percent ad valorem duty under Section 232 of the Trade Expansion Act of 1962, as amended.<sup>22</sup> Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

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<sup>19</sup> 80 FR 12983, March 12, 2015.

<sup>20</sup> In the original investigations, the Commission relied on importer questionnaire data for imports from subject and nonsubject sources because official import statistics corresponded to “basket” categories that contained a number of products besides KASAR. Original publication, p. 16, n. 86.

<sup>21</sup> *Notice of Modification of Section 301 Action: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, Office of the United States Trade Representative,

[https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice\\_of\\_Modification-January\\_2020.pdf](https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice_of_Modification-January_2020.pdf), retrieved April 9, 2020.

<sup>22</sup> *Proclamation on Adjusting Imports of Steel into the United States*, Presidential Proclamation 9705, May 19, 2019, <https://www.whitehouse.gov/presidential-actions/proclamation-adjusting-imports-steel-united-states-2/>.



## **Description and uses<sup>23</sup>**

KASAR consists of certain shelving and baskets for refrigerators, freezers, combined refrigerator-freezers, and other refrigerating or freezing equipment and racks (with or without extension slides, which are carbon or stainless steel hardware devices that are connected to shelving, baskets, or racks to enable sliding), side racks (which are welded wire support structures for oven racks that attach to the interior walls of an oven cavity that does not include support ribs as a design feature), and subframes (which are welded wire support structures that interface with formed support ribs inside an oven cavity to support oven rack assemblies utilizing extension slides) for cooking stoves, ranges, and ovens. Shelving and baskets are used by original equipment manufacturers (“OEMs”) of residential and recreational vehicle refrigerators, freezers, and refrigerator/freezers. Oven racks are used by OEMs of residential and recreational vehicle freestanding ranges and wall oven appliances.

## **Manufacturing process<sup>24</sup>**

KASAR production begins with the straightening and cutting of low carbon steel wire according to product specifications. The wire is then transferred to a dedicated wire drawing and cutting machine area. Automatic spot welding machines are utilized to form and/or weld the steel frames. Refrigeration shelving and oven racks are produced in different production facilities using dedicated fabrication, tooling, and finishing equipment to produce parts to OEM specifications, and exact dimensional appearance. Production of certain refrigeration shelving and freezer baskets and oven racks is customized for each specific model of each major appliance OEM producer.

***Refrigeration Shelving:*** The production of refrigeration shelving begins with straightening and cutting wire according to product specifications. A high-speed turret lathe milling machine is used to spin and shape the wire. The forming and welding operations may be manual, semi-automated, or automated depending on the part complexity and volume. These operations may be completed in multiple steps. Automatic welding machines form the metal frames and weld the mats, then join the frames and mats into an assembly. During the welding

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<sup>23</sup> Unless otherwise noted, this information is based on Certain Kitchen Appliance Shelving and Racks from China, Investigation Nos. 701-TA-458 and 731-TA-1154 (Review), USITC Publication 4520, February 2015 (“First review publication”), p. I-4.

<sup>24</sup> The manufacturing process for KASAR has not changed since the original investigations. Unless otherwise noted, this information is based on the Original publication, pp. I-10-11.

operations, other metal components may be added to the wire to form an assembly, depending on part design. The shelving parts are then manually loaded onto a finishing system where the shelving parts are sent through a cleaning, pretreatment, and coating process. For refrigeration shelving, the coating is typically applied electrostatically and is then cured under heat to allow it to flow and form a "skin." The application of powder paint employs filtered, compressed air, typically at 20 to 30 psi, which pushes the powder out of the spray paint gun past the electrode which then provides the powder a positive charge. The coating is most often electrostatic powder paint, but it can include a range of other finishes. Finishing system requirements are specified by OEM customers and typically include appearance as well as the ability to withstand corrosion and abrasion requirements.

**Oven Racks:** Like the production of refrigerator shelving, the production of oven racks begins with straightening and cutting wire according to product specifications. Wire drawing and cutting machines cut the wire and then transfer the wire to forming and/or automatic welding machines and other machinery that is dedicated to the production of oven racks. The forming/welding operations may be manual, semi-automated, or automated depending on the part complexity and volume. These operations may be completed in multiple steps. These steps may include forming and welding of frames, welding of mats, joining of the frames and mats and forming of the frame/mat assembly. During the welding operations other metal components may be added to the wire to form an assembly, depending on part design. The racks are then manually loaded onto a finishing system where the metal racks are cleaned and coated. The coating process is most often a nickel plating process, but may also include porcelain or other coatings with the ability to withstand temperatures present inside a cooking appliance. In the nickel plating process, the racks pass through a caustic bath containing nickel compounds. An electric charge occurs in the bath and nickel coating is then deposited on the part. The metal racks are then sent through a series of rinses and a post dip sealer before being subjected to the final drying stage. The cleaning and coating process may be completed in multiple steps. Most racks are then packaged and moved to a staging area for shipment to OEM customers. Some racks may require further assembly.

## The industry in the United States

### U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from four firms, which accounted for over \*\*\* percent of production of KASAR in the United States during 2008.<sup>25</sup> Nashville Wire and SSW accounted for \*\*\* percent of reported refrigeration shelving production and \*\*\* percent of reported oven racks production in the United States in 2008.<sup>26</sup> During the first five year reviews, domestic interested parties provided a list of five known and currently operating U.S. producers of KASAR.<sup>27</sup> Domestic interested parties Nashville Wire and SSW estimated that they accounted for \*\*\* percent of reported refrigeration shelving production and \*\*\* percent of reported oven racks production in the U.S. in 2013.<sup>28</sup>

In response to the Commission's notice of institution in these current reviews, domestic interested parties provided a list of five known and currently operating U.S. producers of refrigeration shelving and/or oven racks.<sup>29</sup> The two firms providing U.S. industry data in response to the Commission's notice of institution, Nashville Wire and SSW, accounted for approximately \*\*\* percent of refrigeration shelving production and \*\*\* percent of oven racks production in the United States in 2019.<sup>30</sup>

### Recent developments

Since the Commission's last five-year reviews, Mid-West Wire Products, producer of refrigeration shelving, closed its operations in or around the fourth quarter of 2016.<sup>31</sup>

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<sup>25</sup> Investigation Nos. 731-TA-458 and 731-TA-1154 (Final): Certain Kitchen Appliance Shelving and Racks from China, Confidential Report, INV-GG-066, August 4, 2009, ("Original confidential report"), p. III-1.

<sup>26</sup> Ibid., pp. III-2-3.

<sup>27</sup> First review publication, p. I-10.

<sup>28</sup> Investigation Nos. 731-TA-458 and 731-TA-1154 (Review): Certain Kitchen Appliance Shelving and Racks from China, Confidential Report, INV-MM-108, November 28, 2014, ("First review confidential report"), pp. I-2-3, and table I-1.

<sup>29</sup> Domestic interested parties' response to the notice of institution, March 4, 2020, pp. 16-17.

<sup>30</sup> Ibid., p. 20.

<sup>31</sup> Ibid., p. 21.

According to the domestic interested parties, demand for refrigeration shelving and oven racks in the U.S. market is related to the U.S. housing market.<sup>32</sup> New residential construction increased overall by 16 percent from 2015 to 2019.<sup>33</sup> Domestic interested parties also state that in the current reviews, KASAR continues to be used by original equipment manufacturers (“OEMs”) of residential and recreational vehicle refrigerators, freezers, refrigeration/freezers, and oven racks.<sup>34</sup> U.S. consumption of these appliances increased overall from 2015 to 2019 with major appliance shipments flattening out in 2018 and slightly decreasing in 2019 over the previous year.<sup>35</sup> <sup>36</sup> Domestic interested parties assert that apparent U.S. consumption of KASAR, based on U.S. shipments and import estimates, declined overall since the first reviews.<sup>37</sup>

## **U.S. producers’ trade and financial data**

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.<sup>38</sup> Table I-2 presents a compilation of the data for refrigeration shelving submitted from all responding U.S. producers as well as trade and financial data submitted by U.S. producers in the original investigations and prior five-year reviews. Table I-3 presents a compilation of the data for oven racks submitted from all responding U.S. producers as well as trade and financial data submitted by U.S. producers in the original investigations and prior five-year reviews.

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<sup>32</sup> Ibid.

<sup>33</sup> U.S. Department of Commerce, Census Bureau. “New Privately Owned Housing Units Started.” n.d. [https://www.census.gov/construction/nrc/historical\\_data/index.html](https://www.census.gov/construction/nrc/historical_data/index.html).

<sup>34</sup> Domestic interested parties’ response to the notice of institution, March 4, 2020, p. 21.

<sup>35</sup> Appliance shipment data are based on the latest factory shipment data from the Association of Home Appliance Manufacturers (AHAM).

<sup>36</sup> In January 2019, Electrolux announced that it would close its Memphis, Tennessee, plant by the end of 2020 as part of a \$110.5 million plan to streamline manufacturing that includes shuttering a second plant in Santiago, Chile and upgrading a facility in Springfield, Tennessee. The Memphis factory builds Frigidaire cooking products and Electrolux ovens. In addition, Sears, a shopping destination for ovens, freezers, refrigerators, and other large appliances, filed for bankruptcy in October 2018. CNN, <https://www.cnn.com/2019/01/31/business/electrolux-frigidaire-memphis-plant-manufacturing/index.html>, retrieved April 27, 2020; WMC Action News 5, <https://www.wmctionnews5.com/2019/01/31/electrolux-closing-memphis-facility-amid-consolidation-efforts/>, retrieved April 27, 2020; CNN, <https://www.cnn.com/2018/10/15/business/sears-bankruptcy/index.html>, retrieved April 27, 2020.

<sup>37</sup> Domestic interested parties’ response to the notice of institution, March 4, 2020, p. 21.

<sup>38</sup> Individual company trade and financial data are presented in app. B.

**Table I-2  
KASAR (refrigeration shelving): Trade and financial data submitted by U.S. producers, 2008, 2013,  
and 2019**

Item	2008	2013	2019
Capacity (1,000 units)	***	***	***
Production (1,000 units)	***	***	***
Capacity utilization (percent)	***	***	***
U.S. shipments:			
Quantity (1,000 units)	***	***	***
Value (\$1,000)	***	***	***
Unit value (per unit)	***	***	***
Net sales (\$1,000)	***	***	***
COGS (\$1,000)	***	***	***
COGS/net sales (percent)	***	***	***
Gross profit (loss) (\$1,000)	***	***	***
SG&A expenses (\$1,000)	***	***	***
Operating income (loss) (\$1,000)	***	***	***
Operating income (loss)/net sales (percent)	***	***	***

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

Source: For the years 2008 and 2013, data are compiled using data submitted in the Commission’s original investigations and first reviews. *See app. C.* For the year 2019, data are compiled using data submitted by domestic interested parties. Domestic interested parties’ response to the notice of institution, March 4, 2020, exh. 6.

**Table I-3****KASAR (oven racks): Trade and financial data submitted by U.S. producers, 2008, 2013, and 2019**

Item	2008	2013	2019
Capacity (1,000 units)	***	***	***
Production (1,000 units)	***	***	***
Capacity utilization (percent)	***	***	***
U.S. shipments:			
Quantity (1,000 units)	***	***	***
Value (\$1,000)	***	***	***
Unit value (per unit)	***	***	***
Net sales (\$1,000)	***	***	***
COGS (\$1,000)	***	***	***
COGS/net sales (percent)	***	***	***
Gross profit (loss) (\$1,000)	***	***	***
SG&A expenses (\$1,000)	***	***	***
Operating income (loss) (\$1,000)	***	***	***
Operating income (loss)/net sales (percent)	***	***	***

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

Source: For the years 2008 and 2013, data are compiled using data submitted in the Commission’s original investigations and first reviews. See *app. C*. For the year 2019, data are compiled using data submitted by domestic interested parties. Domestic interested parties’ response to the notice of institution, March 4, 2020, exh. 6.

## **Definitions of the domestic like product and domestic industry**

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.<sup>39</sup>

In its original determinations and its expedited first five-year review determinations, the Commission found two domestic like products: (1) certain refrigeration shelving and baskets for refrigerators, freezers, combination refrigerator/freezers and other refrigerating or freezing equipment (“refrigeration shelving”); and (2) certain oven racks, side racks, and subframes for cooking stoves, ranges, and ovens (“oven racks”).<sup>40</sup> Based on its original determinations and its expedited first five-year review determinations of two separate domestic like products, the Commission found two domestic industries consisting of the following: (1) all producers of certain refrigeration shelving; and (2) all producers of certain oven racks.<sup>41</sup>

## **U.S. imports and apparent U.S. consumption**

### **U.S. importers**

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from eight firms. Import data presented in the original investigations are based on questionnaire responses.<sup>42</sup>

Although the Commission did not receive responses from any respondent interested parties in its first five-year reviews, the domestic interested parties provided a list of 13 firms believed to have imported refrigeration shelving and 24 firms believed to have imported oven racks into the U.S. market.<sup>43</sup> Import data presented in the first reviews are based on the domestic interested parties’ market knowledge.<sup>44</sup>

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<sup>39</sup> Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

<sup>40</sup> 85 FR 5980, February 3, 2020.

<sup>41</sup> Ibid.

<sup>42</sup> Original publication, p. IV-1.

<sup>43</sup> First review publication, p. I-14.

<sup>44</sup> First review publication, p. I-15.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in their response to the Commission’s notice of institution, the domestic interested parties provided a list of 13 firms believed to import refrigeration shelving and 24 firms believed to import oven racks into the U.S. market.<sup>45</sup>

## U.S. imports

Table I-4 presents the quantity of U.S. imports of KASAR from China and all other sources, as estimated by the domestic interested parties in their response to the notice of institution.<sup>46</sup>

**Table I-4**  
**KASAR: U.S. imports, 2014-19**

Item	2014	2015	2016	2017	2018	2019
	Quantity (1,000 units)					
<b>Refrigeration shelving</b>						
China	***	***	***	***	***	***
All other imports (nonsubject)	***	***	***	***	***	***
Total imports	***	***	***	***	***	***
<b>Oven racks</b>						
China	***	***	***	***	***	***
All other imports (nonsubject)	***	***	***	***	***	***
Total imports	***	***	***	***	***	***

Source: Domestic interested parties’ response to the notice of institution, March 4, 2020, exh. 1.

## Apparent U.S. consumption and market shares

Tables I-5 and I-6 present data on U.S. producers’ U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares of refrigeration shelving and oven racks, respectively.

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<sup>45</sup> Domestic interested parties’ response to the notice of institution, March 4, 2020, exh. 7.

<sup>46</sup> Official import statistics for refrigeration shelving and oven racks are not collected on a volume basis. In addition, all of the statistical reporting numbers, except statistical reporting numbers 7321.90.6040 and 8516.90.8010, consist of basket categories that include a preponderance of nonsubject merchandise. As a result, official import statistics are not presented in this report.



**Table I-5****KASAR (refrigeration shelving): U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares, 2008, 2013, and 2019**

Item	2008	2013	2019
	<b>Quantity (1,000 units)</b>		
U.S. producers' U.S. shipments	***	***	***
U.S. imports from—			
China	***	***	***
All other sources	***	***	***
Total imports	***	***	***
Apparent U.S. consumption	***	***	***
	<b>Share of consumption based on quantity (percent)</b>		
U.S. producer's share	***	***	***
U.S. imports from.--			
China	***	***	***
All other sources	***	***	***
Total imports	***	***	***

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

Source: For the years 2008 and 2013, data are compiled using data submitted in the Commission's original investigations and first reviews. See app. C. For the year 2019, U.S. producers' U.S. shipments and U.S. imports are compiled from the domestic interested parties' response to the notice of institution.

**Table I-6****KASAR (oven racks): U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares, 2008, 2013, and 2019**

Item	2008	2013	2019
	<b>Quantity (1,000 units)</b>		
U.S. producers' U.S. shipments	***	***	***
China	***	***	***
All other sources	***	***	***
Total imports	***	***	***
Apparent U.S. consumption	***	***	***
	<b>Share of consumption based on quantity (percent)</b>		
U.S. producer's share	***	***	***
U.S. imports from.--			
China	***	***	***
All other sources	***	***	***
Total imports	***	***	***

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

Source: For the years 2008 and 2013, data are compiled using data submitted in the Commission's original investigations and first reviews. See app. C. For the year 2019, U.S. producers' U.S. shipments and U.S. imports are compiled from the domestic interested parties' response to the notice of institution.

## The industry in China

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from six firms, whose exports accounted for more than 98 percent of reported U.S. imports during 2008.<sup>47</sup> Although the Commission did not receive responses from any respondent interested parties in the first five-year reviews, the domestic interested parties provided a list of 14 possible producers of KASAR in China in that proceeding.<sup>48</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested parties provided a list of 14 possible producers of KASAR in China.<sup>49</sup>

Table I-7 presents export data for parts of cooking appliances, refrigeration or freezing equipment, stoves, ovens, etc., a category that includes KASAR and out-of-scope products, from China by export destination in descending order of quantity for 2019.

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<sup>47</sup> Original publication, p. VII-3.

<sup>48</sup> First reviews publication, p. I-20.

<sup>49</sup> Domestic interested parties' response to the notice of institution, March 4, 2020, exh. 3.

**Table I-7  
KASAR and other parts of cooking and refrigeration appliances: Exports from China, by destination, 2015-19**

Destination country	2015	2016	2017	2018	2019
	Value (\$1,000)				
United States	638,407	609,874	761,751	683,253	580,007
Japan	286,931	272,611	284,193	282,785	276,983
South Korea	76,097	86,249	95,048	107,489	146,500
Mexico	107,046	104,583	127,910	129,577	140,711
Germany	114,924	108,853	139,494	125,919	135,007
Hong Kong	187,389	152,663	196,950	206,832	134,515
India	104,776	114,866	95,439	104,081	106,136
Indonesia	71,683	71,005	71,806	90,689	103,671
Italy	109,031	95,036	109,002	108,246	103,602
Thailand	95,027	95,582	94,695	87,184	98,649
All other	1,442,180	1,454,507	1,645,289	1,540,115	1,590,542
Total	3,233,491	3,165,829	3,621,577	3,466,171	3,416,322

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

Note: Because export data from China were reported in kilograms, quantity data not shown.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheadings 7321.90, 8418.99, and 8516.90, accessed April 10, 2020. These data may be overstated as HTS subheadings 7321.90, 8418.99, and 8516.90 may contain products outside the scope of these reviews.

## **Antidumping or countervailing duty orders in third-country markets**

Based on available information, KASAR from China has not been subject to other antidumping or countervailing duty investigations outside the United States.

## **The global market**

Based on available information, there are no known data sources specific to KASAR, let alone refrigeration shelving and oven racks, for markets outside the United States.

Table I-8 presents global export data for parts of cooking appliances, refrigeration or freezing equipment, stoves, ovens, etc., a category that includes KASAR and out-of-scope products, by source in descending order of quantity for 2019.

**Table I-8  
KASAR and other parts of cooking and refrigeration appliances: Global exports by major sources, 2015-19**

Exporting country	2015	2016	2017	2018	2019
	Value (\$1,000)				
China	3,233,491	3,165,829	3,621,577	3,466,171	3,416,322
Italy	1,111,082	1,079,975	1,078,227	1,146,488	1,081,777
Germany	854,688	843,544	846,143	895,522	872,875
United States	670,081	622,176	597,622	610,115	580,478
Hong Kong	505,003	485,535	527,755	574,032	523,172
South Korea	717,144	692,938	726,769	585,511	517,203
Mexico	529,021	467,275	461,660	495,200	420,624
Netherlands	230,750	273,894	314,112	343,343	382,693
France	383,087	395,922	411,685	442,030	374,237
Czech Republic	207,064	225,775	289,385	339,133	371,579
All other	2,800,918	2,843,704	3,065,944	3,258,707	3,140,644
Total	11,242,330	11,096,568	11,940,879	12,156,253	11,681,603

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

Note: Because different countries report quantity in different units, quantity data not shown.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheadings 7321.90, 8418.99, and 8516.90, accessed April 23, 2020. These data may be overstated as HTS subheadings 7321.90, 8418.99, and 8516.90 may contain products outside the scope of these reviews.

**APPENDIX A**

***FEDERAL REGISTER NOTICES***



The Commission makes available notices relevant to its investigations and reviews on its website, [www.usitc.gov](http://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
85 FR 5940, February 3, 2020	<i>Initiation of Five-Year ("Sunset") Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-02-03/pdf/2020-01978.pdf">https://www.govinfo.gov/content/pkg/FR-2020-02-03/pdf/2020-01978.pdf</a>
85 FR 5980, February 3, 2020	<i>Certain Kitchen Appliance Shelving and Racks From China: Institution of Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2020-02-03/pdf/2020-01980.pdf">https://www.govinfo.gov/content/pkg/FR-2020-02-03/pdf/2020-01980.pdf</a>





**APPENDIX B**  
**COMPANY-SPECIFIC DATA**



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**APPENDIX C**

**SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS**



**Table C-2**  
**REFRIGERATION SHELVING: Summary data concerning the U.S. market, 2006-08, January-March 2008, and January-March 2009**

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**Table C-3**  
**OVEN RACKS: Summary data concerning the U.S. market, 2006-08, January-March 2008, and**  
**January-March 2009**

\* \* \* \* \*



**APPENDIX D**

**PURCHASER QUESTIONNAIRE RESPONSES**



As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following four firms as the top purchasers of certain kitchen appliance shelving and racks: \*\*\*. Purchaser questionnaires were sent to these four firms and one firm (\*\*\*) replied \*\*\* to the following questions:

1. Have there been any significant changes in the supply and demand conditions for certain kitchen appliance shelving and racks that have occurred in the United States or in the market for certain kitchen appliance shelving and racks in China since January 1, 2014?
2. Do you anticipate any significant changes in the supply and demand conditions for certain kitchen appliance shelving and racks in the United States or in the market for certain kitchen appliance shelving and racks in China within a reasonably foreseeable time?

