

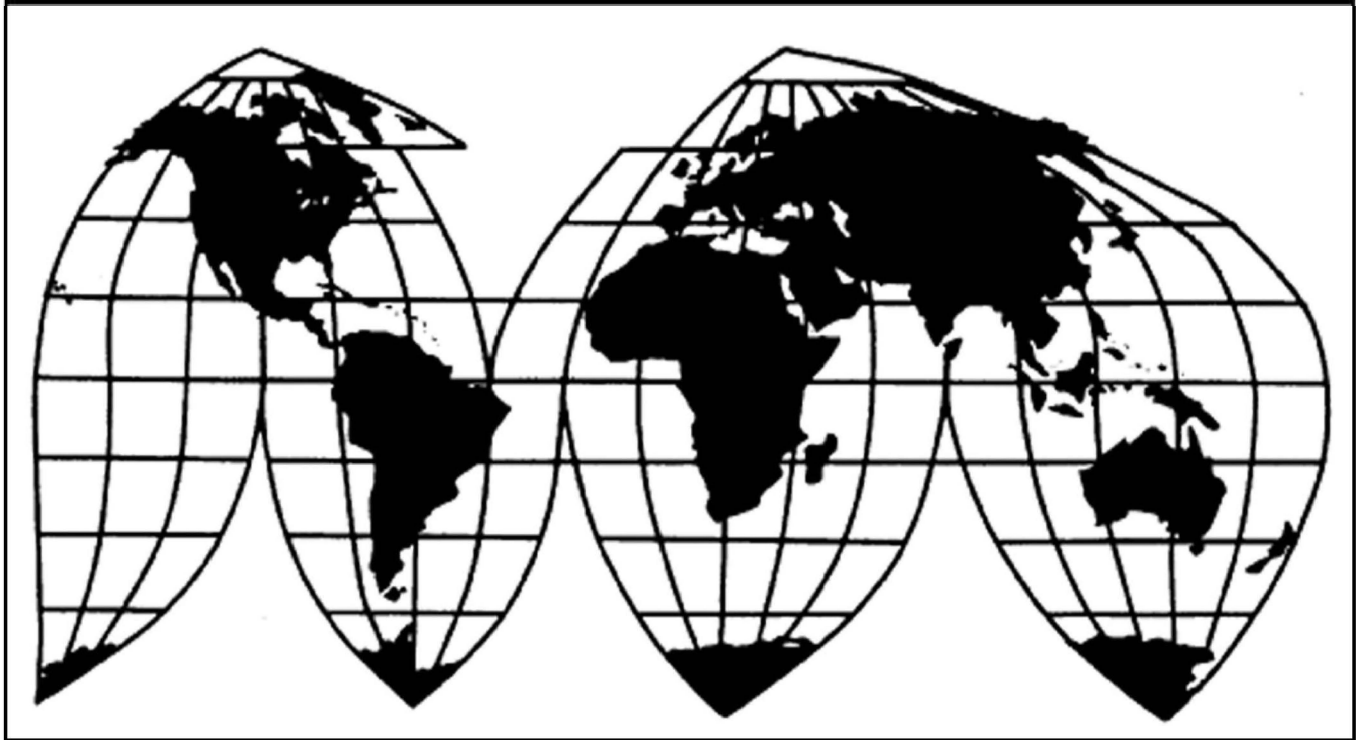
# **Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam**

Investigation Nos.  
701-TA-462 and 731-TA-1156-1158 (Second Review) and  
731-TA-1043-1045 (Third Review)

**Publication 5233**

**October 2021**

**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-462 and 731-TA-1156-1158 (Second Review) and 731-TA-1043-1045  
(Third Review)

Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and  
Vietnam

### 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 duty orders on polyethylene retail carrier bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam and the countervailing duty order on polyethylene retail carrier bags from Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

### BACKGROUND

The Commission instituted the reviews on April 1, 2021 (86 FR 17200) and determined on July 7, 2021 that it would conduct expedited reviews (86 FR 51377, September 15, 2021).

The Commission made these determinations pursuant to section 751(c) of the Act (19 U.S.C. 1675(c)). It completed and filed its determinations in the reviews on October 18, 2021.

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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 countervailing duty order on polyethylene retail carrier bags (“PRCBs”) from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

### I. Background

*Original investigations of imports from China, Malaysia, and Thailand:* On June 20, 2003, the PRCB Committee,<sup>1</sup> comprising five domestic producers at that time, filed antidumping duty petitions concerning imports of PRCBs from China, Malaysia, and Thailand. In August 2004, the Commission determined that an industry in the United States was materially injured by reason of cumulated imports of PRCBs from China, Malaysia, and Thailand that were being sold at less than fair value (“LTFV”).<sup>2</sup> The U.S. Department of Commerce (“Commerce”) issued antidumping duty orders with respect to certain imports from China, Malaysia, and Thailand on August 9, 2004.<sup>3</sup>

*Original investigations of imports from Indonesia, Taiwan, and Vietnam:* On March 31, 2009, Hilex Poly Company LLC (“Hilex”), and Superbag LLC (“Superbag”), two U.S. producers of PRCBs, filed antidumping duty petitions concerning imports of PRCBs from Indonesia, Taiwan, and Vietnam, and a countervailing duty petition concerning PRCBs from Vietnam. On April 15, 2010, the Commission determined that an industry in the United States was threatened with

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<sup>1</sup> The PRCB Committee consisted of the following five domestic producers: Interplast Group, Ltd., PCL Packaging, Inc., Sonoco Products Company, Superbag Corp., and Vanguard Plastics, Inc.

<sup>2</sup> *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Inv. Nos. 731-TA-1043-1045 (Final), USITC Pub. 3710 (Aug. 2004) (“Final China, Malaysia, and Thailand Determinations”) at 3.

<sup>3</sup> *Antidumping Duty Order: Polyethylene Retail Carrier Bags from the People’s Republic of China*, 69 Fed. Reg. 48201 (Aug. 9, 2004); *Antidumping Duty Order: Polyethylene Retail Carrier Bags from Malaysia*, 69 Fed. Reg. 48203 (Aug. 9, 2004); *Antidumping Duty Order: Polyethylene Retail Carrier Bags from Thailand*, 69 Fed. Reg. 48204 (Aug. 9, 2004). Commerce excluded from the antidumping duty orders on PRCBs from China, Malaysia, and Thailand issued on August 9, 2004, imports from certain firms for which it had computed *de minimis* antidumping duty margins: Hang Lung Plastic Manufactory, Ltd. (“Hang Lung”) (China); Nantong Huasheng Plastic Products Co., Ltd. (“Nantong Huasheng”) (China); and Bee Lian Plastic Industries, Sdn. Bhd. (“Bee Lian”) (Malaysia). *Antidumping Duty Order: Polyethylene Retail Carrier Bags from the People’s Republic of China*, 69 Fed. Reg. 48201; *Antidumping Duty Order: Polyethylene Retail Carrier Bags from Malaysia*, 69 Fed. Reg. 48203.

material injury by reason of cumulated subject imports from Indonesia, Taiwan, and Vietnam that were being sold at LTFV and subject imports that were being subsidized by the government of Vietnam.<sup>4</sup> On May 4, 2010, Commerce issued antidumping duty orders with respect to imports of PRCBs from Indonesia, Taiwan, and Vietnam, and a countervailing duty order with respect to certain imports of PRCBs from Vietnam.<sup>5</sup>

*First reviews of the orders on imports from China, Malaysia, and Thailand:* Effective July 1, 2009, the Commission instituted the first five-year reviews of the antidumping duty orders on imports of PRCBs from China, Malaysia, and Thailand.<sup>6</sup> After conducting full reviews of the orders, the Commission determined that revocation of the orders would be likely to lead to the continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.<sup>7</sup> On July 7, 2010, Commerce published a notice continuing the antidumping duty orders on PRCBs from China, Malaysia, and Thailand.<sup>8</sup>

*Second reviews of the orders on imports from China, Malaysia, and Thailand, and first reviews of the orders on imports from Indonesia, Taiwan, and Vietnam (“combined 2016 reviews”):* Effective April 1, 2015, the Commission instituted the second reviews of the antidumping duty orders on subject PRCBs from China, Malaysia, and Thailand, and the first reviews of the antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam and the countervailing duty order on subject PRCBs from Vietnam.<sup>9</sup> After conducting full reviews of the orders, the Commission determined that revocation of the orders would be likely to lead to the continuation or recurrence of material injury to the domestic industry within a reasonably

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<sup>4</sup> *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and Vietnam*, Inv. Nos. 701-TA-462 and 731-TA-1156-1158 (Final), USITC Pub. 4144 (Apr. 2010) (“Final Indonesia, Taiwan, and Vietnam Determinations”) at 3.

<sup>5</sup> *Polyethylene Retail Carrier Bags from Indonesia, Taiwan, and the Socialist Republic of Vietnam*, 75 Fed. Reg. 23667 (May 4, 2010); *Polyethylene Retail Carrier Bags from the Socialist Republic of Vietnam: Countervailing Duty Order*, 75 Fed. Reg. 23670 (May 4, 2010). Commerce excluded PRCBs from Chin Sheng Co. Ltd. (“Chin Sheng”) from the countervailing duty order on the basis of a *de minimis* subsidy rate. *Polyethylene Retail Carrier Bags from the Socialist Republic of Vietnam: Countervailing Duty Order*, 75 Fed. Reg. 23670.

<sup>6</sup> *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, 74 Fed. Reg. 31750 (Jul. 2, 2009).

<sup>7</sup> *Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand*, Inv. Nos. 731-TA-1043-1045 (Review), USITC Pub. 4160 (June 2010) (“First Review Determinations: China, Malaysia, and Thailand”) at 3.

<sup>8</sup> *Polyethylene Retail Carrier Bags from the People's Republic of China, Malaysia, and Thailand: Continuation of Antidumping Duty Orders*, 75 Fed. Reg. 38978 (Jul. 7, 2010).

<sup>9</sup> *Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews*, 80 Fed. Reg. 17490 (Apr. 1, 2015).

foreseeable time.<sup>10</sup> On May 5, 2016, Commerce issued a continuation of the antidumping duty orders on subject PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam and of the countervailing duty order on subject PRCBs from Vietnam.<sup>11</sup>

*Current reviews:* The Commission instituted the current five-year reviews on April 1, 2021.<sup>12</sup> The current reviews consist of the third reviews of the antidumping duty orders on subject PRCBs from China, Malaysia, and Thailand, and the second reviews of the antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam and the countervailing duty order on PRCBs from Vietnam. The PRCB Committee, which now comprises six U.S. producers (Hilex, Superbag, Unistar Plastics, LLC (“Unistar”), Command Packaging, Command Packaging Texas, and Roplast Industries, Inc. (“Roplast”) (collectively, “Domestic Producers”)), submitted a response to the Commission’s notice of institution. The Commission did not receive a response from any respondent interested party. On July 7, 2021, the Commission found the PRCB Committee’s response to the notice individually adequate, the domestic interested party group response adequate, and the respondent interested party group response inadequate. In absence of any circumstances warranting full reviews, the Commission determined to conduct expedited reviews of the orders.<sup>13</sup> On September 20, 2021, the PRCB Committee filed final comments with the Commission pursuant to 19 C.F.R. § 207.62(d).

*Data/Response Coverage:* U.S. industry data are based on information the PRCB Committee submitted in its response to the notice of institution. The six U.S. producers of PRCBs that comprise the PRCB Committee estimated that they accounted for \*\*\* percent of domestic production of PRCBs in 2020.<sup>14</sup> U.S. import data and related information are based on Commerce official import statistics and information that the PRCB Committee provided in its response to the notice of institution.<sup>15</sup> Foreign industry data and related information are based on information that the PRCB Committee provided in its response to the notice of institution,

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<sup>10</sup> *Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam*, Inv. Nos. 701-TA-462 and 731-TA-1156-1158 (First Review) and 731-TA-1043-1045 (Second Review), USITC Pub. 4605 (Apr. 2016) (“Combined 2016 Review Determinations”) at 3.

<sup>11</sup> *Polyethylene Retail Carrier Bags from Indonesia, Malaysia, the People’s Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Continuation of Antidumping Duty Orders and Countervailing Duty Order*, 81 Fed. Reg. 27087 (May 5, 2016).

<sup>12</sup> *Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews*, 86 Fed. Reg. 17200 (Apr. 1, 2021).

<sup>13</sup> *Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam: Scheduling of Expedited Five-Year Reviews*, 86 Fed. Reg. 51377 (Sept. 15, 2021).

<sup>14</sup> Confidential Report, Memorandum INV-TT-078 (“CR”) and Public Report, USITC Pub. 5233 (Oct. 2021) (“PR”) at I-2 and I-11.

<sup>15</sup> See CR/PR at Tables I-4 and I-5 Source.

on information gathered during the original investigations and previous reviews, and on public information compiled by Commission staff.<sup>16</sup>

## II. Domestic Like Product and Industry

### A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”<sup>17</sup> The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”<sup>18</sup> The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.<sup>19</sup>

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

{PRCBs}, which may be referred to as t-shirt sacks, merchandise bags, grocery bags, or checkout bags. The subject merchandise is defined as non-sealable sacks and bags with handles (including drawstrings), without zippers or integral extruded closures, with or without gussets, with or without printing, of polyethylene film having a thickness no greater than 0.035 inch (0.889 mm) and no less than 0.00035 inch (0.00889 mm), and with no length or width shorter than 6 inches (15.24 cm) or longer than 40 inches (101.6 cm). The depth of the bag may be shorter than 6 inches but not longer than 40 inches (101.6 cm).

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<sup>16</sup> See CR/PR at Tables I-6 to I-12 Source.

<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. Dep’t 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).

PRCBs are typically provided without any consumer packaging and free of charge by retail establishments, e.g., grocery, drug, convenience, department, specialty retail, discount stores, and restaurants, to their customers to package and carry their purchased products. The scope of the order excludes (1) polyethylene bags that are not printed with logos or store names and that are closeable with drawstrings made of polyethylene film and (2) polyethylene bags that are packed in consumer packaging with printing that refers to specific end-uses other than packaging and carrying merchandise from retail establishments, e.g., garbage bags, lawn bags, trash-can liners.<sup>20</sup>

The scope definition is unchanged from Commerce's scope definition in the original investigations and prior reviews. Commerce has issued numerous scope and anti-circumvention rulings since the original antidumping and countervailing duty orders were published.<sup>21</sup>

PRCBs are bags with handles that retailers historically provided free of charge to their customers to package and carry their purchased goods home from the point of sale.<sup>22</sup> PRCBs are manufactured from polyethylene film in several varieties.<sup>23</sup> T-shirt bags may be made of soft, glossy, and puncture-resistant low-density polyethylene resins.<sup>24</sup> Higher-end PRCBs range from medium-scale die-cut bags to higher-scale die-cut, drawstring, and soft-loop handle bags, which may possess flat bottoms and detailed higher-quality multicolored printing and graphics.<sup>25</sup>

In the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand and in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission defined the domestic like product to consist of the range of shapes and sizes of

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<sup>20</sup> *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg. 35478 (July 6, 2021); *Polyethylene Retail Carrier Bags From the Socialist Republic of Vietnam: Final Results of Expedited Second Sunset Review Countervailing Duty Order*, 86 Fed. Reg. 43626 (Aug. 10, 2021).

<sup>21</sup> *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People's Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg. 35478 (July 6, 2021), Issues and Decisions Memorandum at 10-13.

<sup>22</sup> CR/PR at I-9.

<sup>23</sup> CR/PR at I-9.

<sup>24</sup> CR/PR at I-9.

<sup>25</sup> CR/PR at I-9.

PRCBs manufactured with various features that corresponded to the scope of the proceedings.<sup>26</sup> In its second reviews of PRCBs from China, Malaysia, and Thailand and the first reviews of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission defined a single domestic like product consisting of the range of PRCBs, coextensive with the scope of the reviews.<sup>27</sup>

In the current reviews, Domestic Producers agree with the Commission’s definition of the domestic like product from the original investigations and prior reviews.<sup>28</sup> There is no new information obtained during these reviews indicating that the characteristics of PRCBs have changed since the prior proceedings so as to warrant revisiting the Commission’s domestic like product definition. Therefore, we define a single domestic like product consisting of the range of PRCBs corresponding to the scope of the reviews.

## **B. Domestic Industry**

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”<sup>29</sup> In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise

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<sup>26</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 9; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 5-7; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 6. In the original investigations of PRCBs from China, Malaysia, and Thailand and in the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission rejected respondents’ request to define certain high-end PRCBs as a separate domestic like product because the argument did not account for the “vast array” of PRCBs that fall in between high- and low-end PRCBs. Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 9; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 7.

<sup>27</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 10.

<sup>28</sup> PRCB Committee’s Confidential Response to Notice of Institution, EDIS Doc. 741400 (May 3, 2021) (“Response”) at 49.

<sup>29</sup> 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. See 19 U.S.C. § 1677.

or which are themselves importers.<sup>30</sup> Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.<sup>31</sup>

In the original investigations and prior reviews, the Commission defined the domestic industry as all domestic producers of PRCBs.<sup>32</sup> In those proceedings, the Commission found that certain domestic producers qualified for exclusion under the related parties provision but that appropriate circumstances did not exist to exclude any of them from the domestic industry.<sup>33</sup>

In the current expedited reviews, \*\*\* and \*\*\* qualify for possible exclusion under the related parties provision because \*\*\* imported PRCBs from China and Taiwan and \*\*\*

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<sup>30</sup> See *Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), *aff'd without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), *aff'd mem.*, 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987).

<sup>31</sup> The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

- (1) the percentage of domestic production attributable to the importing producer;
- (2) the reason the U.S. producer has decided to import the product subject to investigation (whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market);
- (3) whether inclusion or exclusion of the related party will skew the data for the rest of the industry;
- (4) the ratio of import shipments to U.S. production for the imported product; and
- (5) whether the primary interest of the importing producer lies in domestic production or importation. *Changzhou Trina Solar Energy Co. v. USITC*, 100 F. Supp.3d 1314, 1326-31 (Ct. Int'l. Trade 2015); see also *Torrington Co. v. United States*, 790 F. Supp. at 1168.

<sup>32</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 12; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 7; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 7; Combined 2016 Review Determinations, USITC Pub. 4605 at 8-9.

<sup>33</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 11-12; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 7; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 7; Combined 2016 Review Determinations, USITC Pub. 4605 at 9-10.

imported PRCBs from Vietnam.<sup>34</sup> Domestic Producers argue that appropriate circumstances do not exist to exclude any domestic producer from the domestic industry.<sup>35</sup>

\*\*\* estimates that it accounted for \*\*\* percent of total U.S. production of PRCBs in 2020, and its ratio of subject imports to domestic production was \*\*\* percent that year.<sup>36</sup> \*\*\* estimates that it accounted for \*\*\* percent of total U.S. production of PRCBs in 2020, and its ratio of subject imports to domestic production was \*\*\* percent that year.<sup>37</sup> Given the \*\*\* ratio of subject imports to domestic production for each producer in 2020, the primary interest for both producers appears to have been in domestic production rather than in importation and there is no information in the record that would indicate otherwise. Accordingly, we find that appropriate circumstances do not exist to exclude either producer from the domestic industry.

In sum, consistent with our definition of the domestic like product, we define the domestic industry as all U.S. producers of PRCBs.

### III. Cumulation

#### A. Legal Standard

With respect to five-year reviews, section 752(a) of the Tariff Act provides as follows:

the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines

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<sup>34</sup> CR/PR at I-14. Domestic Producers also identified five of seven other known domestic producers that may have imported subject merchandise, including \*\*\*, \*\*\*, \*\*\*, \*\*\*, and \*\*\*. See Response at Exhibits 34 and 35. Because these domestic producers did not respond to the notice of institution, however, the record of these reviews contains no information on either the volume of their imports of subject PRCBs or their trade and financial data during the period of review. Consequently, their inclusion or exclusion from the domestic industry pursuant to the related parties provision would have no effect on the record information concerning the domestic industry during the period of review.

<sup>35</sup> Response at 47 and n.239. The PRCB Committee observes that in the combined 2016 review determinations, the Commission found that appropriate circumstances did not exist to exclude any firm from the domestic industry as a related party, and the PRCB Committee contends that it is not aware of any new information that would change this finding. *Id.* at n.239.

<sup>36</sup> CR/PR at I-14.

<sup>37</sup> CR/PR at I-14.



that such imports are likely to have no discernible adverse impact on the domestic industry.<sup>38</sup>

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.<sup>39</sup> The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission cumulated subject imports from all three subject countries for purposes of its affirmative material injury determinations.<sup>40</sup> In the first review of those orders, the Commission exercised its discretion to cumulate subject imports from China, Malaysia, and Thailand.<sup>41</sup> In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission exercised its discretion to cumulate subject imports from all three subject countries for purposes of its analysis of threat of material injury.<sup>42</sup> In the combined 2016 reviews of the orders on PRCBs from China, Malaysia, Thailand, Indonesia, Taiwan, and Vietnam, the Commission exercised its discretion to cumulate subject imports from all six subject countries.<sup>43</sup>

In these reviews, the statutory threshold for cumulation is satisfied because all reviews were initiated on the same day, April 1, 2021.<sup>44</sup> In addition, we consider the following issues in deciding whether to exercise our discretion to cumulate the subject imports: (1) whether

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<sup>38</sup> 19 U.S.C. § 1675a(a)(7).

<sup>39</sup> 19 U.S.C. § 1677(7)(G)(i); *see also, e.g., Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

<sup>40</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 13-16.

<sup>41</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 8-18.

<sup>42</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 13-15.

<sup>43</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 11-28.

<sup>44</sup> *See Initiation of Five-Year (Sunset) Reviews*, 86 Fed. Reg. 17200 (Apr. 1, 2021).

imports from any of the subject countries are precluded from cumulation because they are likely to have no discernible adverse impact on the domestic industry; (2) whether there is a likelihood of a reasonable overlap of competition among subject imports from the subject countries and the domestic like product; and (3) whether subject imports are likely to compete in the U.S. market under different conditions of competition. The PRCB Committee requests the Commission to exercise its discretion to cumulate subject imports for all current reviews.<sup>45</sup>

## **B. Likelihood of No Discernible Adverse Impact**

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.<sup>46</sup> Neither the statute nor the Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“SAA”) provides specific guidance on what factors the Commission is to consider in determining that imports “are likely to have no discernible adverse impact” on the domestic industry.<sup>47</sup> With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations. We consider the data pertinent to each subject country below.

*China.* During the original investigations, U.S. shipments of subject imports from China increased from \*\*\* bags in 2001, or \*\*\* percent of apparent U.S. consumption, to \*\*\* bags in 2002, or \*\*\* percent of apparent U.S. consumption, and \*\*\* bags in 2003, or \*\*\* percent of apparent U.S. consumption.<sup>48</sup> During the first reviews concerning PRCBs from China, Malaysia, and Thailand, the Commission found that subject imports from China maintained a significant, if reduced, presence in the U.S. market notwithstanding imposition of the antidumping duty order, which the Commission concluded indicated that subject producers in China remained interested in the U.S. market and capable of serving U.S. customers.<sup>49</sup> The Commission also

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<sup>45</sup> Response at 9.

<sup>46</sup> 19 U.S.C. § 1675a(a)(7).

<sup>47</sup> SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

<sup>48</sup> Confidential Staff Report for Original Investigations: China, Malaysia, and Thailand, INV-BB-083, EDIS Doc. 209504 (June 29, 2004) at Tables IV-2 and IV-3.

<sup>49</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 11. Subject imports from China accounted for \*\*\* bags in 2004 (\*\*\* percent of apparent U.S. consumption), then (Continued...)

found it noteworthy that nonsubject producers in China maintained a significant presence in the U.S. market, finding it likely that if the order on subject PRCBs from China were revoked, subject producers in China would exhibit a similar degree of interest and ability in serving the U.S. market.<sup>50</sup> The limited questionnaire data concerning the PRCB industry in China in the first reviews indicated that responding producers from China had significant capacity and were export oriented during that period.<sup>51</sup> Thus, the Commission found that subject producers in China possessed significant PRCB capacity and would have the incentive to increase exports to the U.S. market upon revocation of the order, particularly given the government of China's imposition of restrictions on PRCB usage in China.<sup>52</sup> The Commission concluded that subject imports from China were not likely to have no discernible adverse impact on the domestic industry if the antidumping duty order were revoked.<sup>53</sup>

In the combined 2016 reviews, the Commission received limited questionnaire data on subject PRCBs in China.<sup>54</sup> The responding subject producers of PRCBs in China reported fluctuating production capacity and production, an overall decline in capacity utilization, a high level of export orientation, and an overall increase in exports of subject PRCBs to the United States during the period of review.<sup>55</sup> Based on the large and increasing volume of subject imports from China during the original investigations, the continued presence of both subject and nonsubject PRCBs from China in the U.S. market after imposition of the order, the large size of the industry in China, and its export orientation, the Commission found that subject imports from China were not likely to have no discernible adverse impact if the order were revoked.<sup>56</sup>

The current reviews contain limited new information concerning the imports of PRCBs from subject sources in China.<sup>57</sup> The volume of PRCBs imports from China was 10.0 billion bags in 2015, 6.3 billion bags in 2016, 5.5 billion bags in 2017, 4.9 billion bags in 2018, 2.3 billion bags

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increased to \*\*\* bags in 2005 (\*\*\*) percent of apparent U.S. consumption) and \*\*\* bags in 2006 (\*\*\*) percent of apparent U.S. consumption). In 2007, subject imports from China declined to \*\*\* bags (\*\*\*) percent of apparent U.S. consumption), increased to \*\*\* bags in 2008 (\*\*\*) percent of apparent U.S. consumption), and declined to \*\*\* bags in 2009 (\*\*\*) percent of apparent U.S. consumption). *Id.*; Confidential First Review Determinations: China, Malaysia, and Thailand, EDIS Doc. 428082 (June 24, 2010) at 9.

<sup>50</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at n.56.

<sup>51</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 11.

<sup>52</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 12.

<sup>53</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 12.

<sup>54</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 14.

<sup>55</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 14-15.

<sup>56</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 15.

<sup>57</sup> See CR/PR at I-21.

in 2019, and 1.3 billion bags in 2020 (accounting for \*\*\* percent of apparent U.S. consumption in 2020), although these data likely overstate the volume of subject imports from China, as they include both subject and nonsubject PRCB imports.<sup>58</sup> China was the world's largest exporter of sacks and bags (including cones) of polymers of ethylene during the period of review, by value, and the United States was the largest destination market for such exports from China.<sup>59</sup> Domestic Producers provided a list of 51 possible producers of PRCBs in China, indicating that the Chinese industry remains large.<sup>60</sup> Subject imports from China became subject to an additional 10 percent *ad valorem* duty under Section 301 of the Trade Act of 1974.<sup>61</sup> As of May 10, 2019, this duty had increased to 25 percent *ad valorem*.<sup>62</sup>

Based on the large and increasing volume of subject imports from China during the original investigations, the continued presence of both subject and nonsubject PRCBs from China in the U.S. market after imposition of the order, the large size of the industry in China, and its large volume of exports of sacks and bags (including cones) of polymers of ethylene, a product category encompassing subject merchandise, we find that if the antidumping duty order on subject imports from China were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

*Indonesia.* During the original investigations, subject imports from Indonesia increased from 1.6 billion bags in 2006 (or 1.5 percent of apparent U.S. consumption) to 3.4 billion bags in 2007 (or 3.2 percent of apparent U.S. consumption) and decreased to 2.8 billion bags in 2008 (or 2.8 percent of apparent U.S. consumption).<sup>63</sup> In the combined 2016 reviews, the record contained limited new information regarding the PRCBs industry in Indonesia.<sup>64</sup> Noting the large size and export orientation of the Indonesian industry in the original investigations, the

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<sup>58</sup> CR/PR at Tables I-4 and I-5. Publicly sourced data concerning imports of PRCBs from China do not distinguish between PRCBs from subject and nonsubject producers. During the first and second reviews, \*\*\* percent of U.S. imports of PRCBs from China by quantity were from nonsubject sources. *Id.* at Tables I-4 Note and I-5 Note.

<sup>59</sup> CR/PR at Tables I-6, I-13. Sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-6 Source.

<sup>60</sup> CR/PR at I-21.

<sup>61</sup> *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 47974 (Sept. 21, 2018). See CR/PR at I-8.

<sup>62</sup> *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 20459 (May 9, 2019). See CR/PR at I-8.

<sup>63</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at Table C-1.

<sup>64</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 15-16.

Commission observed that available information did not indicate any contraction in the condition of the subject industry in Indonesia. The Commission also noted that subject imports from Indonesia remained intermittently present in the U.S. market after imposition of the order. For these reasons, as well as the large and increasing volume of subject imports from Indonesia during the original investigations, the Commission concluded that subject imports from Indonesia were not likely to have no discernible adverse impact if the orders were revoked.<sup>65</sup>

The current reviews contain limited new information concerning subject imports from Indonesia.<sup>66</sup> The volume of subject imports from Indonesia was 151,000 bags in 2015, 32,000 bags in 2016, 685,000 bags in 2017, 75,000 bags in 2018, 262,000 bags in 2019, and 190,000 bags in 2020 (accounting for a small share of apparent U.S. consumption in 2020).<sup>67</sup> The record shows that sacks and bags (including cones) of polymers of ethylene were exported from Indonesia to the U.S. market each year of the period of review despite imposition of the antidumping duty order on PRCBs.<sup>68</sup> Domestic Producers provided a list of 16 possible producers of PRCBs in Indonesia.<sup>69</sup>

Based on the large and increasing volume of subject imports from Indonesia during the original investigations, the large size of the industry in Indonesia and its export orientation during the original investigations, the importance of the U.S. market relative to other markets at that time, and the presence of PRCBs from Indonesia in the U.S. market even after imposition of the order, we find that if the antidumping duty order on subject imports from Indonesia were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

*Malaysia.* During the original investigations involving subject imports from Malaysia, U.S. shipments of subject imports from Malaysia increased from \*\*\* bags in 2001 (or \*\*\* percent of apparent U.S. consumption) to \*\*\* bags in 2002 (or \*\*\* percent of apparent U.S. consumption) and \*\*\* bags in 2003 (or \*\*\* percent of apparent U.S. consumption).<sup>70</sup>

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<sup>65</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 15-16.

<sup>66</sup> See CR/PR at I-22.

<sup>67</sup> CR/PR at Tables I-4 and I-5.

<sup>68</sup> CR/PR at Table I-7. As previously noted, sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-7 Source.

<sup>69</sup> CR/PR at I-22.

<sup>70</sup> Confidential Staff Report for Original Investigations: China, Malaysia, and Thailand, INV-BB-083, EDIS Doc. 209504 (June 29, 2004) at Table C-1.

During the first reviews involving subject imports from Malaysia, subject producers in Malaysia maintained and increased their presence in the U.S. market notwithstanding imposition of the antidumping duty order.<sup>71</sup> The Commission found that these data indicated that subject producers in Malaysia remained interested in and capable of serving the U.S. market.<sup>72</sup> Further, the Commission found it noteworthy that nonsubject producers in Malaysia maintained a significant and increasing presence in the U.S. market during the period of review, finding it likely that if the order on subject PRCBs from Malaysia were revoked, subject producers in Malaysia would exhibit a similar degree of interest and ability in serving the U.S. market as their nonsubject counterparts demonstrated over the period of review.<sup>73</sup> Subject producers in Malaysia also possessed significant excess capacity with which to increase exports to the U.S. market after revocation.<sup>74</sup> Responding producers in Malaysia were highly dependent on exports throughout the period of review, reportedly exporting 91.3 percent of their total shipments.<sup>75</sup> The Commission concluded that subject imports from Malaysia likely would not have no discernible adverse impact on the domestic industry if the antidumping duty order on PRCBs from Malaysia were revoked.<sup>76</sup>

In the combined 2016 reviews, the Commission received usable questionnaire responses from several producers of PRCBs in Malaysia.<sup>77</sup> The responding PRCBs producers in Malaysia reported increased production capacity and production, available production capacity, and a high level of export orientation during the period of review.<sup>78</sup> Subject imports from Malaysia remained in the U.S. market during the period of review despite the order, although their volume and market share declined overall during the period.<sup>79</sup> The nonsubject producer of PRCBs in Malaysia also maintained a sizeable presence in the U.S. market, further indicating the attractiveness of the U.S. market during the period of review.<sup>80</sup> For these reasons, as well as the increasing volume of subject imports from Malaysia during the original investigations, the Commission concluded that subject imports from Malaysia were not likely to have no

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<sup>71</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 12.

<sup>72</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 12.

<sup>73</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 12.

<sup>74</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 13.

<sup>75</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 13.

<sup>76</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 14.

<sup>77</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 17.

<sup>78</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 17-18.

<sup>79</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 18.

<sup>80</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 18.

discernible adverse impact if the antidumping duty order on PRCBs from Malaysia were revoked.<sup>81</sup>

The current reviews contain limited new information concerning subject imports from Malaysia.<sup>82</sup> The volume of imports of PRCBs from Malaysia was 8.5 billion bags in 2015, 9.0 billion bags in 2016, 8.5 billion bags in 2017, 8.2 billion bags in 2018, 10.7 billion bags in 2019, and 11.0 billion bags in 2020 (accounting for \*\*\* percent of apparent U.S. consumption in 2020), although these data likely overstate the volume of subject imports as they include both subject and nonsubject imports of PRCBs.<sup>83</sup> The record shows that Malaysia ranked among the world's largest exporters of sacks and bags (including cones) of polymers of ethylene, and that such bags were exported from Malaysia to the U.S. market each year of the period of review despite imposition of the antidumping duty order on PRCBs.<sup>84</sup> Domestic Producers provided a list of 25 possible producers of PRCBs in Malaysia.<sup>85</sup>

Based on the increasing volume of subject imports from Malaysia during the original investigations, the presence of both subject and nonsubject PRCBs from Malaysia in the U.S. market after imposition of the order, and the Malaysian industry's large volume of exports of sacks and bags (including cones) of polymers of ethylene, a product category encompassing subject merchandise, we find that if the antidumping duty order on subject imports from Malaysia were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

*Taiwan.* During the original investigations with respect to subject imports from Taiwan, subject imports from Taiwan increased from 2.2 billion bags in 2006 (or 2.0 percent of apparent U.S. consumption) to 4.0 billion bags in 2007 (or 3.8 percent of apparent U.S. consumption) and 4.6 billion bags in 2008 (or 4.5 percent of apparent U.S. consumption).<sup>86</sup>

The combined 2016 reviews contained limited new information concerning the PRCBs industry in Taiwan.<sup>87</sup> Noting the large size and export orientation of the Taiwan industry in the

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<sup>81</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 19.

<sup>82</sup> See CR/PR at I-24.

<sup>83</sup> CR/PR at Tables I-4, I-5, and I-13. Publicly sourced data concerning imports of PRCBs from Malaysia do not distinguish between PRCBs from subject and nonsubject producers. During the first and second reviews, \*\*\* percent of U.S. imports of PRCBs from Malaysia by quantity were from nonsubject sources. *Id.* at Tables I-4 Note and I-5 Note.

<sup>84</sup> CR/PR at Tables I-8 and I-13. Sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-8 Source.

<sup>85</sup> CR/PR at I-24.

<sup>86</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at Table C-1.

<sup>87</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 19.

original investigations, the Commission found that available information did not indicate any contraction in the condition of the subject industry in Taiwan.<sup>88</sup> The Commission also observed that subject imports from Taiwan maintained an intermittent presence in the U.S. market during the period of review despite imposition of the antidumping duty order.<sup>89</sup> For these reasons, as well as the large and increasing volume of subject imports from Taiwan during the original investigations, the Commission concluded that subject imports from Taiwan were not likely to have no discernible adverse impact if the order were revoked.<sup>90</sup>

The current reviews contain limited new information concerning subject imports from Taiwan.<sup>91</sup> The volume of subject imports from Taiwan was 414.3 million bags in 2015, 107.6 million bags in 2016, 66.9 million bags in 2017, 29.3 million bags in 2018, 38.4 million bags in 2019, and 52.6 million bags in 2020 (accounting for \*\*\* percent of apparent U.S. consumption in 2020).<sup>92</sup> The United States was the largest export destination of sacks and bags (including cones) of polymers of ethylene from Taiwan from 2015 to 2020 despite imposition of the antidumping duty order on PRCBs.<sup>93</sup> Domestic Producers provided a list of 26 possible producers of PRCBs in Taiwan.<sup>94</sup>

Based on the large and increasing volume of subject imports from Taiwan during the original investigations, the large size of the industry in Taiwan and its export orientation during the original investigations, the importance of the U.S. market relative to other markets at that time, and the presence of PRCBs from Taiwan in the U.S. market even after imposition of the order, we find that if the antidumping duty order on subject imports from Taiwan were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

*Thailand.* During the original investigations involving PRCBs from Thailand, U.S. shipments of subject imports from Thailand increased from \*\*\* bags in 2001 (or \*\*\* percent of apparent U.S. consumption) to \*\*\* bags in 2002 (or \*\*\* percent of apparent U.S. consumption and \*\*\* bags in 2003 (or \*\*\* percent of apparent U.S. consumption).<sup>95</sup> During the first reviews involving the order on PRCBs from Thailand, subject producers in Thailand maintained a

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<sup>88</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 20.

<sup>89</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 20.

<sup>90</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 20.

<sup>91</sup> See CR/PR at I-25.

<sup>92</sup> CR/PR at Tables I-4 and I-5.

<sup>93</sup> CR/PR at Table I-9. Sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-9 Source.

<sup>94</sup> CR/PR at I-25.

<sup>95</sup> Confidential Staff Report for Original Investigations: China, Malaysia, and Thailand, INV-BB-083, EDIS Doc. 209504 (June 29, 2004) at Table IV-2.



significant presence in the U.S. market notwithstanding imposition of the antidumping duty order, which indicated to the Commission that producers in Thailand remained interested in the U.S. market and capable of serving U.S. customers.<sup>96</sup> The Commission found that limited questionnaire data indicated that the PRCB industry in Thailand possessed significant excess capacity with which to increase exports to the U.S. market upon revocation of the order.<sup>97</sup> Responding producers in Thailand also reported a high degree of export orientation.<sup>98</sup> The Commission concluded that subject imports from Thailand were not likely to have no discernible adverse impact on the domestic industry if the antidumping duty order on PRCBs from Thailand were revoked.<sup>99</sup>

In the combined 2016 reviews, the Commission received usable questionnaire data from two producers of subject PRCBs in Thailand.<sup>100</sup> These two firms reported increases in their production capacity, production, and capacity utilization for subject PRCBs.<sup>101</sup> The responding producers also reported a high level of export orientation during the period of review, and an overall increase in their exports of PRCBs to the United States.<sup>102</sup> During the period of review, the volume and market share of subject imports from Thailand fluctuated.<sup>103</sup> Nonsubject imports of PRCBs from Thailand also maintained a presence in the U.S. market during the period.<sup>104</sup> For these reasons, as well as the volume of subject imports from Thailand during the original investigations, the Commission concluded that subject imports from Thailand were not likely to have no discernible adverse impact if the order were revoked.<sup>105</sup>

The current reviews contain limited new information concerning subject imports from Thailand.<sup>106</sup> The volume of imports of PRCBs from Thailand was 6.3 billion bags in 2015, 5.9 billion bags in 2016, 4.8 billion bags in 2017, 5.6 billion bags in 2018, 6.0 billion bags in 2019, and 5.6 billion bags in 2020 (accounting for \*\*\* percent of apparent U.S. consumption in 2020),

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<sup>96</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 14. The Commission's first review of the antidumping duty order on PRCBs from Thailand occurred prior to Commerce's revocation of the order with respect to certain producers/exporters in Thailand pursuant to a determination under section 129 of the URAA. Combined 2016 Reviews, USITC Pub. 4605 at 20.

<sup>97</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 14.

<sup>98</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 15.

<sup>99</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 15.

<sup>100</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 21.

<sup>101</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 21.

<sup>102</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 21.

<sup>103</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 22.

<sup>104</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 22.

<sup>105</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 22.

<sup>106</sup> See CR/PR at I-26.

although these data likely overstate subject imports from Thailand as they include both subject and nonsubject imports of PRCBs.<sup>107</sup> Thailand was among the world's largest exporters of sacks and bags (including cones) of polymers of ethylene during the period of review, and the United States was the largest export market for such bags in each year of the period despite imposition of the antidumping duty order on PRCBs.<sup>108</sup> Domestic Producers provided a list of 38 possible producers of PRCBs in Thailand.<sup>109</sup>

Based on the volume of subject imports from Thailand during the original investigations, the continued presence of both subject and nonsubject PRCBs from Thailand in the U.S. market after imposition of the order, and the Thai industry's large volume of exports of sacks and bags (including cones) of polymers of ethylene, a product category encompassing subject merchandise, we find that if the antidumping duty order on subject imports from Thailand were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

*Vietnam.* During the original investigations involving PRCBs from Vietnam, subject imports from Vietnam increased from 3.1 billion bags in 2006 (or 2.8 percent of apparent U.S. consumption) to 7.3 billion bags in 2007 (or 6.9 percent of apparent U.S. consumption) and was 7.2 billion bags in 2008 (or 7.1 percent of apparent U.S. consumption).<sup>110</sup> In the combined 2016 reviews, the Commission received a single usable questionnaire response from a subject producer reporting overall increases in capacity and production and a high degree of export orientation, though \*\*\*.<sup>111</sup> The Commission also considered the data reported during the original investigations, indicating overall growth in production capacity and production of PRCBs in Vietnam, substantial unused capacity, and a high degree of export orientation.<sup>112</sup> Subject imports from Vietnam decreased but maintained a presence in the U.S. market after imposition of the antidumping and countervailing duty orders.<sup>113</sup> The Commission concluded

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<sup>107</sup> CR/PR at Tables I-4 and I-5. Publicly sourced data concerning imports of PRCBs from Thailand do not distinguish between PRCBs from subject and nonsubject producers. In 2014, \*\*\* percent of U.S. imports of PRCBs from Thailand by quantity were from nonsubject sources. *Id.* at Tables I-4 Note and I-5 Note.

<sup>108</sup> CR/PR at Tables I-10, I-13. Sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-10 Source.

<sup>109</sup> CR/PR at I-26.

<sup>110</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at Table C-1.

<sup>111</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 22.

<sup>112</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 23.

<sup>113</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 23.

that subject imports from Vietnam were not likely to have no discernible adverse impact if the orders were revoked.<sup>114</sup>

The current reviews contain limited new information concerning subject imports from Vietnam.<sup>115</sup> The volume of subject imports from Vietnam was 18.0 million bags in 2015, 54.0 million bags in 2016, 5.2 million bags in 2017, 16.4 million bags in 2018, 135.4 million bags in 2019, and 239.0 million bags in 2020 (accounting for \*\*\* percent of apparent U.S. consumption in 2020).<sup>116</sup> The record shows that Vietnam ranked among the world's largest exporters of sacks and bags (including cones) of polymers of ethylene from Vietnam during the period of review, and such bags were exported from Vietnam to the U.S. market in each year of the period despite imposition of the antidumping and countervailing duty orders on PRCBs.<sup>117</sup> Domestic Producers provided a list of 62 possible producers of PRCBs in Vietnam.<sup>118</sup>

Based on the large and increasing volume of subject imports from Vietnam during the original investigations, the importance of the U.S. market relative to other markets at that time, the continued presence of PRCBs from Vietnam in the U.S. market even after imposition of the order, and the Vietnamese industry's large volume of exports of sacks and bags (including cones) of polymers of ethylene, a product category encompassing subject merchandise, we find that if the antidumping and countervailing duty orders on subject imports from Vietnam were revoked such imports are not likely to have no discernible adverse impact on the domestic industry.

### **C. Likelihood of a Reasonable Overlap of Competition**

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like

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<sup>114</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 23.

<sup>115</sup> See CR/PR at I-28-29.

<sup>116</sup> CR/PR at Tables I-4 and I-5.

<sup>117</sup> CR/PR at Tables I-12-13. Sacks and bags (including cones), HTS subheading 3923.21, is a category which contains both in-scope and out-of-scope merchandise. *Id.* at Table I-12 Source.

<sup>118</sup> CR/PR at I-28.

product.<sup>119</sup> Only a “reasonable overlap” of competition is required.<sup>120</sup> In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.<sup>121</sup>

*Fungibility.* In the original investigations and first reviews with respect to imports of PRCBs from China, Malaysia, and Thailand, the Commission found there to be a high degree of substitutability among subject imports from each of those countries and between subject imports and the domestic product.<sup>122</sup> The Commission observed that the majority of purchasers reported that subject imports from China, Thailand, and Malaysia were always or frequently interchangeable with each other and the domestic like product.<sup>123</sup> In the original investigations with respect to imports of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found a high degree of substitutability among subject imports from each country and between subject imports and the domestic like product.<sup>124</sup> The Commission observed that the majority of responding producers, importers, and purchasers reported that subject imports from Indonesia, Taiwan, and Vietnam and the domestic like product were always or frequently

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<sup>119</sup> The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

<sup>120</sup> *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom, Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

<sup>121</sup> *See generally, Cheflin Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

<sup>122</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 14; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 16.

<sup>123</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 14; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 16.

<sup>124</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 11.

interchangeable.<sup>125</sup> In the combined 2016 reviews, the Commission found that there would likely be a high degree of fungibility among subject imports from all six subject countries and between subject imports and the domestic like product.<sup>126</sup> The majority of U.S. producers, importers, and purchasers reported that PRCBs from the subject countries were always interchangeable with one another and with the domestic like product.<sup>127</sup> In most comparisons of 15 factors that may affect purchasing decisions, majorities or pluralities of purchasers reported that the domestic like product and imports from each subject country were comparable.<sup>128</sup>

In the current reviews, the PRCB Committee asserts that PRCBs from domestic and subject sources are always or frequently interchangeable.<sup>129</sup> There is no new information in these reviews to indicate that the fungibility between and among PRCBs from each of the six subject countries and the domestic like product has changed from the high degree of fungibility found in the original investigations and prior reviews.

*Channels of Distribution.* In the original investigations and first reviews with respect to subject imports from China, Malaysia, and Thailand, the Commission found that there was sufficient overlap among the distribution channels of the domestic like product and imports from each subject country for purposes of cumulation.<sup>130</sup> In the original investigations with respect to subject imports from Indonesia, Taiwan, and Vietnam, the Commission found that subject imports and the domestic like product shared the same general channels of distribution.<sup>131</sup> In the combined 2016 reviews, the Commission found that importers of subject PRCBs from five of the six subject countries and the domestic industry reported selling PRCBs through distributors, although importers from Thailand sold a greater share of their products to end users than to distributors.<sup>132</sup>

In the current reviews, the PRCB Committee asserts that the relevant facts have not changed since the prior reviews, and that subject imports would likely compete under the same

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<sup>125</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 11.

<sup>126</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 25.

<sup>127</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 25.

<sup>128</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 25.

<sup>129</sup> See Response at 14-15.

<sup>130</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 16; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 16.

<sup>131</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 11.

<sup>132</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 26. \*\*\*. *Id.*; Confidential Combined 2016 Review Determinations, EDIS Doc. 743929 (June 3, 2021) at 34-35.

conditions of competition as in the prior reviews.<sup>133</sup> There is no new information in these reviews to indicate that the channels of distribution used by imports from each subject country and the domestic like product have changed since the original investigations and prior reviews, when the Commission found that domestic and subject PRCBs generally utilized the same channels of distribution.

*Geographic Overlap.* In the original investigations and first reviews with respect to subject imports from China, Malaysia, and Thailand, the Commission found that subject imports and the domestic like product were generally sold throughout the United States during the relevant periods.<sup>134</sup> In the original investigations with respect to subject imports from Indonesia, Taiwan, and Vietnam, the Commission found that subject imports and the domestic like product generally served the same geographic markets during the period of investigation.<sup>135</sup> In the combined 2016 reviews, the Commission found that imports of PRCBs from each subject country entered the United States in Los Angeles, California, and that imports of PRCBs from each subject country except Vietnam also entered the United States in New York, New York.<sup>136</sup> The domestic industry reported selling PRCBs in all regions of the contiguous United States, as did importers of subject merchandise from all subject countries other than Malaysia.<sup>137</sup>

In the current reviews, the PRCB Committee asserts that the relevant facts have not changed since the prior reviews, and that subject imports would likely compete under the same conditions of competition as in the prior reviews.<sup>138</sup> The record in the current reviews indicates that imports of PRCBs from each of the subject countries generally entered the United States through the northern, southern, eastern, and western borders of entry during the period of review, with some exceptions.<sup>139</sup>

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<sup>133</sup> See Response at 10, 12.

<sup>134</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 15; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 16.

<sup>135</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 11.

<sup>136</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 26.

<sup>137</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 26. The record in the combined 2016 reviews contained limited information concerning the geographic markets for subject imports from Malaysia. \*\*\*. *Id.* at 26; Confidential Combined 2016 Review Determinations, EDIS Doc. 743929 (June 3, 2021) at 35, n.131.

<sup>138</sup> See Response at 10-12.

<sup>139</sup> CR/PR at I-18. Imports from Vietnam entered through northern, southern, eastern, and western borders of entry in all years from 2015 through 2020, except in 2017 when no imports from Vietnam entered through the southern border. Imports from Malaysia entered through northern, (Continued...)

*Simultaneous Presence in Market.* In the original investigations and first reviews with respect to subject imports from China, Malaysia, and Thailand, the Commission found that subject imports and the domestic like product were present in the domestic market during the relevant periods.<sup>140</sup> In the original investigations with respect to subject imports from Indonesia, Taiwan, and Vietnam, the Commission found that subject imports and the domestic like product were present in the market during the period of investigation.<sup>141</sup> In the combined 2016 reviews, the Commission found that subject imports from each of the six subject countries and the domestic like product were sold in the U.S. market in each year of the period of review.<sup>142</sup>

In the current reviews, the PRCB Committee asserts that the relevant facts have not changed since the prior reviews, and that subject imports would likely compete under the same conditions of competition as in the prior reviews.<sup>143</sup> The record in the current reviews indicates that imports of PRCBs from China, Malaysia, Taiwan and Thailand were reported in all 72 months between 2015 and 2020; imports of PRCBs from Vietnam were reported in 52 of the 72 months; and imports of PRCBs from Indonesia were reported in 13 of the 72 months.<sup>144</sup>

*Conclusion.* The record in these expedited reviews contains limited information concerning subject imports in the U.S. market during the period of review. Further, the record contains no new information suggesting that there has been any change in the considerations that led the Commission to conclude in the last reviews that there would be a likely reasonable overlap of competition between and among imports from the subject countries and the domestic like product in the event of revocation of the orders. In light of this, and in the absence of any contrary argument, we find that there would likely be a reasonable overlap of competition between and among subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, and the domestic like product, if the orders were revoked.

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southern, eastern, western borders of entry in all years from 2015 through 2020, except in 2015 when no imports from Malaysia entered through the southern or northern borders, in 2016 when no imports from Malaysia entered through the southern border, and in 2017 and 2018 when no imports from Malaysia entered through the northern border. Lastly, imports from Indonesia entered through the northern, southern, and western borders in 2015, the northern border in 2016, the eastern border in 2017, the southern and western borders in 2018, the southern border in 2019, and the western border in 2020. *Id.*

<sup>140</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 15; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 17.

<sup>141</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 12.

<sup>142</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 26.

<sup>143</sup> See Response at 11-12.

<sup>144</sup> CR/PR at I-18.

#### **D. Likely Conditions of Competition**

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether subject imports from the subject countries would compete under similar or different conditions in the U.S. market if the orders under review were revoked. The record in these reviews does not indicate that there would likely be any significant difference in the conditions of competition between subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam after revocation. Imports from each of the subject countries increased prior to the imposition of the orders.<sup>145</sup> Producers in each of the subject countries have maintained an interest in the U.S. market throughout the duration of the orders.<sup>146</sup> Each of the subject countries also export substantial quantities of sacks and bags (including cones) of polymers of ethylene, a product category that includes PRCBs, to multiple countries throughout the world.<sup>147</sup>

#### **E. Conclusion**

Based on the foregoing, we find that subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, considered individually, would not be likely to have no discernible adverse impact on the domestic industry if the corresponding orders under review were revoked. We also find a likely reasonable overlap of competition among subject imports from different sources and between the subject imports from each subject country and the domestic like product. Finally, we find that imports from each subject country are likely to compete in the U.S. market under similar conditions of competition should the orders be revoked. We therefore exercise our discretion to cumulate subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam.

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<sup>145</sup> Confidential Staff Report for Original Investigations: China, Malaysia, and Thailand, INV-BB-083, EDIS Doc. 209504 (June 29, 2004) at Table IV-1; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 13.

<sup>146</sup> See CR/PR at I-18.

<sup>147</sup> CR/PR at Tables I-6-12.



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

### A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”<sup>148</sup> The Uruguay Round Agreements Act (“URAA”) Statement of Administrative Actions (“SAA”) states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”<sup>149</sup> Thus, the likelihood standard is prospective in nature.<sup>150</sup> The U.S. Court of International Trade (“CIT”) 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>151</sup>

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<sup>148</sup> 19 U.S.C. § 1675a(a).

<sup>149</sup> SAA, H.R. Rep. No. 103-316, vol. I at 883-84 (1994) 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>150</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>151</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’”).

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>152</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>153</sup>

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>154</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>155</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>156</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

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<sup>152</sup> 19 U.S.C. § 1675a(a)(5).

<sup>153</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.*

<sup>154</sup> 19 U.S.C. § 1675a(a)(1).

<sup>155</sup> 19 U.S.C. § 1675a(a)(1). Commerce made one duty-absorption finding concerning PRCBs from China with respect to Dongguan Nozawa Plastics Ltd. and United Power Packaging Ltd. on all U.S. sales made through its affiliated importers in the 2005-2006 review. Commerce also made duty-absorption findings concerning PRCBs from Thailand with respect to Advance Polybag Inc., Alpine Plastics Inc., API Enterprises Inc., and Universal Polybag Co., Ltd. (collectively UPC/API) on all U.S. sales in the 2005-2006 review and with respect to Master Packaging Co., Ltd. on all U.S. sales in the 2007-2008 review. *Polyethylene Retail Carrier Bags From Indonesia, Malaysia, the People’s Republic of China, Taiwan, Thailand, and the Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders*, 86 Fed. Reg. 35478 (July 6, 2021), Issues and Decisions Memorandum at 11, 13.

<sup>156</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

or relative to production or consumption in the United States.<sup>157</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>158</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 United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.<sup>159</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>160</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

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<sup>157</sup> 19 U.S.C. § 1675a(a)(2).

<sup>158</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>159</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>160</sup> 19 U.S.C. § 1675a(a)(4).

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>161</sup>

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the PRCB industries in China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam. There also is limited information on the PRCBs market in the United States during the period of review. Accordingly, for our determinations, we rely as appropriate on the facts available from the original investigations and prior reviews, and the limited new information on the record in these combined second and third five-year reviews.

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

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>162</sup> The following conditions of competition inform our determinations.

### **1. Demand Conditions**

During the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that apparent U.S. consumption had increased steadily from 77.1 billion bags in 2001 to 87.5 billion bags in 2003 and that 90 percent of the U.S. market consisted of t-shirt and die-cut handle PRCBs.<sup>163</sup> The Commission found that large retailers directly imported PRCBs and purchased PRCBs from importers, domestic producers, and distributors.<sup>164</sup> During the first reviews with respect to subject imports from China, Malaysia, and Thailand, the Commission found that apparent U.S. consumption increased overall between 2004 (\*\*\*) bags) and 2009 (\*\*\*) bags), although apparent U.S. consumption peaked in 2006.<sup>165</sup> The Commission

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<sup>161</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>162</sup> 19 U.S.C. § 1675a(a)(4).

<sup>163</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 16-17.

<sup>164</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 19-20.

<sup>165</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 24; Confidential First Review Determinations: China, Malaysia, and Thailand at 21, EDIS Doc. 743822 (June 24, 2010).

found that an increasing share of sales involved internet reverse auctions, which purchasers reported tended to focus competition on price.<sup>166</sup>

During the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, apparent U.S. consumption declined from 108.7 billion bags in 2006 to 105.3 billion bags in 2007 and 101.4 billion bags in 2008.<sup>167</sup> Questionnaire respondents reported that PRCBs demand declined due to increased use of alternative bag types or taxes on PRCBs related to environmental concerns.<sup>168</sup>

In the combined 2016 reviews, most firms reported either a decrease or no change in U.S. demand for PRCBs since January 2009.<sup>169</sup> The record indicated that apparent U.S. consumption increased overall between 2009 (95.3 billion bags) and 2014 (103.5 billion bags), although apparent U.S. consumption peaked in 2012 (103.8 billion bags).<sup>170</sup> Questionnaire responses were mixed regarding whether the passage of laws regulating the use and disposal of PRCBs had affected demand since 2009.<sup>171</sup> Of those responding affirmatively, nearly all reported that these laws decreased the demand for PRCBs.<sup>172</sup> The Commission found that the record was mixed concerning the effect of environmental restrictions on demand for PRCBs, noting that the longer-term impact of such restrictions would vary according to the size of the jurisdiction in which they are imposed and the sorts of restrictions imposed.<sup>173</sup> Purchasers continued to purchase PRCBs through internet sales, including reverse auctions.<sup>174</sup>

Apparent U.S. consumption was \*\*\* bags in 2020 compared to 103.5 billion bags in 2014, \*\*\* bags in 2009, 101.4 billion bags in 2008, and 87.5 billion bags in 2003.<sup>175</sup> The lower apparent U.S. consumption quantity in 2020 than in prior reviews and the original investigations is consistent with the long-term trend towards decreasing demand for PRCBs in the U.S. market driven by efforts to restrict the use of PRCBs due to environmental concerns.<sup>176</sup> The record shows that new restrictions on the use of PRCBs were enacted in California in 2016,

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<sup>166</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 24 n.150.

<sup>167</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 20.

<sup>168</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 20; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 22-23.

<sup>169</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 32.

<sup>170</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 32.

<sup>171</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 32-33.

<sup>172</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 33.

<sup>173</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 33.

<sup>174</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 32.

<sup>175</sup> CR/PR at Table I-5.

<sup>176</sup> Response at 16.

and in New York, Connecticut, Delaware, Maine, Oregon, and Vermont in 2019.<sup>177</sup> The PRCB Committee notes that the COVID-19 pandemic temporarily restrained efforts to further restrict the use of PRCBs, but anticipates that such efforts will resume when the pandemic ends.<sup>178</sup>

## 2. Supply Conditions

During the original investigations of PRCBs from China, Malaysia, and Thailand, 22 domestic producers submitted questionnaire data.<sup>179</sup> The record indicated that subject imports were diffused among many importers, and that nonsubject imports held a small but increasing share of the U.S market.<sup>180</sup>

By the time of the first reviews of those orders and the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, four firms (API, Hilex, Interplast, and Superbag) were \*\*\* domestic producers of PRCBs, collectively accounting for approximately \*\*\* percent of domestic production of PRCBs in 2008 and 2009.<sup>181</sup> Imports of PRCBs from subject and nonsubject sources collectively accounted for about one-third of apparent U.S. consumption.<sup>182</sup> Two major producers in Taiwan and most responding producers in Vietnam first engaged in production of PRCBs during that period.<sup>183</sup> Nonsubject imports included imports of PRCBs from producers in subject countries that were not subject to any antidumping or countervailing duty orders and imports of PRCBs from nonsubject countries.<sup>184</sup>

During the combined 2016 reviews, the Commission found that the domestic industry accounted for more than \*\*\* of apparent U.S. consumption of PRCBs since 2009.<sup>185</sup> Following the imposition of antidumping and countervailing duty orders on PRCBs from Indonesia, Taiwan, and Vietnam in May 2010, the volume of cumulated subject imports from all six countries decreased, and their market share declined from \*\*\* percent in 2009 to \*\*\* percent

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<sup>177</sup> CR/PR at Table I-2.

<sup>178</sup> Response at 17.

<sup>179</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 17.

<sup>180</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 17.

<sup>181</sup> Confidential Final Indonesia, Taiwan, and Vietnam Determinations, EDIS Doc. 743911 (Apr. 28, 2010) at 28; Confidential First Review Determinations: China, Malaysia, and Thailand, EDIS Doc. 743822 (June 24, 2010) at 22.

<sup>182</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 21; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 22.

<sup>183</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 21.

<sup>184</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 21; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 23-24.

<sup>185</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 34; Confidential Combined 2016 Review Determinations, EDIS Doc. 743929 (June 3, 2021) at 47.

in 2014.<sup>186</sup> Nonsubject imports' share of the U.S. market increased irregularly from \*\*\* percent in 2009 to \*\*\* percent in 2014.<sup>187</sup> As in prior proceedings, nonsubject imports included imports of PRCBs from subject countries produced by firms that were not subject to any antidumping or countervailing duty orders and imports of PRCBs from nonsubject countries (primarily Canada and India).<sup>188</sup>

In the current reviews, the domestic industry accounted for the majority (\*\*\*) of apparent U.S. consumption in 2020 (or \*\*\* bags).<sup>189</sup> Available information in the current reviews indicates that the domestic industry's capacity and production were lower in 2020 than in the prior reviews and original investigations, partly reflecting production shutdowns due to hurricanes Laura and Delta that year.<sup>190</sup> Despite its lower capacity, the domestic industry continued to report unused capacity in 2020, as it did in prior reviews.<sup>191</sup> The PRCB Committee reports that, in order to maintain profitability, producers of PRCBs need to operate their factories continuously at high capacity utilization rates in order to spread fixed costs over as many production units as possible.<sup>192</sup>

The information available in these reviews indicates that subject sources were the second largest source of supply in 2020, accounting for \*\*\* percent of apparent U.S. consumption (or \*\*\* bags) in 2020,<sup>193</sup> while nonsubject imports were the smallest source of supply in 2020, accounting for \*\*\* percent of apparent U.S. consumption (or \*\*\* bags) in

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<sup>186</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 34; Confidential Combined 2016 Review Determinations, EDIS Doc. 743929 (June 3, 2021) at 47.

<sup>187</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 34; Confidential Combined 2016 Review Determinations, EDIS Doc. 743929 (June 3, 2021) at 48.

<sup>188</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 34.

<sup>189</sup> CR/PR at Table I-5. The domestic industry accounted for 71.1 percent of apparent U.S. consumption in 2014 (or 73.6 billion bags), 68.5 percent of apparent U.S. consumption in 2009 (or \*\*\* bags), 64.2 percent of apparent U.S. consumption in 2008 (or 65.1 billion bags), and \*\*\* percent of apparent U.S. consumption in 2003 (or \*\*\* bags). *Id.*

<sup>190</sup> CR/PR at I-12, Table I-3.

<sup>191</sup> CR/PR at Table I-3.

<sup>192</sup> Response at 15.

<sup>193</sup> CR/PR at Table I-5. Subject sources accounted for \*\*\* percent of apparent U.S. consumption in 2014 (or \*\*\* bags), 9.2 percent of apparent U.S. consumption in 2009 (or \*\*\* bags), 14.4 percent of apparent U.S. consumption in 2008 (or 14.6 billion bags), and 17.6 percent of apparent U.S. consumption in 2003 (or 15.4 billion bags). *Id.* In 2014, subject countries were China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam. In 2009, subject countries were China, Malaysia, and Thailand and nonsubject countries included Indonesia, Taiwan, and Vietnam. In 2008, subject countries were Indonesia, Taiwan, and Vietnam and nonsubject countries included China, Malaysia, and Thailand. In 2003, subject countries were China, Malaysia, and Thailand and nonsubject countries included Indonesia, Taiwan, and Vietnam. *Id.* at Table I-5 Source.

2020.<sup>194</sup> Although these data appear to show higher subject import market share and lower nonsubject import market share compared to the prior reviews, the 2020 data overstate the quantity of subject imports while understating the quantity of nonsubject imports due to the inclusion of nonsubject producers (*i.e.*, producers that were excluded by Commerce from the relevant orders) in the data concerning subject imports from China, Malaysia, and Thailand in the 2020 data, but not in the data concerning subject imports from the prior reviews.<sup>195</sup>

### 3. Substitutability and Other Conditions

*Substitutability.* During the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand; the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam; and the combined 2016 reviews, the Commission found a high degree of substitutability among subject imports and the domestic like product, and found that price was an important factor in purchasing decisions.<sup>196</sup> The PRCB Committee reported that the domestic industry was forced to lower prices due to low-priced subject imports in order to defend its baseline business and operate production facilities continuously in order to reduce costs to an economical level.<sup>197</sup>

In these reviews, the PRCB Committee maintains that there continues to be a high degree of substitutability between subject imports and the domestic like product and that price continues to be an important factor in purchasing decisions.<sup>198</sup> The limited information available in these reviews does not indicate that the substitutability between subject imports and the domestic like product has changed since the original investigations and prior reviews.

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<sup>194</sup> CR/PR at Table I-5. Nonsubject sources accounted for \*\*\* percent of apparent U.S. consumption in 2014 (or \*\*\* bags), 22.3 percent of apparent U.S. consumption in 2009 (or \*\*\* bags), 21.5 percent of apparent U.S. consumption in 2008 (or 21.8 billion bags), and 5.3 percent of apparent U.S. consumption in 2003 (or 4.7 billion bags). *Id.* In 2014, subject countries were China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam. In 2009, subject countries were China, Malaysia, and Thailand and nonsubject countries included Indonesia, Taiwan, and Vietnam. In 2008, subject countries were Indonesia, Taiwan, and Vietnam and nonsubject countries included China, Malaysia, and Thailand. In 2003, subject countries were China, Malaysia, and Thailand and nonsubject countries included Indonesia, Taiwan, and Vietnam. *Id.* at Table I-5 Source.

<sup>195</sup> CR/PR at I-19.

<sup>196</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 18-19; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 21-22; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 24; Combined 2016 Review Determinations, USITC Pub. 4605 at 34.

<sup>197</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 22; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 23.

<sup>198</sup> Response at 15-16.



Accordingly, we again find that there is a high degree of substitutability between subject imports and the domestic like product, and that price continues to be an important factor in purchasing decisions.

On September 24, 2018, subject imports from China became subject to an additional 10 percent *ad valorem* duty under Section 301 of the Trade Act of 1974.<sup>199</sup> As of May 10, 2019, this duty had increased to 25 percent *ad valorem*.<sup>200</sup>

*Other Conditions.* With respect to raw materials, during the original investigations and first reviews of PRCBs from China, Malaysia, and Thailand; the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam; and the combined 2016 reviews, the Commission found that polyethylene resin was the primary raw material input for PRCB production, and that prices of this raw material were sometimes volatile.<sup>201</sup> In the original investigations and first reviews with respect to subject imports from China, Malaysia, and Thailand, the PRCB Committee reported that a portion of the domestic industry's sales volume was subject to formal or informal agreements to adjust PRCBs prices in tandem with resin price trends.<sup>202</sup> In the combined 2016 reviews, the PRCB Committee reported that most contracts contained price-escalation/de-escalation clauses based on resin prices, made possible by the orders under review.<sup>203</sup>

In the current reviews, the PRCB Committee asserts that the conditions of competition affecting pricing have not changed since the last five-year reviews.<sup>204</sup> \*\*\*.<sup>205</sup>

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<sup>199</sup> *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 83 Fed. Reg. 47974 (Sept. 21, 2018). See CR at I-8.

<sup>200</sup> *Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 20459 (May 9, 2019). See CR at I-8.

<sup>201</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 19; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 22; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 25; Combined 2016 Review Determinations, USITC Pub. 4605 at 34.

<sup>202</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 19; Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 22; First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 25.

<sup>203</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 34.

<sup>204</sup> See Response at 39.

<sup>205</sup> CR/PR at D-4-5.

### C. Likely Volume of Subject Imports

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that cumulated subject imports increased significantly, from 8.7 billion bags in 2001 to 17.0 billion bags in 2003, and that they increased their market share from 10.5 percent of apparent U.S. consumption in 2001 to 18.6 percent of apparent U.S. consumption in 2003. The Commission found that subject imports increased their market share at the expense of the domestic industry, which lost 11.0 percentage points of market share during this period.<sup>206</sup> In the first reviews with respect to subject imports from China, Malaysia, and Thailand, the Commission concluded that cumulated subject imports were likely to be significant in the event of revocation for several reasons: (1) cumulated subject imports rose rapidly during the original investigations both absolutely and relative to consumption and maintained a significant presence in the U.S. market after the orders were imposed; (2) nonsubject producers in China and Malaysia maintained a significant and increasing presence in the U.S. market during that period; (3) the subject PRCBs industries had significant and increasing production capacity; (4) the subject PRCBs industries had significant unused production capacity; (5) responding subject foreign producers reported that they were highly export oriented; (6) competition in major third-country markets was likely to intensify given the likelihood of stagnant or declining demand in China and the EU market and the U.S. imposition of orders on PRCBs from Indonesia, Taiwan, and Vietnam; and (7) the U.S. imposition of orders on PRCBs from Indonesia, Taiwan, and Vietnam would provide an additional incentive for producers in China, Malaysia, and Thailand to increase exports to the U.S. market in the event of revocation.<sup>207</sup>

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found that the cumulated volume of subject imports and the increase in cumulated subject imports was significant both absolutely and relative to apparent U.S. consumption and domestic production.<sup>208</sup> With respect to its threat analysis, the Commission based its conclusion that cumulated subject imports were likely to increase significantly in the imminent

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<sup>206</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 20-21.

<sup>207</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 25-28.

<sup>208</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 21-23. Cumulated subject imports increased from 7.3 billion bags in 2006 to 14.6 billion bags in 2008, and their market share rose from 6.7 percent to 14.4 percent during this period. *Id.*

future on information available indicating that the subject producers had the ability and incentive to increase their exports to the United States.<sup>209</sup>

In the combined 2016 reviews, the Commission found that the volume of cumulated subject imports from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam was likely to be significant in the event of revocation.<sup>210</sup> In this regard, the Commission explained that subject producers had the ability to increase their exports to the United States after revocation in light of their significant and increasing capacity and production, and their significant unused capacity.<sup>211</sup> It also explained that subject producers had the incentive to increase their exports to the United States after revocation in light of their continued presence in the U.S. market, their need to operate at a high rate of capacity utilization, their high degree of export orientation, and the attractiveness of the U.S. market.<sup>212</sup>

In these reviews, the record indicates that, despite the discipline of the orders, subject imports have continued to maintain a significant presence in the U.S. market. According to official Commerce statistics, which do not differentiate imports from subject and nonsubject sources in China, Malaysia, and Thailand, total cumulated imports from subject countries declined irregularly from 25.2 billion bags in 2015 to 18.2 billion bags in 2020, equivalent to \*\*\* percent of apparent U.S. consumption that year.<sup>213</sup>

The record in the current reviews does not contain current data specific to PRCB production or capacity in the subject countries because no producer or exporter of subject merchandise participated in these expedited reviews.<sup>214</sup> Nonetheless, the information available in these reviews indicates that the PRCB industries in subject countries have maintained substantial capacity as in prior reviews.<sup>215</sup> According to information provided by the PRCB

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<sup>209</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 22-26.

<sup>210</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 35-36.

<sup>211</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 36.

<sup>212</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 36-37.

<sup>213</sup> CR/PR at Tables I-4-5. Although subject import market share was higher in 2020 than in 2014 (\*\*\* percent), 2009 (9.2 percent), 2008 (14.4 percent), and 2003 (17.6 percent), we recognize that subject import market share for 2020 includes imports from nonsubject producers in China, Malaysia, and Thailand, whereas subject import market shares for previous years exclude imports from such sources. *Id.* at I-19, Table I-5.

<sup>214</sup> CR/PR at I-21-28. The record also does not contain current information about inventories of the subject merchandise. *See* CR/PR at App. C. The record does indicate that there are no outstanding antidumping or countervailing duty orders in other markets on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, or Vietnam. *Id.* at I-29.

<sup>215</sup> *See* CR/PR at I-21-28; Response at Exhibit 36 (listing known producers of subject merchandise in China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam).

Committee, the subject industries in China, Malaysia, and Vietnam have increased their capacity to produce bags, including PRCBs, since the last reviews.<sup>216</sup> This information also indicates that plans for five new PRBC production facilities in China, with an estimated combined potential capacity of 1.7 billion bags annually, were approved between January and April 2021.<sup>217</sup> Public information from 2019 shows that the production of plastic bags in Taiwan significantly exceeded home country consumption, with almost 65,000 metric tons of production capacity available for export.<sup>218</sup> Thus, we find that the subject industries have the ability to export significant volumes of PRCBs to the United States.

The Commission also finds that subject industries would possess an incentive to increase their exports of PRCBs to the United States in the event of revocation. Cumulated subject imports maintained a significant presence in the U.S. market during the period of review, reflecting the continued attractiveness of the U.S. market to producers in the subject countries. The information available also shows that industries in the subject countries remain export oriented as in the prior reviews.<sup>219</sup> Specifically, the record shows that China was the world's leading global exporter of sacks and bags (including cones), of polymers of ethylene during the period of review, and that Malaysia, Thailand, and Vietnam ranked among the world's largest exporters of such bags during the period.<sup>220</sup>

Based on the increase in the volume and market share of subject imports during the original investigations, the substantial production capacity and export orientation of the subject producers, and the significant presence of subject imports in the U.S. market during the period of review, we find that subject producers have the ability and incentive to increase their exports to the United States if the orders were revoked. Therefore, we find that the volume of cumulated subject imports, both in absolute terms and relative to production and consumption in the United States, would likely be significant within the reasonably foreseeable future if the orders were revoked.

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<sup>216</sup> Response at 23-27, 29-30, Exhibits 2, 7-11, 15-23, 25-28.

<sup>217</sup> Response at 23-25, Exhibits 7-11.

<sup>218</sup> Response at 32, Exhibit 30.

<sup>219</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 36-37.

<sup>220</sup> CR/PR at Table I-13. Sacks and bags (including cones), of polymers of ethylene, HTS subheading 3923.21, is a category that includes in-scope PRCBs and out-of-scope products. *Id.* at Table I-13 Source.

#### D. Likely Price Effects

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that cumulated subject imports undersold the domestic like product in 72 of 84 (or 85.7 percent of) possible quarterly comparisons, and it rejected respondents' argument that any underselling was related to a price premium for domestic products as unsupported by purchasers' questionnaire responses.<sup>221</sup> For the pricing product with the largest subject import volume and a very substantial volume of domestic shipments, cumulated subject imports undersold the domestic like product in all 12 quarterly comparisons with margins ranging from 8.7 percent to 24.8 percent.<sup>222</sup> Based on its findings of high substitutability among subject imports and the domestic like product, the importance of price in purchasing decisions, and the amplified price competition for sales involving internet auctions,<sup>223</sup> the Commission found that the large volume of low-priced cumulated subject imports depressed prices of the domestic like product to a significant degree.<sup>224</sup> The Commission found that cumulated subject imports also suppressed prices of the domestic like product because domestic producers were unable to raise prices sufficiently to offset increased costs.<sup>225</sup>

In the first reviews of those orders, the Commission referenced its findings from the original investigations and found that cumulated subject imports continued to undersell the domestic like product to a significant degree even after imposition of the orders.<sup>226</sup> Based on these considerations, the Commission found that, if the orders were revoked, underselling by cumulated subject imports would likely intensify, resulting in significant depression or suppression of domestic prices, as the domestic industry would defend its baseload business by meeting lower prices to maintain high capacity utilization, particularly given likely flat to declining demand.<sup>227</sup>

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found cumulated subject imports were highly substitutable with the domestic like product and that price was an important factor in purchasing decisions, particularly for internet auctions.<sup>228</sup> In reaching affirmative threat determinations, the Commission found that

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<sup>221</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 22-23.

<sup>222</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 22.

<sup>223</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 23.

<sup>224</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 22.

<sup>225</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 22-23.

<sup>226</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 29.

<sup>227</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 29-30.

<sup>228</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 27.

cumulated subject imports were priced lower than the domestic like product based on evidence that cumulated subject imports increased their market share and direct import pricing data showing that cumulated subject imports' delivered prices were lower than prices of the domestic like product in 49 of 60 (or 81.6 percent of) quarterly comparisons.<sup>229</sup> Although the Commission acknowledged that its traditional pricing data showed mixed overselling and underselling, it observed that many purchasers denied lost sales and lost revenue allegations not because the allegations were untrue, but because purchasers lacked the necessary documentation to confirm them.<sup>230</sup> The Commission found no evidence that cumulated subject imports depressed prices of the domestic like product, although it found that the domestic industry was unable to increase its prices commensurately with increases in raw materials costs due in part to competition with low-priced cumulated subject imports.<sup>231</sup> It found—in reaching its affirmative threat determination—that, as the subject industries sought to utilize their excess capacity by increasing their exports to the United States, they would price their products at levels that would undersell the domestic like product and have a significant depressing or suppressing effect on domestic prices.<sup>232</sup> The Commission found that the domestic industry would be compelled to defend its baseload business by meeting low-priced subject imports, particularly in light of projected flat to declining demand and the volatility of resin prices.<sup>233</sup>

In the combined 2016 reviews, the Commission found that subject imports and the domestic like product were highly substitutable and that price continued to be an important factor in purchasing decisions, particularly given the use of internet reverse auctions that intensified price-based competition in the PRCB industry.<sup>234</sup> The importance of price was also evident from the use of meet-or-release clauses in some PRCB contracts and bids, the existence of several large purchasers, and the fact that retailers provided these bags for free or for a nominal fee to the customer.<sup>235</sup> Notwithstanding the disciplining effect of the orders, pricing data showed that PRCBs from subject sources in China, Indonesia, Malaysia, and Vietnam undersold the domestic like product in 70 of 288 (or 24.3 percent of) quarterly comparisons.<sup>236</sup> The volume of cumulated subject imports that undersold the domestic like product was much

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<sup>229</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 28-30.

<sup>230</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 27-30.

<sup>231</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 30-31.

<sup>232</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 31.

<sup>233</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 31.

<sup>234</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 39.

<sup>235</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 39.

<sup>236</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 40.

greater than the volume that oversold the domestic like product.<sup>237</sup> Noting the likely significant volume of subject import volume after revocation, the high degree of substitutability between subject and domestic PRCBs, and the importance of price, among other factors, the Commission found that underselling by subject imports was likely to intensify if the orders were revoked, and would likely have a significant depressing or suppressing effect on prices of the domestic like product.<sup>238</sup>

There is no new product-specific pricing information on the record in these reviews. As explained above, the record in these reviews indicates that subject imports and the domestic like product remain highly substitutable and that price continues to be an important factor in purchasing decisions. Given these conditions of competition, and our finding that subject import volume is likely to increase after revocation, subject producers would likely use underselling to gain market share, as in the original investigations. Faced with subject import underselling, domestic producers would likely have to lower their own prices or forego needed price increases to defend their sales and maintain their capacity utilization at an economic level. Consequently, we find that if the orders were revoked, significant underselling by subject imports would likely have a significant depressive and/or suppressive effect on prices for the domestic like product.

#### **E. Likely Impact**

In the original investigations of PRCBs from China, Malaysia, and Thailand, the Commission found that the significant increasing volume of low-priced cumulated subject imports captured market share from the domestic industry during a period of increasing apparent U.S. consumption, and the domestic industry's shipments, market share, production, capacity utilization, and employment indicators declined overall, particularly between 2002 and 2003, at the time of the greatest market penetration by cumulated subject imports.<sup>239</sup> The domestic industry's prices fell and it experienced a cost-price squeeze as subject imports prevented it from raising prices in order to meet sharply higher resin and energy costs.<sup>240</sup> The domestic industry's financial performance also declined significantly.<sup>241</sup> On this basis, the

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<sup>237</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 40.

<sup>238</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 41.

<sup>239</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 24-26.

<sup>240</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 25-26.

<sup>241</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 26.

Commission concluded that cumulated subject imports had a significant adverse impact on the domestic industry.<sup>242</sup>

In the original investigations of PRCBs from Indonesia, Taiwan, and Vietnam, the Commission found that the domestic industry's performance declined with respect to most performance indicia between 2006 and 2008, particularly in 2008 when cumulated subject imports' market share peaked, and improved somewhat at the end of the period when the volume of cumulated subject imports was lower.<sup>243</sup> It found that cumulated subject imports contributed to the domestic industry's cost-price squeeze, but it did not find that cumulated subject imports materially injured the domestic industry given the role of other factors, such as raw material cost fluctuations, declining apparent U.S. consumption, and nonsubject imports (which held a larger but declining share of apparent U.S. consumption than cumulated subject imports).<sup>244</sup> The Commission based its affirmative threat determinations in part on its findings that the domestic industry was vulnerable due to stagnant or declining demand, the volatility of raw material costs, and its recent declines in numerous performance indicia.<sup>245</sup> It also determined that producers in the subject countries were likely to utilize their excess capacity by underselling the domestic like product at significant margins in order to increase significantly their U.S. exports; it found that the domestic industry would likely be compelled to defend its baseload business by meeting low prices, thereby making it likely that the domestic industry would experience a cost-price squeeze.<sup>246</sup>

During the first reviews of the orders on PRCBs from China, Malaysia, and Taiwan, the Commission found that the domestic industry was vulnerable because most of the domestic industry's performance indicators declined overall between 2004 and 2009, PRCB demand was likely to stagnate or decline, and even a small increase in the domestic industry's cost of raw

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<sup>242</sup> Final China, Malaysia, and Thailand Determinations, USITC Pub. 3710 at 26. The Commission explained that the domestic industry imported and purchased imported PRCBs in order to retain market share, and that nonsubject imports, which were smaller and grew to a lesser degree than cumulated subject imports, did not explain the domestic industry's adverse performance. *Id.* at 26-27.

<sup>243</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 32-34.

<sup>244</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 34-36.

<sup>245</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 36.

<sup>246</sup> Final Indonesia, Taiwan, and Vietnam Determinations, USITC Pub. 4144 at 36. The Commission explained that the likelihood of flat to declining demand, though increasing the domestic industry's vulnerability, would not break the causal link between subject imports and the threat of material injury.<sup>246</sup> Likewise, it found that the antidumping duty orders on PRCBs from China, Malaysia, and Thailand would have some restraining effect on nonsubject imports, and it reiterated that nonsubject imports declined overall and generally were priced higher than cumulated subject imports during that period. *Id.*



materials relative to its net sales value would adversely affect the domestic industry's financial performance.<sup>247</sup> The Commission found that the likely significant volume and price effects of cumulated subject imports would likely have a significant adverse impact on the domestic industry's production, shipments, sales, market share, and revenues.<sup>248</sup> These reductions would have a direct adverse impact on the domestic industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital improvements.<sup>249</sup>

In the combined 2016 reviews, the Commission found that certain performance and financial indicators of the domestic industry had improved since the prior proceedings, although it described the domestic industry's operating margins as modest.<sup>250</sup> The Commission observed that improvements in the domestic industry's output, market share, and employment indicators reduced its vulnerability, while its modest operating performance tended to increase it.<sup>251</sup> Relying on its findings in prior proceedings, and its findings that revocation of the orders would likely result in a significant volume of low-priced subject imports that would depress or suppress domestic prices to a significant degree, the Commission found that revocation of the orders would likely adversely impact the production, shipments, sales, market share, and revenues of the domestic industry and, by extension, the industry's profitability, employment, and ability to raise capital and maintain necessary capital investments. The Commission concluded that if the orders were revoked, cumulated subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.<sup>252</sup>

In the current reviews, the information available concerning the domestic industry's condition consists of the data provided by the PRCB Committee in its response to the notice of institution. Due to the expedited nature of these reviews, we have only limited information

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<sup>247</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 31-32.

<sup>248</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 32-33.

<sup>249</sup> First Review Determinations: China, Malaysia, and Thailand, USITC Pub. 4160 at 33. The Commission explained that nonsubject imports were unlikely to prevent subject imports from increasing their share of the U.S. market in the event of revocation because a predominant share of those imports (from Indonesia, Taiwan, and Vietnam) had become subject to orders. Indeed, it found that the likely significant decline in those nonsubject imports as a result of the orders would make the U.S. market relatively more attractive to subject producers if the orders on PRCBs from China, Malaysia, and Thailand were revoked. The Commission acknowledged that demand for PRCBs was likely to be stagnant or declining due to increased efforts to curb PRCBs usage, but it found that cumulated subject imports would further reduce the domestic industry's sales and prices significantly or suppress domestic prices significantly and thus would be likely to have a significant adverse impact on the domestic industry regardless of demand levels. *Id.*

<sup>250</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 42-43.

<sup>251</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 43-44.

<sup>252</sup> Combined 2016 Review Determinations, USITC Pub. 4605 at 44.

with respect to the domestic industry's financial performance. The limited record in these reviews is insufficient for us to determine whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

The information on the record indicates that the domestic industry's performance was mixed in 2020. The domestic industry's capacity and production were substantially lower in 2020 than in the prior proceedings, though its capacity utilization rate was similar.<sup>253</sup> In 2020, the domestic industry's capacity was 58.0 billion bags, its production was 46.5 billion bags, and its capacity utilization rate was 80.2 percent.<sup>254</sup> By comparison, the domestic industry's capacity was 90.3 billion bags in 2014, 86.5 billion bags in 2009, 79.7 billion bags in 2008, and 88.1 billion bags in 2003; its production was 76.1 billion bags in 2014, 67.7 billion bags in 2009, 66.3 billion bags in 2008, and 67.3 billion bags in 2003; and its capacity utilization rate was 84.4 percent, 78.2 percent, 83.1 percent, and 76.3 percent, respectively.<sup>255</sup> Domestic shipments totaled \*\*\* bags in 2020, which were lower than in 2014, 2009, 2008, and 2003.<sup>256</sup> The domestic industry's operating income, however, was higher in 2020 at \$\*\*\* compared to 2014, 2009, 2008, and 2003, when it was \$\*\*\*, \$31.0 million, negative \$32.0 million, and \$6.1 million, respectively.<sup>257</sup> The domestic industry also reported a higher operating income to net sales ratio in 2020, at \*\*\* percent, than in 2014, 2009, 2008, or 2003.<sup>258</sup> The record suggests that certain conditions of competition may have contributed to the domestic industry's mixed performance indicators in 2020, particularly production shutdowns in the domestic industry due to hurricanes Laura and Delta, resulting in the largest price increase since 2009.<sup>259</sup>

Based on the available record in these reviews, we find that if the orders were revoked, the likely significant volume and price effects of the cumulated subject imports would likely have a significant impact on the production, shipments, sales, market share, and revenue of the domestic industry. These declines would likely impact the domestic industry's profitability and employment, its ability to raise capital, and to make and maintain capital investments.

We also have 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. The information available indicates that nonsubject imports were present in the U.S.

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<sup>253</sup> CR/PR at Table I-3.

<sup>254</sup> CR/PR at Table I-3.

<sup>255</sup> CR/PR at Table I-3.

<sup>256</sup> CR/PR at Table I-3.

<sup>257</sup> CR/PR at Table I-3.

<sup>258</sup> CR/PR at Table I-3.

<sup>259</sup> CR/PR at I-12.

market during the period of review, as they were during the original investigations and prior reviews, and accounted for \*\*\* percent of apparent U.S. consumption in 2020.<sup>260</sup> Because the domestic industry supplies the majority of the U.S. market, and because subject imports are highly substitutable with the domestic like product, any increase in cumulated subject imports would likely come predominantly at the expense of the domestic industry. Consequently, we find that the likely effects attributable to the subject imports will be material and consequential, and apart from any effects likely from nonsubject imports in the event of revocation of the orders. We find that any declines in demand in the U.S. market within a reasonably foreseeable time will likely exacerbate price-based competition between subject imports and domestic PRCBs to the detriment of the U.S. industry.

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

## **V. Conclusion**

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

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<sup>260</sup> CR/PR at Table I-5. The record indicates that the quantity of nonsubject imports was lower in 2020 at 13.2 million bags than in 2014 at \*\*\* bags. *Id.*



# Information obtained in these reviews

## Background

On April 1, 2021, 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 the countervailing duty order on polyethylene retail carrier bags (“PRCBs”) from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would likely 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 4</sup> The following tabulation presents information relating to the background and schedule of this proceeding:

Effective date	Action
April 1, 2021	Notice of initiation by Commerce (86 FR 16701, March 31, 2021)
April 1, 2021	Notice of institution by Commission (86 FR 17200, April 1, 2021)
July 6, 2021	Commerce’s results of its expedited reviews – AD (86 FR 35478, July 6, 2021)
July 7, 2021	Commission’s vote on adequacy
August 10, 2021	Commerce’s results of its expedited reviews – CVD (86 FR 43626, August 10, 2021)
October 18, 2021	Commission’s determinations and views

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

<sup>2</sup> 86 FR 17200, April 1, 2021. 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. 86 FR 16701, March 31, 2021. 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 the original investigations and subsequent full reviews 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 response

The Commission received one submission in response to its notice of institution in the subject reviews. It was filed on behalf of the Polyethylene Retail Carrier Bag Committee (“the PRCB Committee”), a trade association that a majority of its members manufacture, produce, or wholesale PRCBs (collectively referred to herein as “domestic interested party”).<sup>5</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**

**PRCBs: Summary of completed responses to the Commission’s notice of institution**

Interested party	Type	Number	Coverage
U.S. trade association	Domestic	1	***%

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its members’ share of total U.S. production of PRCBs during 2020. Domestic interested party’s response to the notice of institution, May 3, 2021, exh. 38.

### 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 the domestic interested party. The domestic interested party contends that there was an inadequate response from respondent interested parties and that there is no other reason to conduct full reviews. As such, the domestic interested party requests that the Commission conduct expedited reviews of the antidumping and countervailing duty orders on PRCBs.<sup>6</sup>

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<sup>5</sup> The members of the PRCB Committee are as follows: Hilex Poly Co.; Superbag LLC; Unistar Plastics, LLC; Command Packaging; Command Packaging Texas; and Roplast Industries, Inc. Command Packaging Texas, in addition to being a domestic producer, is a U.S. importer of PRCBs from China and Taiwan. Command Packaging Texas estimated that it accounted for approximately \*\*\* percent of U.S. imports of PRCBs from China and approximately \*\*\* percent of U.S. imports of PRCBs from Taiwan in 2020. Command Packaging, in addition to being a domestic producer, is a U.S. importer of PRCBs from Vietnam. Command Packaging estimated that it accounted for approximately \*\*\* percent of U.S. imports of PRCBs from Vietnam in 2020.

<sup>6</sup> Domestic interested party’s comments on adequacy, June 11, 2021, p. 3.

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

### **The original China, Malaysia, and Thailand investigations**

The original antidumping investigations with respect to PRCBs from China, Malaysia, and Thailand resulted from petitions filed on June 20, 2003 with Commerce and the Commission by the PRCB Committee,<sup>7</sup> an ad hoc coalition of U.S. PRCB producers.<sup>8</sup> On June 18, 2004, Commerce determined that imports of PRCBs from China, Malaysia, and Thailand were being sold at less than fair value (“LTFV”).<sup>9</sup> The Commission determined on August 2, 2004, that the domestic industry was materially injured by reason of LTFV imports of PRCBs from China, Malaysia, and Thailand.<sup>10</sup> On August 9, 2004, Commerce issued its antidumping duty orders with the final weighted-average dumping margins ranging from 19.79 percent to 77.57 percent for China; 84.94 percent to 101.74 percent for Malaysia; and 2.26 percent to 122.88 percent for Thailand.<sup>11</sup>

### **The original Indonesia, Taiwan, and Vietnam investigations**

The original antidumping investigations with respect to PRCBs from Indonesia, Taiwan, and Vietnam and the original countervailing duty investigation with respect to PRCBs from Vietnam resulted from petitions filed on March 31, 2009, with Commerce and the Commission by Hilex, Hartsville, South Carolina, and Superbag, Houston, Texas.<sup>12</sup> On March 26, 2010, Commerce determined that imports of PRCBs from Taiwan were being sold at LTFV.<sup>13</sup> On April

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<sup>7</sup> At the time of the petition filing, the PRCB Committee consisted of Inteplast Group, Ltd. (“Inteplast”), Livingston, New Jersey; PCL Packaging, Inc. (“PCL”), Barrie, Ontario; Sonoco Products Co., Hartsville, South Carolina; Superbag Corp. (“Superbag”), Houston, Texas; and Vanguard Plastics, Inc. (“Vanguard”), Farmers Branch, Texas. The High Density Film Division of Sonoco, which manufactured PRCBs, was sold to Hilex Poly Co., LLC (“Hilex”) in February 2004.

<sup>8</sup> Polyethylene Retail Carrier Bags From China, Malaysia, and Thailand, Inv. Nos. 731-TA-1043-1045 (Final), USITC Publication 3710, August 2004 (“Original China, Malaysia, and Thailand publication”), p. I-1.

<sup>9</sup> 69 FR 34125, 69 FR 34128, and 69 FR 34122, June 18, 2004.

<sup>10</sup> 69 FR 47957, August 6, 2004.

<sup>11</sup> Commerce found de minimis dumping margins for two companies in China (Hang Lung Plastic Manufactory, Ltd. (“Han Lung”) and Huasheng Plastic Products Co., Ltd (“Nantong Huasheng”)) and one firm in Malaysia (Bee Lian Plastic Industries Sbn. Bhd (“Bee Lian”)). 69 FR 48201, 69 FR 48203, and 69 FR 48204, August 9, 2004.

<sup>12</sup> Polyethylene Retail Carrier Bags From Indonesia, Taiwan, and Vietnam, Inv. Nos. 701-TA-462 and 731-TA 1156-1158 (Final), USITC Publication 4144, April 2010 (“Original Indonesia, Taiwan, and Vietnam publication”), p. I-1.

<sup>13</sup> 75 FR 14569, March 26, 2010.

1, 2010, Commerce determined that imports of PRCBs from Indonesia and Vietnam were being sold at LTFV and subsidized by the government of Vietnam.<sup>14</sup> On April 26, 2010, the Commission determined that the domestic PRCB industry was threatened with material injury by reason of imports of PRCBs from Indonesia, Taiwan, and Vietnam that Commerce had determined were sold in the U.S. market at LTFV and subsidized by the government of Vietnam.<sup>15</sup>

On May 4, 2010, Commerce issued a countervailing duty order on PRCBs from Vietnam with a net subsidy rate ranging from 5.28 percent to 52.56 percent<sup>16</sup> and antidumping duty orders on PRCBs from Indonesia, Taiwan, and Vietnam with the final weighted-average dumping margins ranging from 69.64 percent to 85.17 percent for Indonesia; 36.54 percent to 95.81 percent for Taiwan; and 52.30 percent to 76.11 percent for Vietnam.<sup>17</sup>

### **The first five-year reviews of the China, Malaysia, and Thailand orders**

The Commission instituted reviews of the subject orders on PRCBs from China, Malaysia, and Thailand effective July 1, 2009.<sup>18</sup> On October 19, 2009, Commerce determined that revocation of the antidumping orders on PRCBs from China, Malaysia, and Thailand would be likely to lead to continuation or recurrence of dumping.<sup>19</sup> On November 17, 2009, the Commission determined that it would conduct full reviews of the antidumping orders on PRCBs from China, Malaysia, and Thailand.<sup>20</sup> On June 22, 2010, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>21</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective July 7, 2010, Commerce issued a continuation of the antidumping orders on imports of PRCBs from China, Malaysia, and Thailand.<sup>22 23</sup>

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<sup>14</sup> 75 FR 16428, 75 FR 16431, and 75 FR 16434, April 1, 2010.

<sup>15</sup> 75 FR 22842, April 30, 2010.

<sup>16</sup> Commerce found a de minimis subsidy rate for one company in Vietnam (Chin Sheng Company, Ltd.). 75 FR 23670, May 4, 2010.

<sup>17</sup> 75 FR 23667, May 4, 2010.

<sup>18</sup> 74 FR 31750, July 2, 2009.

<sup>19</sup> 74 FR 53470, October 19, 2009.

<sup>20</sup> 74 FR 61172, November 23, 2009.

<sup>21</sup> 75 FR 36679, June 28, 2010.

<sup>22</sup> 75 FR 38978, July 7, 2010.

<sup>23</sup> As a result of a WTO challenge, Commerce revised certain antidumping duty margins and revoked the order with respect to Thai Plastic Bags Industries, Winners Pack Co., and APEC Film Ltd., effective July 28, 2010. 75 FR 48940, August 12, 2010.



## **The second five-year reviews of the China, Malaysia, and Thailand orders and the first five-year reviews of the Indonesia, Taiwan, and Vietnam orders**

The Commission instituted reviews of the subject orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam on April 1, 2015.<sup>24</sup> <sup>25</sup> On July 6, 2015, the Commission determined that it would conduct full reviews of the countervailing duty order on PRCBs from Vietnam and the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam.<sup>26</sup> These full reviews constituted the second five-year reviews of the antidumping orders on PRCBs from China, Malaysia, and Thailand and the first five-year reviews of the antidumping orders on PRCBs from Indonesia, Taiwan and Vietnam and the countervailing duty order on PRCBs from Vietnam. On July 13, 2015, Commerce determined that revocation of the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would be likely to lead to continuation or recurrence of dumping.<sup>27</sup> On August 5, 2015, Commerce determined that revocation of the countervailing duty order on PRCBs from Vietnam would be likely to lead to continuation or recurrence of countervailable subsidies.<sup>28</sup>

On April 22, 2016, the Commission determined that revocation of the countervailing duty order on PRCBs from Vietnam and revocation of the antidumping duty orders on PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>29</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective May 5, 2016, Commerce issued a continuation of the antidumping orders on imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam and of the countervailing duty order on imports of PRCBs from Vietnam.<sup>30</sup>

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<sup>24</sup> 80 FR 17490, April 1, 2015.

<sup>25</sup> With respect to the orders on PRCBs from China, Malaysia, and Thailand, Commerce published a notification concerning the advancement of the initiation date of these five-year reviews from June 1, 2015 to April 1, 2015, upon determining that the initiation of the reviews for all of the orders concerning PRCBs on the same date would promote administrative efficiency. 80 FR 11171, March 2, 2015.

<sup>26</sup> 80 FR 43118, July 21, 2015.

<sup>27</sup> 80 FR 39997, July 13, 2015.

<sup>28</sup> 80 FR 46539, August 5, 2015.

<sup>29</sup> 81 FR 23749, April 22, 2016.

<sup>30</sup> 81 FR 27087, May 5, 2016.

## Previous and related investigations

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

Superbag filed a complaint in 2004 alleging infringement of one of the firm's patents under section 337 of the Tariff Act of 1930 related to the importation into the United States, sale for importation, and/or sale within the United States after importation of certain "T-styled" plastic grocery and retail bags. An administrative law judge of the Commission found that a violation had occurred and recommended that the Commission issue a general exclusion order on these bags. Settlements and consent orders were entered into with some respondents, and the Commission entered a general exclusion order against all other covered imports.<sup>31</sup>

## Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam with the intent of issuing the final results of these reviews based on the facts available not later than July 29, 2021.<sup>32</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 of the Issues and Decision Memoranda can be accessed at <http://enforcement.trade.gov/frn/>. The Issues and Decision 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/or countervailing duty orders on imports of PRCBs from China, Indonesia, Malaysia, Taiwan, Thailand, or Vietnam are noted in the section titled "The original investigations and subsequent reviews."

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<sup>31</sup> Original Indonesia, Taiwan, and Vietnam publication, p. I-4.

<sup>32</sup> Letter from Melissa G. Skinner, Senior Director, Office VII, Office of AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, May 21, 2021.

## The product

### Commerce's scope

Commerce has defined the scope as follows:

*{PRCBs}, which may be referred to as t-shirt sacks, merchandise bags, grocery bags, or checkout bags. The subject merchandise is defined as non-sealable sacks and bags with handles (including drawstrings), without zippers or integral extruded closures, with or without gussets, with or without printing, of polyethylene film having a thickness no greater than 0.035 inch (0.889 mm) and no less than 0.00035 inch (0.00889 mm), and with no length or width shorter than 6 inches (15.24 cm) or longer than 40 inches (101.6 cm). The depth of the bag may be shorter than 6 inches but not longer than 40 inches (101.6 cm).*

*PRCBs are typically provided without any consumer packaging and free of charge by retail establishments, e.g., grocery, drug, convenience, department, specialty retail, discount stores, and restaurants, to their customers to package and carry their purchased products. The scope of the order excludes (1) polyethylene bags that are not printed with logos or store names and that are closeable with drawstrings made of polyethylene film and (2) polyethylene bags that are packed in consumer packaging with printing that refers to specific end-uses other than packaging and carrying merchandise from retail establishments, e.g., garbage bags, lawn bags, trash-can liners.<sup>33</sup>*

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<sup>33</sup> 81 FR 27087, May 5, 2016.

## U.S. tariff treatment

PRCBs are currently imported under HTS statistical reporting number 3923.21.0085 (“Polyethylene retail carrier bags (PRCBs) with handles (including drawstrings), with no length or width shorter than 6 inches (152.4 mm) or longer than 40 inches (1,016 mm)”)<sup>34</sup> PRCBs produced in the subject countries come into the U.S. market at a column 1-general duty rate of 3.0 percent ad valorem. Subheading 3923.21.00 is designated as covering goods eligible for duty-free entry under the Generalized System of Preferences (GSP). Thailand is currently excluded from GSP benefits for this subheading, but importers of eligible products of Indonesia can claim duty-free entry. The remaining respondents are not designated beneficiary countries. Effective September 24, 2018, PRCBs produced in China were subject to an additional 10 percent ad valorem duty under Section 301 of the Trade Act of 1974, as provided for in statistical reporting number 9903.88.03.23.<sup>35</sup> Effective May 10, 2019, this additional duty increased from 10 percent to 25 percent ad valorem.<sup>36</sup> Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

## Description and uses<sup>37</sup>

PRCBs are non-sealable plastic sacks or bags made of polyethylene with carrying handles, dispensed to retail customers to carry purchased merchandise. PRCBs, whether domestically produced or imported, consist principally of FDA-approved high-density polyethylene (“HDPE”) resin films, low-density polyethylene (“LDPE”) resin films, or combinations thereof varying in size, shape, thickness, and strength characteristics depending on their intended use and may contain single- or double-sided printing in single or multiple colors. PRCBs produced in the United States generally carry a printed manufacturer’s

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<sup>34</sup> Prior to July 2005, PRCBs were reported under HTS statistical reporting number 3923.21.0090, a broader category that included additional out-of-scope merchandise. After July 2005, imports of PRCBs were reported under HTS statistical reporting number 3923.21.0085 specifically designated for PRCBs with handles (including drawstrings), with no length or width shorter than 6 inches (152.4 mm) or longer than 40 inches (1,016 mm). The remainder of the imports reported under the former category are reported under HTS statistical reporting number 3923.21.0095. Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (First Review) and 731-TA-1043-1045 (Second Review), USITC Publication 4605, April 2016 (“First/second review publication”), p. I-3.

<sup>35</sup> 83 FR 47974, September 21, 2018.

<sup>36</sup> 84 FR 20459, May 9, 2019.

<sup>37</sup> Unless otherwise noted, this information is based on First/second review publication, pp. I-25 to I-26.

identification or logo on the bag surface along with a recycling symbol specifying the predominate form of plastic, #2 for HDPE and #4 for LDPE. Imported PRCBs usually carry the recycling symbol but not necessarily the producer logo or country-of-origin identification. All PRCBs, whether produced domestically or imported, are equipped with carrying handles of various types including drawstrings, die-cut handles formed in the bag surface, and applied handles. They may be designed with side or bottom pleats (gussets), square bottoms, or bottom and side seals depending upon the intended use.

PRCBs are generally dispensed free of charge to customers by a wide range of outlets, including grocery, drug, convenience, department, specialty retail, and discount stores as well as restaurants. T-shirt bags (named for their resemblance to sleeveless undershirts with two straps that rest on the shoulders) are the highest volume type of PRCBs, dispensed in a wide variety of retail outlets. Such PRCBs range from low-end, thin-walled HDPE bags found in grocery and other stores, to larger and thicker t-shirt bags found in department stores. T-shirt merchandise bags may also be made of softer, glossier, and more puncture-resistant LDPE resins, especially liner low-density polyethylene (“LLDPE”). In contrast, higher-end bags of either HDPE, LDPE, or LLDPE range from medium-scale die cut bags of various configurations dispensed at restaurant and merchandise outlets to higher scale die-cut, drawstring, and soft loop handle shopping bags found in more fashionable chain and upscale department stores. Other upscale bags are typically dispensed to customers in boutiques and other specialty stores and have features such as detailed high-quality multicolored printing and graphics, attached soft loop or trifold handles, and flat bottoms.

### **Manufacturing process<sup>38</sup>**

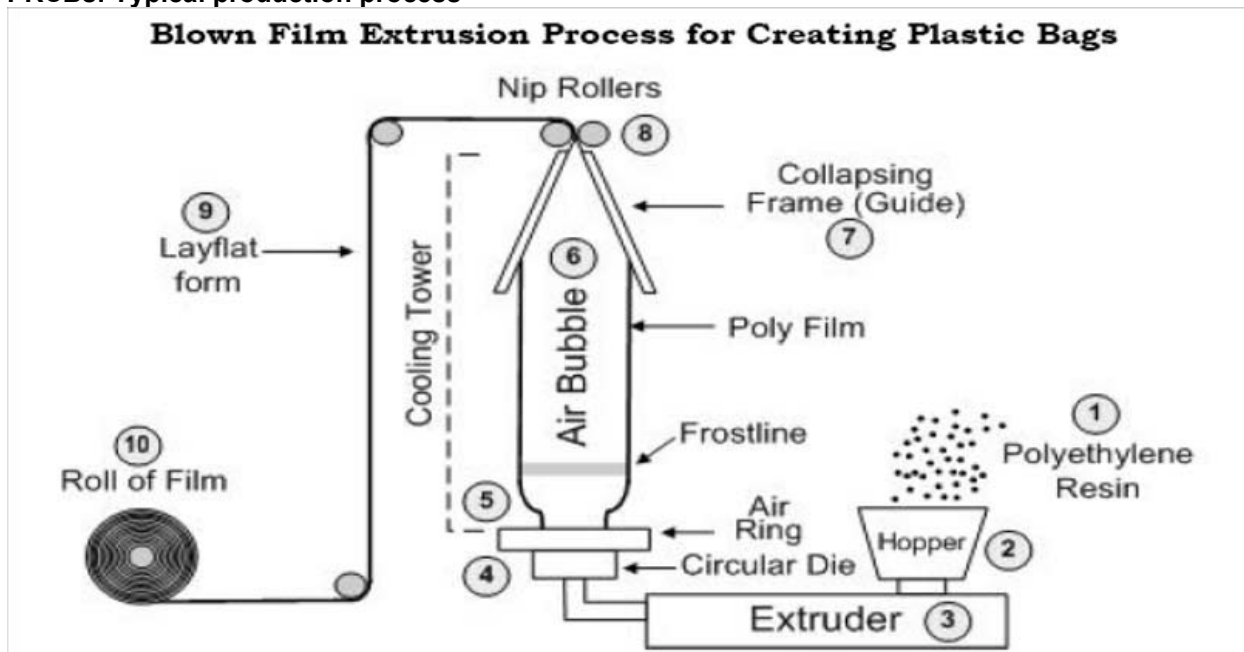
The process for manufacturing PRCBs is generally the same everywhere in the world. The four-step process consists of (1) blending polyethylene resin pellets, color concentrates, and other additives; (2) extrusion and film forming; (3) printing; and (4) bag conversion. U.S. producers run high-volume plants on a 24 hours per day/7 days a week basis when in operation, due to the capital intensive and competitive nature of the business.

Figure I-1 illustrates the fundamentals of the typical blown film extrusion process used by PRCB producers worldwide.

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<sup>38</sup> Unless otherwise noted, this information is based on First/second review publication, pp. I-26 to I-28.

Figure I-1:  
PRCBs: Typical production process



Source: "10 Steps to Plastic Bags," J.T. McWilliams, President, Multi-Pak USA, at [http://www.5starwriting.com/wpcontent/uploads/2011/06/10\\_Steps\\_To\\_Plastic\\_Bags\\_May06.pdf](http://www.5starwriting.com/wpcontent/uploads/2011/06/10_Steps_To_Plastic_Bags_May06.pdf) (accessed June 14, 2015).

During production, a polyethylene resin blend is fed to an extruder or series of extruders, with the plastic melt product then forced through a circular die and air blown into a cylindrical film bubble. Once the film cools, solidifies, and reaches the desired thickness, the bubble is collapsed and formed into a thick two-sided plastic film which is smoothed through rollers and wound on spools in preparation for printing and conversion to bags. U.S. producers generally have separate extrusion and bag processes that employ different equipment and usually a selected set of trained employees.

During bag conversion, a continuous run of wide film sheet is pre-treated, then fed into a flexographic printing press where the sheet is printed on one or both sides in up to eight colors with logos and identification.<sup>39</sup> The printed film roll is then, in a continuous process, cut and sealed into individual bag sections.<sup>40</sup> Completing the conversion process, handles are then

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<sup>39</sup> The flexographic printing process employed in the United States is an environmentally friendly water-based system which eliminates undesirable toxic volatile organic compound ("VOC") emissions into the atmosphere, whereas certain subject country producers of imported bags employ the organic solvent-based rotogravure printing process, which they claim produces superior print quality.

<sup>40</sup> If the film is to have side or bottom pleats (gussets), the parallel sections of individual bag film pass through gusseting equipment to form the pleats.

either die cut into or attached to the bag film. High volume t-shirt or die-cut bags are typically boxed in quantities of 1,000 to 2,000 bags by an operator at the end of the line. Following bag inspection, boxes are loaded onto pallets, warehoused, and shipped, usually by truck in the United States. Most production scrap is recycled.

## **The industry in the United States**

### **U.S. producers**

During the final phase of the original China, Malaysia, and Thailand investigations, the Commission received U.S. producer questionnaires from 22 firms, which were believed to account for approximately 98 percent of production of PRCBs in the United States during 2001-03.<sup>41</sup> During the final phase of the original Indonesia, Taiwan, and Vietnam investigations, the Commission received U.S. producer questionnaires from 13 firms, which accounted for nearly all U.S. production of PRCBs during 2008.<sup>42</sup>

During the first five-year reviews of the antidumping orders on PRCBs from China, Malaysia, and Thailand, the Commission received usable U.S. producer questionnaires from 12 firms, which accounted for more than 90 percent of production of PRCBs in the United States during 2009.<sup>43</sup> During the second five-year reviews of the China, Malaysia, and Thailand orders and the first five-year reviews of the Indonesia, Taiwan, and Vietnam orders, the Commission received U.S. producer questionnaires from 11 firms, which were believed to account for the vast majority of production of PRCBs in the United States during 2014.<sup>44</sup>

In response to the Commission's notice of institution in these current reviews, the domestic interested party provided a list of seven other known and currently operating U.S. producers of PRCBs in addition to the PRCB Committee member firms. The six PRCB Committee member firms which provided U.S. industry data in response to the Commission's notice of institution accounted for approximately \*\*\* percent of production of PRCBs in the United States during 2020.<sup>45</sup>

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<sup>41</sup> Original China, Malaysia, and Thailand publication, p. I-2.

<sup>42</sup> Original Indonesia, Taiwan, and Vietnam publication, p. III-1.

<sup>43</sup> China, Malaysia, and Thailand first review publication, p. I-20.

<sup>44</sup> First/second review publication, p. I-30.

<sup>45</sup> Domestic interested party's response to the notice of institution, May 3, 2021, exh. 38.

## Recent developments

In 2020, the combination of stable demand for polyethylene resin, despite the COVID-19 pandemic, and production shutdowns due to hurricanes Laura and Delta resulted in the largest price increase since 2009.<sup>46</sup> Table I-2 presents events in the U.S. PRCB industry since the last five-year reviews.<sup>47</sup>

**Table I-2**  
**PRCBs: Recent developments in the U.S. industry**

Item	Event
Restriction	2016: California banned single-use plastic bags at large retail stores.
Restriction	2019: New York, Connecticut, Delaware, Maine, Oregon, and Vermont enacted restrictions on single-use bags.

Source: “State plastic bag regulations,” February 8, 2021. National Conferences of State Legislatures. <https://www.ncsl.org/research/environment-and-natural-resources/plastic-bag-legislation.aspx>.

## 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>48</sup> Table I-3 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

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<sup>46</sup> “Most resins see higher prices in 2020 amid pandemic,” Plastics News, December 23, 2020, found at <https://www.plasticsnews.com/news/most-resins-see-higher-prices-2020-amid-pandemic>, retrieved June 22, 2021.

<sup>47</sup> “PE, PP, PET markets battle through 2021,” Plastics News, June 08, 2021, found at <https://www.plasticsnews.com/news/pe-pp-pet-markets-battle-through-2021>, retrieved June 22, 2021.

<sup>48</sup> App. D presents additional information on recent developments in the market and the industry.

<sup>48</sup> Trade and financial data are presented in app. B.



**Table I-3**  
**PRCBs: Trade and financial data submitted by U.S. producers, by period**

Quantity in 1,000 bags; value in 1,000 dollars; unit value in dollars per 1,000 bags; ratio is production to production capacity in percent, COGS to net sales in percent, or operating income or (loss) to net sales in percent

Item	Measure	2003	2008	2009	2014	2020
Capacity	Quantity	88,108,015	79,737,217	***	90,253,452	***
Production	Quantity	67,260,527	66,276,349	***	76,142,156	***
Capacity utilization	Ratio	76.3	83.1	***	84.4	***
U.S. shipments	Quantity	67,420,261	65,085,412	***	73,556,008	***
U.S. shipments	Value	772,295	983,006	***	1,120,838	***
U.S. shipments	Unit value	11.45	15.10	***	15.24	***
Net sales	Value	785,636	1,008,444	***	***	***
COGS	Value	702,598	937,213	***	***	***
COGS to net sales	Ratio	89.4	92.9	***	***	***
Gross profit or (loss)	Value	83,038	71,231	***	***	***
SG&A expenses	Value	76,098	103,228	***	***	***
Operating income or (loss)	Value	6,130	(31,997)	***	***	***
Operating income or (loss) to net sales	Ratio	0.8	(3.2)	***	***	***

Source: For the year 2003, data are compiled using data submitted in the Commission's original China, Malaysia, and Thailand investigations. For the year 2008, data are compiled using data submitted in the Commission's original Indonesia, Taiwan, and Vietnam investigations. For the year 2009, data are compiled using data submitted in the Commission's first China, Malaysia, and Thailand five-year reviews. For the year 2014, data are compiled using data submitted in the Commission's second China, Malaysia, Thailand five-year reviews and its first Indonesia, Taiwan, and Vietnam five-year reviews. For the year 2020, data are compiled using data submitted by domestic interested party. Domestic interested party's response to the notice of institution, May 3, 2021, exh. 38.

Note: \*\*\*.

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

## 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>49</sup>

In its original determinations and its full first five-year review determinations concerning Indonesia, Taiwan, and Vietnam, and in its original determinations and its full first and second five-year review determinations concerning China, Malaysia, and Thailand, the Commission found one domestic like product consisting of the range of polyethylene retail carrier bags corresponding to Commerce’s scope.<sup>50</sup> In its original determinations and its full first five-year review determinations concerning Indonesia, Taiwan, and Vietnam, and in its original determinations and its full first and second five-year review determinations concerning China, Malaysia, and Thailand, the Commission found a single domestic industry consisting of all U.S. producers of PRCBs.<sup>51</sup> In 2020, \*\*\* estimated that it accounted for \*\*\* percent of total U.S. imports from China and \*\*\* percent of total U.S. imports from Taiwan. In 2020, its imports from China were equivalent to \*\*\* percent of the quantity of its U.S. production of PRCBs and its imports from Taiwan were equivalent to \*\*\* percent of the quantity of its U.S. production of PRCBs. \*\*\* estimated that it accounted for \*\*\* percent of total U.S. production of PRCBs in 2020. In 2020, \*\*\* estimated that it accounted for \*\*\* percent of total U.S. imports from Vietnam. Its imports from Vietnam were equivalent to \*\*\* percent of the quantity of its U.S. production of PRCBs in 2020. \*\*\* estimated that it accounted for \*\*\* percent of total U.S. production of PRCBs in 2020.<sup>52</sup>

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<sup>49</sup> Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

<sup>50</sup> 86 FR 17200, April 1, 2021.

<sup>51</sup> Ibid.

<sup>52</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exh. 38 and 39.

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

### U.S. importers

During the final phase of the original China, Malaysia, and Thailand investigations, the Commission received U.S. importer questionnaires from 87 firms, which were believed to account for the great majority of total U.S. imports of PRCBs during the period examined.<sup>53</sup> Import data presented in the original China, Malaysia, and Thailand investigations are based on questionnaire responses. During the final phase of the original Indonesia, Taiwan, and Vietnam investigations, the Commission received U.S. importer questionnaires from 42 firms, which were believed to account for 60 percent of U.S. imports of PRCBs in 2008 from Indonesia, Taiwan, and Vietnam.<sup>54</sup> Import data presented in the original Indonesia, Taiwan, and Vietnam investigations were based on official Commerce statistics.<sup>55</sup>

During the first full five-year reviews of the China, Malaysia, and Thailand orders, the Commission received U.S. importer questionnaires from 52 firms, which were believed to account for 48 percent of subject U.S. imports in 2009 from China, Malaysia, and Thailand.<sup>56</sup> Import data presented in the original China, Malaysia, and Thailand investigations are based on official Commerce statistics and questionnaire data. During the combined full reviews of the antidumping orders with respect to China, Malaysia, and Thailand (second review) and the antidumping orders with respect to Indonesia, Taiwan and Vietnam and the countervailing duty order with respect to Vietnam (first review), the Commission received U.S. importer questionnaires from 27 firms, which accounted for \*\*\* percent of subject imports during January 2009-September 2015.<sup>57</sup> Import data for the first/second reviews were compiled from data submitted in response to Commission questionnaires and Customs data.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested party provided a list of 105 potential U.S. importers of PRCBs.<sup>58</sup>

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<sup>53</sup> Original China, Malaysia, and Thailand publication, p. I-2.

<sup>54</sup> Original Indonesia, Taiwan, and Vietnam publication, p. IV-1.

<sup>55</sup> Original Indonesia, Taiwan, and Vietnam publication, p. I-3.

<sup>56</sup> China, Malaysia, and Thailand review publication, p. IV-1.

<sup>57</sup> Investigation Nos. 701-TA-462 and 731-TA-1156-1158 (First Review) and 731-TA-1043-1045 (Second Review): Polyethylene Retail Carrier Bags from China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam, Confidential Report, INV-OO-021, March 16, 2016, as revised in INV-OO-024, March 22, 2016, and INV-OO-026, March 24, 2016 ("First/second review confidential report"), p. IV-1.

<sup>58</sup> Domestic interested party's response to the notice of institution, May 3, 2021, exh. 35.

## **U.S. imports**

Table I-4 presents U.S. imports from China, Indonesia, Malaysia, Taiwan, Thailand, Vietnam, as well as from all other import sources (shown in descending order of 2020 imports by quantity). As noted in “The original investigations and subsequent reviews” section, foreign producers/exporters have been excluded from the orders with respect to China, Malaysia, and Thailand. No foreign producers/exporters from Indonesia, Taiwan, and Vietnam have been excluded from the orders. Table I-4 presents all imports from each country but does not distinguish between subject and nonsubject sources.

**Table I-4**  
**PRCBs: U.S. imports, by source and period**

Quantity in 1,000 bags; value in 1,000 dollars; unit value in dollars per 1,000 bags

U.S. imports from	Measure	2015	2016	2017	2018	2019	2020
Malaysia (subject and nonsubject)	Quantity	8,507,848	8,986,797	8,477,065	8,229,374	10,676,077	10,970,482
Thailand (subject and nonsubject)	Quantity	6,307,154	5,923,809	4,821,505	5,606,513	5,960,423	5,622,456
China (subject and nonsubject)	Quantity	9,966,859	6,304,765	5,454,548	4,947,292	2,331,992	1,300,560
Vietnam (subject)	Quantity	17,994	53,953	5,227	16,371	135,356	238,952
Taiwan (subject)	Quantity	414,270	107,648	66,883	29,303	38,394	52,553
Indonesia (subject)	Quantity	151	32	685	75	262	190
Subtotal	Quantity	25,214,276	21,377,004	18,825,913	18,828,928	19,142,504	18,185,193
All other sources	Quantity	10,407,621	12,306,908	12,330,123	13,812,648	15,140,050	13,174,436
All import sources	Quantity	35,621,897	33,683,912	31,156,036	32,641,576	34,282,554	31,359,629
Malaysia (subject and nonsubject)	Value	113,116	99,741	94,182	100,442	109,194	108,816
Thailand (subject and nonsubject)	Value	61,104	62,569	51,770	58,052	59,979	50,065
China (subject and nonsubject)	Value	100,566	68,782	66,172	65,823	33,745	23,044
Vietnam (subject)	Value	514	347	370	289	671	1,251
Taiwan (subject)	Value	5,418	1,327	508	499	597	725
Indonesia (subject)	Value	77	4	104	2	15	4
Subtotal	Value	280,795	232,769	213,106	225,108	204,202	183,904
All other sources	Value	145,544	162,065	158,036	175,269	166,213	143,902
All import sources	Value	426,339	394,834	371,142	400,377	370,415	327,807
Malaysia (subject and nonsubject)	Unit value	13.30	11.10	11.11	12.21	10.23	9.92
Thailand (subject and nonsubject)	Unit value	9.69	10.56	10.74	10.35	10.06	8.90
China (subject and nonsubject)	Unit value	10.09	10.91	12.13	13.30	14.47	17.72
Vietnam (subject)	Unit value	28.57	6.43	70.70	17.64	4.96	5.24
Taiwan (subject)	Unit value	13.08	12.33	7.60	17.04	15.56	13.79
Indonesia (subject)	Unit value	509.44	111.00	151.13	28.76	56.30	20.61
Subtotal	Unit value	11.14	10.89	11.32	11.96	10.67	10.11
All other sources	Unit value	13.98	13.17	12.82	12.69	10.98	10.92
All import sources	Unit value	11.97	11.72	11.91	12.27	10.80	10.45

Source: Compiled from official Commerce statistics for HTS statistical reporting number 3923.21.0085, accessed June 3, 2021.

Note: Imports from China, Malaysia, and Thailand are not distinguished between subject and nonsubject sources. During the first/second reviews, \*\*\* percent of U.S. imports from China by quantity were from nonsubject sources, \*\*\* percent of U.S. imports from Malaysia by quantity were from nonsubject sources, and \*\*\* percent of U.S. imports from Thailand by quantity were from nonsubject sources in 2014. First/second review confidential report, table C-1.

## Cumulation considerations<sup>59</sup>

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.<sup>60 61</sup>

Imports from China, Malaysia, Taiwan, and Thailand were reported in all 72 of the 72 months between 2015 and 2020; imports from Vietnam were reported in 52 of the 72 months between 2015 and 2020; and imports from Indonesia were reported in 13 of the 72 months between 2015 and 2020. Imports from China, Malaysia, Taiwan, Thailand, and Vietnam were reported in all 12 months of 2020, whereas imports from Indonesia were reported in one month of 2020.

Imports from China, Taiwan, and Thailand entered through northern/ southern/ eastern/ western borders of entry in all years from 2015 through 2020. Imports from Vietnam entered through northern/ southern/ eastern/ western borders of entry in all years from 2015 through 2020, except in 2017 when no imports from Vietnam entered through the southern border. Imports from Malaysia entered through northern/ southern/ eastern/ western borders of entry in all years from 2015 through 2020, except in 2015 when no imports from Malaysia entered through the southern or northern borders, in 2016 when no imports from Malaysia entered through the southern border, and in 2017 and 2018 when no imports from Malaysia entered through the northern border. Lastly, imports from Indonesia entered through the northern, southern, and western borders in 2015, the northern border in 2016, the eastern border in 2017, the southern and western borders in 2018, the southern border in 2019, and the western border in 2020.

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<sup>59</sup> Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting number 3923.21.0085.

<sup>60</sup> In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

<sup>61</sup> As noted in “The original investigations and subsequent reviews” section, foreign producers/exporters have been excluded from the orders with respect to China, Malaysia, and Thailand. Information presented on U.S. imports with respect to China, Malaysia, and Thailand in this section do not distinguish between subject and nonsubject sources.

## Apparent U.S. consumption and market shares

Table I-5 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares. As noted in "The original investigations and subsequent reviews" section, foreign producers/exporters have been excluded from the orders with respect to China, Malaysia, and Thailand. Data for imports from China, Malaysia, and Thailand in 2003, 2008, 2009, and 2014 exclude imports from nonsubject sources, whereas the data for imports from those countries in 2020 do not distinguish between subject and nonsubject sources. As such, data for subject imports and apparent U.S. consumption are overstated in 2020, while data for nonsubject imports are correspondingly understated in 2020.

**Table I-5**  
**PRCBs: Apparent U.S. consumption and market shares, by source and period**

Quantity in 1,000 bags; value in 1,000 dollars; share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent

Source	Measure	2003	2008	2009	2014	2020
U.S. producers	Quantity	67,420,261	65,085,412	***	73,556,008	***
China	Quantity	***	NA	***	***	1,300,560
Indonesia	Quantity	NA	2,819,569	NA	***	190
Malaysia	Quantity	***	NA	***	***	10,970,482
Taiwan	Quantity	NA	4,575,499	NA	***	52,553
Thailand	Quantity	***	NA	3,655,709	***	5,622,456
Vietnam	Quantity	NA	7,192,325	NA	***	238,952
Subject sources	Quantity	15,424,725	14,587,393	8,910,671	***	18,185,193
Nonsubject sources	Quantity	4,661,115	21,776,828	21,631,674	***	13,174,436
Total imports	Quantity	20,085,840	36,364,221	***	29,909,126	31,359,629
Apparent U.S. consumption	Quantity	87,506,101	101,449,633	***	103,465,134	***
U.S. producers	Value	772,295	983,006	***	1,120,838	***
China	Value	***	NA	***	***	23,044
Indonesia	Value	NA	40,948	NA	***	4
Malaysia	Value	***	NA	***	***	108,816
Taiwan	Value	NA	56,848	NA	***	725
Thailand	Value	***	NA	39,059	***	50,065
Vietnam	Value	NA	88,189	NA	***	1,251
Subject sources	Value	183,959	185,986	90,616	***	183,905
Nonsubject sources	Value	39,238	318,412	214,511	***	143,902
All import sources	Value	223,197	504,398	***	380,128	327,807
Apparent U.S. consumption	Value	995,491	1,487,404	***	1,500,966	***

Table continued on next page.

**Table I-5 Continued**  
**PRCBs: Apparent U.S. consumption and market shares, by source and period**

Quantity in units; value in 1,000 dollars; share of quantity is the share of apparent U.S. consumption by quantity in percent; share of value is the share of apparent U.S. consumption by value in percent

Source	Measure	2003	2008	2009	2014	2020
U.S. producers	Share of quantity	77.0	64.2	68.5	71.1	***
China	Share of quantity	***	NA	4.9	***	***
Indonesia	Share of quantity	NA	2.8	NA	***	***
Malaysia	Share of quantity	***	NA	0.5	***	***
Taiwan	Share of quantity	NA	4.5	NA	***	***
Thailand	Share of quantity	***	NA	3.8	***	***
Vietnam	Share of quantity	NA	7.1	NA	***	***
Subject sources	Share of quantity	17.6	14.4	9.2	***	***
Nonsubject sources	Share of quantity	5.3	21.5	22.3	***	***
Total imports	Share of quantity	23.0	35.8	31.5	28.9	***
U.S. producers	Share of value	77.6	66.1	71.5	74.7	***
China	Share of value	***	NA	4.3	***	***
Indonesia	Share of value	NA	2.8	NA	***	***
Malaysia	Share of value	***	NA	0.5	***	***
Taiwan	Share of value	NA	3.8	NA	***	***
Thailand	Share of value	***	NA	3.6	***	***
Vietnam	Share of value	NA	5.9	NA	***	***
Subject sources	Share of value	18.5	12.5	8.5	***	***
Nonsubject sources	Share of value	3.9	21.4	20.0	***	***
All import sources	Share of value	22.4	33.9	28.5	25.3	***

Source: For the year 2003, data are compiled using data submitted in the Commission's original China, Malaysia, and Thailand investigations. For the year 2008, data are compiled using data submitted in the Commission's original Indonesia, Taiwan, and Vietnam investigations. For the year 2009, data are compiled using data submitted in the Commission's first China, Malaysia, and Thailand five-year reviews. For the year 2014, data are compiled using data submitted in the Commission's second China, Malaysia, Thailand five-year reviews and its first Indonesia, Taiwan, and Vietnam five-year reviews. For the year 2003, data are presented as U.S. shipments of U.S. imports while all other years are presented as U.S. imports. For the year 2020, data are compiled using data submitted by domestic interested party and official import statistics. Domestic interested party's response to the notice of institution, May 3, 2021, exh. 38 and official Commerce statistics for HTS statistical reporting number 3923.21.0085, accessed June 3, 2021.

Note: Import data for China, Malaysia, and Thailand in 2020 are not distinguished between subject and nonsubject sources. As such, data for subject imports and apparent U.S. consumption in 2020 are overstated, while data for nonsubject imports are correspondingly understated. However, data for imports from China, Malaysia, and Thailand in 2003, 2009, and 2014 are distinguished between subject and nonsubject sources. Consequently, data for nonsubject sources in those years include imports from foreign producers/exporters in China, Malaysia, and Thailand that have been exempt from the orders. In 2014, \*\*\* percent of imports from China, \*\*\* percent of imports from Malaysia, and \*\*\* percent of imports from Thailand, by quantity, were from nonsubject sources. First/second review confidential report, table C-1.

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



## The industry in China

During the final phase of the original China, Malaysia, and Thailand investigations, the Commission received foreign producer/exporter questionnaires from 38 firms. The responding 38 firms reported that they accounted for an estimated nearly 68 percent of reported subject U.S. imports from China during 2003. The industry appeared to be export oriented: by far the largest share of these firms' total PRCB shipments were sent to markets outside China.<sup>62</sup>

During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms. Reported exports of PRCBs to the United States by the responding firms in 2009 were equivalent to \*\*\* percent of the quantity of U.S. imports of PRCBs from China in that year based on official Commerce statistics.<sup>63</sup>

The Commission did not receive responses from any respondent interested parties in its second five-year reviews, but the domestic interested party provided a list of 96 possible producers of PRCBs in China in that proceeding.<sup>64</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 51 possible producers of PRCBs in China.<sup>65</sup>

Table I-6 presents export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), of Polymers of Ethylene,” a category that includes PRCBs and out-of-scope products, from China (by export destination in descending order of value for 2020).

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<sup>62</sup> Original China, Malaysia, and Thailand publication, p. VII-1. In the original investigations, Commerce excluded two firms from the antidumping duty order of PRCBs from China (Hang Lung and Nantong Huasheng) due to finding de minimis dumping margins for those companies. 69 FR 48201, August 9, 2004. In 2009, these firms accounted for approximately \*\*\* percent of all Chinese PRCBs exported to the United States, by quantity. Hang Lung reportedly had bag production capacity of 25,000 metric tons (27,558 short tons) and Nantong Huasheng had a capacity of 40,000 metric tons (44,092 short tons). Original China, Malaysia, and Thailand publication, pp. IV-11 and VII-2.

<sup>63</sup> Polyethylene Retail Carrier Bags from China, Malaysia, and Thailand, Investigation Nos. 731-TA-1043-1045 (Final), Confidential Report, INV-HH-054, May 24, 2010 (“China, Malaysia, and Thailand first review confidential report”), p. IV-12.

<sup>64</sup> First/second review publication, pp. IV-10 to IV-11.

<sup>65</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.

**Table I-6**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from China, by destination and period**

Value in 1,000 dollars

Destination market	2015	2016	2017	2018	2019	2020
United States	791,750	756,426	793,219	867,198	629,585	722,428
Japan	553,077	515,356	509,117	520,291	493,205	418,388
Australia	143,908	141,278	153,648	175,085	154,027	159,875
Hong Kong	198,802	177,929	169,340	168,565	142,004	130,975
United Kingdom	102,860	94,059	99,282	100,578	93,678	106,485
Vietnam	33,886	35,305	40,254	57,814	74,030	105,644
Canada	80,266	69,625	77,336	88,044	87,971	94,551
Germany	87,751	84,089	79,813	83,385	71,817	76,251
Netherlands	66,558	61,642	65,348	75,916	81,724	75,007
Thailand	20,139	22,491	25,257	30,196	37,462	46,928
All other markets	716,144	684,432	696,464	762,188	758,789	810,180
All markets	2,795,140	2,642,632	2,709,077	2,929,260	2,624,292	2,746,711

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

## The industry in Indonesia

During the final phase of the original Indonesia, Taiwan, and Vietnam investigations, the Commission received foreign producer/exporter questionnaires from three firms in Indonesia. The responding firms reported that they accounted for an estimated \*\*\* percent of production of PRCBs in Indonesia during 2008 and \*\*\* percent of exports of PRCBs from Indonesia to the United States during 2008.<sup>66 67</sup>

During the first five-year reviews, the Commission issued questionnaires to 14 firms in Indonesia believed to be possible producers of PRCBs, but did not receive a response from any of those firms.<sup>68</sup> Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 16 possible producers of PRCBs in Indonesia.<sup>69</sup>

<sup>66</sup> Polyethylene Retail Carrier Bags From Indonesia, Taiwan, and Vietnam, Inv. Nos. 701-TA-462 and 731-TA 1156-1158 (Final); Confidential Staff Report, INV-HH-027, April 1, 2010, as revised in INV-HH-037, April 14, 2010 (“Original Indonesia, Taiwan, and Vietnam confidential report”), p. VII-1.

<sup>67</sup> Indonesia, Taiwan, and Vietnam confidential staff report, pp. VII-1 to VII-2

<sup>68</sup> First/second review publication, p. IV-14.

<sup>69</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.

Table I-7 presents export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products, from Indonesia (by export destination in descending order of value for 2020).

**Table I-7**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from Indonesia, by destination and period**

Value in 1,000 dollars

Destination market	2015	2016	2017	2018	2019	2020
Japan	112,856	105,605	109,880	117,301	109,730	97,831
United States	48	249	509	1,739	4,138	11,093
United Kingdom	8,280	9,078	10,335	9,994	8,100	7,255
Somalia	2,317	4,723	6,273	5,156	4,252	4,261
Germany	2,272	3,059	4,952	6,033	4,189	4,244
Singapore	16,291	4,136	4,528	3,383	4,140	2,730
Thailand	1,226	243	620	1,252	1,805	1,526
Australia	2,740	1,375	1,525	1,585	1,219	1,103
Poland	-	43	1,003	1,114	1,076	1,011
East Timor	756	630	823	871	921	992
All other markets	14,749	10,859	8,900	8,881	9,352	7,367
All markets	161,535	140,001	149,349	157,310	148,922	139,414

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

## The industry in Malaysia

During the final phase of the original China, Malaysia, and Thailand investigations, the Commission received foreign producer/exporter questionnaires from nine firms in Malaysia, with eight firms accounting for an estimated 97 percent of reported subject U.S. imports of PRCBs from Malaysia in 2003.<sup>70</sup>

During the first five-year reviews, the Commission received foreign producer/exporter questionnaires from 16 firms, which accounted for approximately \*\*\* percent of production of PRCBs in Malaysia during 2009, and approximately \*\*\* percent of the quantity of U.S. imports of PRCBs from Malaysia in 2009 based on official Commerce statistics.<sup>71</sup>

<sup>70</sup> During the original investigations, Commerce excluded Bee Lian from the antidumping duty order on PRCBs from Malaysia due to finding a de minimis dumping margin for that company. 69 FR 34128, June 18, 2004. The eight firms that were still subject to the order accounted for 97 percent of reported imports of PRCBs from Malaysia. Original China, Malaysia, and Thailand publication, p. VII-3.

<sup>71</sup> First review China, Malaysia, and Thailand confidential report, pp. IV-14-IV-15.

During the second five-year reviews, the Commission received foreign producer/exporter questionnaires from nine firms, which accounted for approximately \*\*\* percent of production of PRCBs in Malaysia and \*\*\* percent of exports of PRCBs from Malaysia to the United States during 2014.<sup>72</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 25 possible producers of PRCBs in Malaysia.<sup>73</sup>

Table I-8 presents export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products, from Malaysia (by export destination in descending order of value for 2020).

**Table I-8**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from Malaysia, by destination and period**

Value in 1,000 dollars

Destination market	2015	2016	2017	2018	2019	2020
United States	20,206	21,706	22,629	79,899	124,462	122,171
Australia	68,967	71,591	76,538	73,689	59,628	60,606
Singapore	29,150	27,142	35,590	35,311	46,127	45,500
Japan	60,519	56,789	55,669	54,906	48,630	37,352
United Kingdom	88,986	50,987	51,587	51,562	37,495	33,054
Indonesia	10,724	10,740	9,270	13,768	22,989	13,776
Thailand	22,953	17,289	20,976	21,366	19,721	13,355
Norway	6,256	6,524	7,395	6,169	4,919	6,959
Vietnam	2,347	2,367	2,308	3,319	3,626	5,908
New Zealand	7,074	7,803	7,987	7,028	5,848	5,576
All other markets	92,829	85,533	75,849	71,935	56,703	42,941
All markets	410,011	358,470	365,798	418,951	430,149	387,198

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

## The industry in Taiwan

During the final phase of the original Indonesia, Taiwan, and Vietnam investigations, the Commission received foreign producer/exporter questionnaires from three producers and one

<sup>72</sup> First/second review confidential report, p. IV-26.

<sup>73</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.

exporter in Taiwan. The responding firms reported that they accounted for \*\*\* percent of production of PRCBs in Taiwan and \*\*\* percent of exports of PRCBs from Taiwan to the United States.<sup>74</sup>

During the first five-year reviews, the Commission did not receive any responses to the notice of institution from foreign producers or exporters in Taiwan, the domestic producers of PRCBs provided a list of 25 firms that they believe currently produce PRCBs in Taiwan. No foreign producers or exporters in Taiwan provided a questionnaire response in the full reviews.<sup>75</sup> Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 26 possible producers of PRCBs in Taiwan.<sup>76</sup>

Table I-9 presents export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products, from Taiwan (by export destination in descending order of value for 2020).

**Table I-9**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from Taiwan, by destination and period**

Value in 1,000 dollars

Destination market	2015	2016	2017	2018	2019	2020
United States	55,246	54,230	60,804	68,110	68,876	76,874
Japan	14,995	15,833	16,332	17,150	14,921	13,794
Vietnam	1,157	731	940	864	1,722	1,338
China	379	694	238	318	1,011	1,114
Hong Kong	1,713	1,565	702	770	1,029	884
Canada	1,023	431	74	779	267	749
Philippines	410	353	413	920	1,213	676
South Africa	-	10	-	-	3	562
Indonesia	947	532	593	534	611	519
Australia	140	117	352	251	253	475
All other markets	3,520	1,715	2,258	2,600	2,119	2,322
All markets	79,531	76,211	82,707	92,296	92,025	99,308

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

<sup>74</sup> Indonesia, Taiwan, and Vietnam confidential staff report, p. VII-3.

<sup>75</sup> First/second review publication, p. IV-21-IV-22.

<sup>76</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.

## The industry in Thailand

During the final phase of the original China, Malaysia, and Thailand investigations, the Commission received foreign producer/exporter questionnaires from eight firms in Thailand, with seven firms accounting for virtually all reported subject U.S. imports of PRCBs from Thailand in 2003.<sup>77</sup>

During the first five-year reviews, five Thai firms provided questionnaire responses. Three of the responding firms estimated that in 2009 they collectively accounted for \*\*\* percent of production of PRCBs in Thailand, and four firms estimated that in 2009 they collectively accounted for \*\*\* percent of exports of PRCBs from Thailand to the United States.

During the second five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms in Thailand: Universal Polybag Co., Ltd. (“Universal Polybag”) and Sahachit Watana Plastic Industry Co. (“Sahachit”).<sup>78</sup> Universal Polybag estimated that it accounted for \*\*\* percent of PRCB production in Thailand in 2014 while Sahachit did not provide an estimate of its share of production of PRCBs in Thailand. Reported exports of PRCBs to the United States by Sahachit and Universal Polybag in 2014 were equivalent to \*\*\* percent and \*\*\* percent, respectively, of the quantity of subject U.S. imports of PRCBs from Thailand in 2014.<sup>79</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 38 possible producers of PRCBs in Thailand.<sup>80</sup>

Table I-10 presents export data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products, from Thailand (by export destination in descending order of value for 2020).

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<sup>77</sup> Original China, Malaysia, and Thailand publication, p. VII-4.

<sup>78</sup> First/second review publication, p. IV-24.

<sup>79</sup> First/second review confidential report, pp. IV-36-IV-37.

<sup>80</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.

**Table I-10**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from Thailand, by destination and period**

Value in 1,000 dollars

Destination market	2015	2016	2017	2018	2019	2020
United States	160,594	176,344	173,297	202,786	210,504	245,634
Japan	150,910	157,969	162,481	169,370	160,306	158,805
Australia	94,695	78,210	84,297	68,455	55,198	57,558
United Kingdom	51,621	46,399	45,421	46,328	48,376	42,504
China	3,263	5,792	10,085	10,579	11,004	12,513
Canada	5,891	6,670	6,918	12,136	9,737	10,502
Laos	1,404	3,252	3,739	5,473	6,723	10,305
Switzerland	3,529	4,061	6,154	7,619	12,595	10,251
Vietnam	2,517	2,253	2,838	5,808	9,754	8,895
New Zealand	16,654	16,418	16,505	14,673	7,579	7,819
All other markets	91,996	88,111	96,231	106,039	95,612	84,264
All markets	583,074	585,479	607,965	649,265	627,387	649,049

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

Table I-11 presents events in the Thai PRCB industry since the last five-year reviews.

**Table I-11**  
**PRCBs: Recent developments in the Thai industry**

Item	Country	Event
Restriction	Thailand	Jan 1, 2020, retail bags distribution was banned at 75 major retailers.

Source: "Thailand's plastic bag ban is an overdue step towards pragmatism," East Asia Forum, January 22, 2020. <https://www.eastasiaforum.org/2020/01/22/thailands-plastic-bag-ban-is-an-overdue-step-towards-pragmatism/>.

## The industry in Vietnam

During the final phase of the original Indonesia, Taiwan, and Vietnam investigations, the Commission received foreign producer/exporter questionnaires from six firms in Vietnam, which accounted for \*\*\* percent of production of PRCBs in Vietnam and \*\*\* percent of PRCBs exports from Vietnam to the United States during 2008.<sup>81</sup>

During the first five-year reviews, the Commission received a questionnaire response from one firm (RKW Lotus, Ltd.), which accounted for \*\*\* of total PRCB production in Vietnam.<sup>82</sup> Reported exports of PRCBs to the United States by RKW Lotus in 2014 were equivalent to \*\*\* percent of the quantity of U.S. imports of PRCBs from Vietnam in that year.<sup>83</sup>

Although the Commission did not receive responses from any respondent interested parties in these five-year reviews, the domestic interested party provided a list of 62 possible producers of PRCBs in Vietnam.<sup>84</sup>

Table I-12 presents export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products, from Vietnamese (by export destination in descending order of value for 2020).

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<sup>81</sup> Original Indonesia, Taiwan, and Vietnam confidential report, p. VII-5.

<sup>82</sup> First/second review confidential report, p. IV-42

<sup>83</sup> Ibid.

<sup>84</sup> Domestic interested party’s response to the notice of institution, May 3, 2021, exhibit 36.



**Table I-12**  
**Sacks and bags (including cones), of polymers of ethylene: Value of exports from Vietnam, by destination and period**

Value in 1,000 dollars

<b>Destination market</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Japan	153,234	169,570	209,111	274,898	285,190	243,223
United States	28,146	43,009	55,128	80,166	121,942	152,049
Germany	102,657	95,942	100,444	107,213	96,055	96,304
United Kingdom	68,632	64,185	66,111	74,836	71,490	68,544
Netherlands	23,365	28,016	26,936	35,817	37,042	37,877
France	31,620	28,663	33,945	36,594	36,793	31,177
Poland	13,955	17,746	23,876	31,956	29,619	22,999
Australia	7,040	9,208	9,585	11,479	13,207	13,429
South Korea	1,136	1,941	5,691	5,177	8,796	13,167
Canada	1,788	3,051	4,535	8,804	9,019	9,954
All other markets	67,328	74,298	89,250	111,134	109,626	107,473
All markets	527,058	558,521	644,980	778,227	807,966	776,597

Note: Data in the table are mirror data, based on imports from Vietnam by the rest of the world. Because of rounding, figures may not add to totals shown.

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of these reviews.

### **Third-country trade actions**

Based on available information, PRCBs from subject countries are currently not subject to other antidumping or countervailing duty investigations outside the United States.

## The global market

One development in the global PRCB market was a directive on April 29, 2015 from the EU to member states to reduce consumption of plastic carrier bags.<sup>85</sup> Table I-13 presents global export value data for HTS subheading 3923.21, “Sacks And Bags (Including Cones), Of Polymers Of Ethylene,” a category that includes PRCBs and out-of-scope products (by source in descending order of value for 2020).

**Table I-13**  
**Sacks and bags (including cones), of polymers of ethylene: Value of global exports by country and period**

Value in 1,000 dollars

Exporting country	2015	2016	2017	2018	2019	2020
China	2,795,140	2,642,632	2,709,077	2,929,260	2,624,292	2,746,711
Germany	888,983	939,668	996,868	1,052,782	986,013	994,592
United States	709,608	717,197	747,412	772,714	746,069	771,598
Thailand	583,074	585,479	607,965	649,265	627,387	649,049
Vietnam	527,058	558,521	644,980	778,227	807,966	776,597
Canada	464,824	467,751	485,442	530,915	568,346	593,964
Malaysia	410,011	358,470	365,798	418,951	430,149	387,198
Poland	283,397	332,928	360,646	427,217	403,450	389,252
United Kingdom	265,400	286,898	224,110	301,837	326,747	331,053
Netherlands	239,296	325,239	335,327	383,793	343,484	321,570
All other exporters	4,015,943	4,249,671	4,325,575	4,660,602	3,669,071	3,360,322
All exporters	11,182,732	11,464,454	11,803,201	12,905,566	11,532,975	11,321,905

Source: Global Trade Information Services, Inc., Global Trade Atlas, HTS subheading 3923.21, accessed June 2, 2021. These data may be overstated as HTS subheading 3923.21 may contain products outside the scope of this/these reviews.

Note: Data for Vietnam are mirror data, based on imports from Vietnam by the rest of the world. Because of rounding, figures may not add to total shown.

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<sup>85</sup> “Directive (EU) 2015/20 of the European Parliament and of the Council,” Official Journal of the European Union, April 29, 2015.

**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
86 FR 16701 March 31, 2021	<i>Initiation of Five-Year (Sunset) Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-03-31/pdf/2021-06645.pdf">https://www.govinfo.gov/content/pkg/FR-2021-03-31/pdf/2021-06645.pdf</a>
86 FR 17200 April 1, 2021	<i>Polyethylene Retail Carrier Bags From China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam; Institution of Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-04-01/pdf/2021-06357.pdf">https://www.govinfo.gov/content/pkg/FR-2021-04-01/pdf/2021-06357.pdf</a>



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





## RESPONSE CHECKLIST FOR U.S. TRADE ASSOCIATION

**Table B-1**  
**PRCBs: Response checklist for U.S. trade association**

Item	PRCB Committee
Nature of operation	***
Statement of intent to participate	***
Statement of likely effects of revoking the order	***
U.S. producer list	***
U.S. importer/foreign producer list	***
List of 3-5 leading purchasers	***
List of sources for national/regional prices	***
Changes in supply/demand	***

**Table B-2**  
**PRCBs: Trade and financial data submitted by U.S. trade association, 2020**

Quantity in 1,000 bags, value in dollars, ratio in percent

Item	Measure	PRCB Committee
Capacity	Quantity	***
Production	Quantity	***
Percent of total production reported	Ratio	***
Commercial U.S. shipments	Quantity	***
Commercial U.S. shipments:	Value	***
Internal consumption and company transfers	Quantity	***
Internal consumption and company transfers	Value	***
Net sales	Value	***
COGS	Value	***
Gross profit or (loss)	Value	***
SG&A expenses	Value	***
Operating income or (loss)	Value	***

Note: The production, capacity, shipment data, and financial data presented are for calendar year 2020.

\*\*\*



**APPENDIX C**

**SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS**



Table C-1

## PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Reported data							
	2009	2010	Calendar year				January to September	
			2011	2012	2013	2014	2014	2015
U.S. consumption quantity:								
Amount.....	95,258,394	100,064,227	99,250,295	103,777,785	101,080,012	103,465,134	74,720,990	76,887,278
Producers' share (fn1).....	69.6	72.6	72.8	70.9	74.5	71.1	72.9	68.9
Importers' share (fn1):								
China, subject.....	***	***	***	***	***	***	***	***
Indonesia.....	***	***	***	***	***	***	***	***
Malaysia, subject.....	***	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***	***
Thailand, subject.....	***	***	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***	***	***
China, nonsubject.....	***	***	***	***	***	***	***	***
Malaysia, nonsubject.....	***	***	***	***	***	***	***	***
Thailand, nonsubject.....	***	***	***	***	***	***	***	***
All other sources.....	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***
Total imports.....	30.4	27.4	27.2	29.1	25.5	28.9	27.1	31.1
U.S. consumption value:								
Amount.....	1,079,461	1,283,734	1,348,977	1,341,148	1,418,554	1,500,966	1,084,633	1,044,845
Producers' share (fn1).....	70.3	73.4	74.9	74.2	74.9	74.7	75.5	73.4
Importers' share (fn1):								
China, subject.....	***	***	***	***	***	***	***	***
Indonesia.....	***	***	***	***	***	***	***	***
Malaysia, subject.....	***	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***	***
Thailand, subject.....	***	***	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***	***	***
Subject sources.....	***	***	***	***	***	***	***	***
China, nonsubject.....	***	***	***	***	***	***	***	***
Malaysia, nonsubject.....	***	***	***	***	***	***	***	***
Thailand, nonsubject.....	***	***	***	***	***	***	***	***
All other sources.....	***	***	***	***	***	***	***	***
Nonsubject sources.....	***	***	***	***	***	***	***	***
Total imports.....	29.7	26.6	25.1	25.8	25.1	25.3	24.5	26.6
U.S. imports from								
China, subject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Indonesia:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Malaysia, subject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Taiwan:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Thailand, subject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Vietnam:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Subject sources								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***

Table continued next page.

**Table C-1--Continued**  
**PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015**

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Reported data							
	2009	2010	Calendar year				January to September	
			2011	2012	2013	2014	2014	2015
U.S. imports from								
China, nonsubject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Malaysia, nonsubject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Thailand, nonsubject:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
All other sources:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Nonsubject sources:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***	***
Total imports:								
Quantity.....	29,004,138	27,462,281	26,999,312	30,239,920	25,776,033	29,909,126	20,271,431	23,894,065
Value.....	320,339	341,784	338,381	346,290	355,537	380,128	265,853	278,451
Unit value.....	\$11.04	\$12.45	\$12.53	\$11.45	\$13.79	\$12.71	\$13.11	\$11.65
Ending inventory quantity.....	***	***	***	***	***	***	***	***
U.S. producers':								
Average capacity quantity.....	86,882,830	88,283,460	90,719,374	89,430,483	90,355,808	90,253,452	67,869,630	67,567,051
Production quantity.....	67,299,968	73,713,044	74,271,847	75,123,749	76,902,874	76,142,156	57,137,408	55,641,472
Capacity utilization (fn1).....	77.5	83.5	81.9	84.0	85.1	84.4	84.2	82.4
U.S. shipments:								
Quantity.....	66,254,256	72,601,946	72,250,983	73,537,865	75,303,979	73,556,008	54,449,559	52,993,213
Value.....	759,122	941,950	1,010,596	994,858	1,063,017	1,120,838	818,780	766,394
Unit value.....	\$11.46	\$12.97	\$13.99	\$13.53	\$14.12	\$15.24	\$15.04	\$14.46
Export shipments:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Ending inventory quantity.....	2,276,472	1,871,742	2,142,918	1,956,460	1,594,688	2,106,408	2,747,867	2,972,604
Inventories/total shipments (fn1).....	***	***	***	***	***	***	***	***
Production workers.....	2,695	2,770	2,838	2,918	2,955	2,954	2,720	3,065
Hours worked (1,000s).....	5,751	6,097	6,154	6,416	6,754	6,629	5,015	5,209
Wages paid (\$1,000).....	103,294	109,789	116,165	117,808	124,734	128,916	98,581	98,871
Hourly wages.....	\$17.96	\$18.01	\$18.88	\$18.36	\$18.47	\$19.45	\$19.66	\$18.98
Productivity (bags per hour).....	11,702	12,090	12,069	11,709	11,386	11,486	11,393	10,682
Unit labor costs.....	\$1.53	\$1.49	\$1.56	\$1.57	\$1.62	\$1.69	\$1.73	\$1.78
Net Sales:								
Quantity.....	***	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***	***
Cost of goods sold (COGS).....	***	***	***	***	***	***	***	***
Gross profit or (loss).....	***	***	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***	***	***
Operating income or (loss).....	***	***	***	***	***	***	***	***
Net income or (loss).....	***	***	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***	***	***
Unit COGS.....	***	***	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***	***	***
Unit operating income or (loss).....	***	***	***	***	***	***	***	***
Unit net income or (loss).....	***	***	***	***	***	***	***	***
COGS/sales (fn1).....	***	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	***	***	***

Table continued next page.

**Table C-1--Continued**  
**PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015**

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Period changes						
	2009-14	2009-10	Calendar year comparisons		2012-13	2013-14	Jan-Sept 2014-15
			2010-11	2011-12			
<b>U.S. consumption quantity:</b>							
Amount.....	8.6	5.0	(0.8)	4.6	(2.6)	2.4	2.9
Producers' share (fn1).....	1.5	3.0	0.2	(1.9)	3.6	(3.4)	(3.9)
<b>Importers' share (fn1):</b>							
China, subject.....	***	***	***	***	***	***	***
Indonesia.....	***	***	***	***	***	***	***
Malaysia, subject.....	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***
Thailand, subject.....	***	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***	***
<b>Subject sources:</b>							
China, nonsubject.....	***	***	***	***	***	***	***
Malaysia, nonsubject.....	***	***	***	***	***	***	***
Thailand, nonsubject.....	***	***	***	***	***	***	***
All other sources.....	***	***	***	***	***	***	***
All others sources.....	***	***	***	***	***	***	***
Total imports.....	(1.5)	(3.0)	(0.2)	1.9	(3.6)	3.4	3.9
<b>U.S. consumption value:</b>							
Amount.....	39.0	18.9	5.1	(0.6)	5.8	5.8	(3.7)
Producers' share (fn1).....	4.4	3.1	1.5	(0.7)	0.8	(0.3)	(2.1)
<b>Importers' share (fn1):</b>							
China, subject.....	***	***	***	***	***	***	***
Indonesia.....	***	***	***	***	***	***	***
Malaysia, subject.....	***	***	***	***	***	***	***
Taiwan.....	***	***	***	***	***	***	***
Thailand, subject.....	***	***	***	***	***	***	***
Vietnam.....	***	***	***	***	***	***	***
<b>Subject sources:</b>							
China, nonsubject.....	***	***	***	***	***	***	***
Malaysia, nonsubject.....	***	***	***	***	***	***	***
Thailand, nonsubject.....	***	***	***	***	***	***	***
All other sources.....	***	***	***	***	***	***	***
All others sources.....	***	***	***	***	***	***	***
Total imports.....	(4.4)	(3.1)	(1.5)	0.7	(0.8)	0.3	2.1
<b>U.S. imports from</b>							
<b>China, subject:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Indonesia:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Malaysia, subject:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Taiwan:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Thailand, subject:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Vietnam:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
<b>Subject sources:</b>							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***

Table continued next page.

**Table C-1--Continued**  
**PRCBs: Summary data concerning the U.S. market, 2009-14, January to September 2014, and January to September 2015**

(Quantity=1,000 bags; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per 1,000 bags; Period changes=percent--exceptions noted)

	Period changes						
	2009-14	2009-10	Calendar year comparisons		2012-13	2013-14	Jan-Sept 2014-15
			2010-11	2011-12			
U.S. imports from							
China, nonsubject:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
Malaysia, nonsubject:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
Thailand, nonsubject:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
All other sources:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
Nonsubject sources:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
Total imports:							
Quantity.....	3.1	(5.3)	(1.7)	12.0	(14.8)	16.0	17.9
Value.....	18.7	6.7	(1.0)	2.3	2.7	6.9	4.7
Unit value.....	15.1	12.7	0.7	(8.6)	20.5	(7.9)	(11.1)
Ending inventory quantity.....	***	***	***	***	***	***	***
U.S. producers':							
Average capacity quantity.....	3.9	1.6	2.8	(1.4)	1.0	(0.1)	(0.4)
Production quantity.....	13.1	9.5	0.8	1.1	2.4	(1.0)	(2.6)
Capacity utilization (fn1).....	6.9	6.0	(1.6)	2.1	1.1	(0.7)	(1.8)
U.S. shipments:							
Quantity.....	11.0	9.6	(0.5)	1.8	2.4	(2.3)	(2.7)
Value.....	47.6	24.1	7.3	(1.6)	6.9	5.4	(6.4)
Unit value.....	33.0	13.2	7.8	(3.3)	4.3	7.9	(3.8)
Export shipments:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Ending inventory quantity.....	***	***	***	***	***	***	***
Inventories/total shipments (fn1).....	***	***	***	***	***	***	***
Production workers.....	9.6	2.8	2.5	2.8	1.3	(0.0)	12.7
Hours worked (1,000s).....	15.3	6.0	0.9	4.3	5.3	(1.9)	3.9
Wages paid (\$1,000).....	24.8	6.3	5.8	1.4	5.9	3.4	0.3
Hourly wages.....	8.3	0.3	4.8	(2.7)	0.6	5.3	(3.4)
Productivity (1,000 bags per hour).....	(1.8)	3.3	(0.2)	(3.0)	(2.8)	0.9	(6.2)
Unit labor costs.....	10.3	(3.0)	5.0	0.3	3.4	4.4	3.0
Net Sales:							
Quantity.....	***	***	***	***	***	***	***
Value.....	***	***	***	***	***	***	***
Unit value.....	***	***	***	***	***	***	***
Cost of goods sold (COGS).....	***	***	***	***	***	***	***
Gross profit of (loss).....	***	***	***	***	***	***	***
SG&A expenses.....	***	***	***	***	***	***	***
Operating income or (loss).....	***	***	***	***	***	***	***
Net income or (loss).....	***	***	***	***	***	***	***
Capital expenditures.....	***	***	***	***	***	***	***
Unit COGS.....	***	***	***	***	***	***	***
Unit SG&A expenses.....	***	***	***	***	***	***	***
Unit operating income or (loss).....	***	***	***	***	***	***	***
Unit net income or (loss).....	***	***	***	***	***	***	***
COGS/sales (fn1).....	***	***	***	***	***	***	***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	***	***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	***	***

Notes:

fn1.--Reported data are in percent and period changes are in percentage points.

fn2.--\*\*\*.

fn3.--\*\*\*.

fn4.--\*\*\*.

Source: Compiled from data submitted in response to Commission questionnaires, and \*\*\*. See parts III, IV, and VI for a detailed discussion of sources.



**Table C-1**  
**All PRCBs: Summary data concerning the U.S. market, 2004-09**

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

Item	Reported data						Period changes					
	2004	2005	2006	2007	2008	2009	2004-09	2004-05	2005-06	2006-07	2007-08	2008-09
U.S. consumption quantity:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Subject sources - Importers' share (1):												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***	***	***	***
Nonsubject sources - Importers' share:												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total U.S. imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. consumption value:												
Amount	***	***	***	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***	***	***	***
Subject sources - Importers' share (1):												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
Thailand	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal	***	***	***	***	***	***	***	***	***	***	***	***
Nonsubject sources - Importers' share:												
China	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia	***	***	***	***	***	***	***	***	***	***	***	***
All other sources	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject	***	***	***	***	***	***	***	***	***	***	***	***
Total U.S. imports	***	***	***	***	***	***	***	***	***	***	***	***
U.S. imports from:												
China, subject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia, subject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Thailand, subject:												
Quantity	5,789,506	11,034,532	17,037,139	5,899,864	7,794,664	3,655,709	-36.9	90.6	54.4	-65.4	32.1	-53.1
Value	40,829	79,837	100,939	76,002	100,492	39,059	-4.3	95.5	26.4	-24.7	32.2	-61.1
Unit value	\$7.05	\$7.24	\$5.92	\$12.88	\$12.89	\$10.68	51.5	2.6	-18.1	117.4	0.1	-17.1
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***

Table continued on next page.

Table C-1 --Continued

All PRCBs: Summary data concerning the U.S. market, 2004-09

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

Item	Reported data						Period changes					
	2004	2005	2006	2007	2008	2009	2004-09	2004-05	2005-06	2006-07	2007-08	2008-09
Subtotal, subject:												
Quantity	12,618,338	17,574,755	23,526,589	10,574,169	13,655,013	8,910,671	-29.4	39.3	33.9	-55.1	29.1	-34.7
Value	95,437	146,402	159,707	142,671	170,429	90,616	-5.1	53.4	9.1	-10.7	19.5	-46.8
Unit value	\$7.56	\$8.33	\$6.79	\$13.49	\$12.48	\$10.17	34.5	10.1	-18.5	98.8	-7.5	-18.5
Ending inventory quantity	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
China, nonsubject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Malaysia, nonsubject:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All other sources:												
Quantity (3)	4,109,628	4,670,359	12,858,117	19,421,619	17,530,327	14,008,206	240.9	13.6	175.3	51.0	-9.7	-20.1
Value	36,342	44,641	130,132	238,470	249,165	142,143	291.1	22.8	191.5	83.3	4.5	-43.0
Unit value	\$8.84	\$9.56	\$10.12	\$12.28	\$14.21	\$10.15	14.7	8.1	5.9	21.3	15.8	-28.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Subtotal, nonsubject:												
Quantity	5,137,256	9,478,087	18,410,756	24,961,782	22,709,208	21,631,674	321.1	84.5	94.2	35.6	-9.0	-4.7
Value	43,237	68,898	190,188	323,881	333,969	214,511	396.1	59.4	176.0	70.3	3.1	-35.8
Unit value	\$8.42	\$7.27	\$10.33	\$12.98	\$14.71	\$9.92	17.8	-13.6	42.1	25.6	13.3	-32.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
All sources:												
Quantity	17,755,595	27,052,842	41,937,345	35,535,951	36,364,221	30,542,345	72.0	52.4	55.0	-15.3	2.3	-16.0
Value	138,674	215,300	349,895	466,552	504,398	305,127	120.0	55.3	62.5	33.3	8.1	-39.5
Unit value	\$7.81	\$7.96	\$8.34	\$13.13	\$13.87	\$9.99	27.9	1.9	4.8	57.4	5.6	-28.0
Ending inventory quantity	1,105,764	1,843,128	2,141,470	3,587,728	4,173,052	4,291,448	288.1	66.7	16.2	67.5	16.3	2.8
U.S. producers':												
Average capacity quantity	***	***	***	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***	***	***	***
U.S. shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Export shipments:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Wages paid (\$1,000s)	***	***	***	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***	***	***	***
Productivity (bags per hour)	***	***	***	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***	***	***	***
Net sales:												
Quantity	***	***	***	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***	***	***	***

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

(2) Inventory data for China and Malaysia are not available broken out between subject and nonsubject PRCBs.

(3) Data for All Other Sources for 2006 adjusted to include PRCBs imported under HTS statistical reporting number 3923.21.0095.

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

Unit values and shares are calculated from the unrounded figures.

Note.--Importers' inventories are based on questionnaire data and were not reported as "subject" and "nonsubject" so only total inventories are presented.

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

Table C-1

All PRCBs: Summary data concerning the U.S. market, 2006-08, January-September 2008, and January-September 2009

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

Item	Reported data					Period changes			
	2006	2007	2008	January-September		2006-08	2006-07	2007-08	Jan.-Sept. 2008-09
				2008	2009				
<b>U.S. consumption quantity:</b>									
Amount	108,266,796	105,303,892	101,449,633	74,422,263	74,546,715	-6.3	-2.7	-3.7	0.2
Producers' share (1)	61.7	66.3	64.2	64.9	66.8	2.5	4.6	-2.1	1.9
Importers' share (1):									
Indonesia	1.5	3.2	2.8	3.2	2.0	1.3	1.8	-0.4	-1.2
Taiwan	2.0	3.8	4.5	4.8	3.0	2.5	1.8	0.7	-1.8
Vietnam	2.8	6.9	7.1	6.8	7.8	4.3	4.1	0.2	1.0
Subtotal	6.3	13.9	14.4	14.8	12.7	8.1	7.6	0.4	-2.0
China, Malaysia, and Thailand	26.9	15.3	18.6	17.4	16.6	-8.3	-11.6	3.3	-0.7
All other sources	5.1	4.5	2.9	3.0	3.8	-2.2	-0.6	-1.6	0.8
Total imports	38.3	33.7	35.8	35.1	33.2	-2.5	-4.6	2.1	-1.9
<b>U.S. consumption value:</b>									
Amount	1,294,816	1,389,493	1,487,404	1,085,214	793,447	14.9	7.3	7.0	-26.9
Producers' share (1)	74.0	66.4	66.1	66.9	71.1	-8.0	-7.6	-0.3	4.2
Importers' share (1):									
Indonesia	2.0	3.3	2.8	3.0	1.6	0.8	1.3	-0.5	-1.4
Taiwan	1.5	3.0	3.8	4.0	2.5	2.3	1.5	0.8	-1.4
Vietnam	1.5	5.3	5.9	5.5	5.6	4.4	3.8	0.6	0.1
Subtotal	5.0	11.7	12.5	12.5	9.7	7.5	6.7	0.9	-2.8
China, Malaysia, and Thailand	17.0	16.4	17.2	16.4	14.2	0.2	-0.6	0.7	-2.2
All other sources	4.0	5.5	4.2	4.2	5.0	0.2	1.5	-1.3	0.8
Total imports	26.0	33.6	33.9	33.1	28.9	8.0	7.6	0.3	-4.2
<b>U.S. imports from:</b>									
Indonesia:									
Quantity	1,592,965	3,396,505	2,819,569	2,365,162	1,469,854	77.0	113.2	-17.0	-37.9
Value	25,400	45,808	40,948	33,005	12,998	61.2	80.3	-10.6	-60.6
Unit value	\$15.95	\$13.49	\$14.52	\$13.95	\$8.84	-8.9	-15.4	7.7	-36.6
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Taiwan:									
Quantity	2,171,587	3,988,867	4,575,499	3,561,990	2,215,669	110.7	83.7	14.7	-37.8
Value	19,454	42,318	56,848	42,993	20,008	192.2	117.5	34.3	-53.5
Unit value	\$8.96	\$10.61	\$12.42	\$12.07	\$9.03	38.7	18.4	17.1	-25.2
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Vietnam:									
Quantity	3,061,998	7,288,037	7,192,325	5,055,117	5,811,440	134.9	138.0	-1.3	15.0
Value	19,734	73,757	88,189	59,982	44,323	346.9	273.8	19.6	-26.1
Unit value	\$6.44	\$10.12	\$12.26	\$11.87	\$7.63	90.3	57.0	21.2	-35.7
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Subtotal:									
Quantity	6,826,550	14,673,409	14,587,393	10,982,269	9,496,963	113.7	114.9	-0.6	-13.5
Value	64,588	161,884	185,986	135,980	77,328	188.0	150.6	14.9	-43.1
Unit value	\$9.46	\$11.03	\$12.75	\$12.38	\$8.14	34.8	16.6	15.6	-34.2
Ending inventory quantity	668,553	1,184,206	1,485,017	1,615,175	1,584,666	122.1	77.1	25.4	-1.9
China, Malaysia, and Thailand:									
Quantity	29,079,228	16,114,332	18,833,894	12,928,070	12,408,875	-35.2	-44.6	16.9	-4.0
Value	219,763	228,082	255,232	177,532	112,403	16.1	3.8	11.9	-36.7
Unit value	\$7.56	\$14.15	\$13.55	\$13.73	\$9.06	79.3	87.3	-4.3	-34.0
Ending inventory quantity	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
All other sources:									
Quantity	5,575,003	4,748,210	2,942,934	2,212,148	2,829,145	-47.2	-14.8	-38.0	27.9
Value	51,774	76,586	63,180	46,116	39,907	22.0	47.9	-17.5	-13.5
Unit value	\$9.29	\$16.13	\$21.47	\$20.85	\$14.11	131.2	73.7	33.1	-32.3
Ending inventory quantity	1,525,185	2,500,051	2,575,341	2,552,719	2,480,862	68.9	63.9	3.0	-2.8
All sources:									
Quantity	41,480,781	35,535,951	36,364,221	26,122,487	24,734,983	-12.3	-14.3	2.3	-5.3
Value	336,125	466,552	504,398	359,628	229,639	50.1	38.8	8.1	-36.1
Unit value	\$8.10	\$13.13	\$13.87	\$13.77	\$9.28	71.2	62.0	5.6	-32.6
Ending inventory quantity	2,193,738	3,684,257	4,060,358	4,167,894	4,065,528	85.1	67.9	10.2	-2.5

Table continued on next page.

Table C-1--Continued

All PRCBs: Summary data concerning the U.S. market, 2006-08, January-September 2008, and January-September 2009

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

Item	Reported data					Period changes			
	2006	2007	2008	January-September		2006-08	2006-07	2007-08	Jan.-Sept. 2008-09
				2008	2009				
U.S. producers':									
Average capacity quantity	83,182,701	83,232,332	79,737,217	60,936,535	67,365,922	-4.1	0.1	-4.2	10.6
Production quantity	70,212,269	72,320,872	66,276,349	51,085,031	51,516,891	-5.6	3.0	-8.4	0.8
Capacity utilization (1)	84.4	86.9	83.1	83.8	76.5	-1.3	2.5	-3.8	-7.4
U.S. shipments:									
Quantity	66,786,015	69,767,941	65,085,412	48,299,776	49,811,732	-2.5	4.5	-6.7	3.1
Value	958,691	922,941	983,006	725,586	563,808	2.5	-3.7	6.5	-22.3
Unit value	\$14.35	\$13.23	\$15.10	\$15.02	\$11.32	5.2	-7.8	14.2	-24.7
Export shipments:									
Quantity	2,207,673	2,351,519	2,209,901	1,574,534	1,400,301	0.1	6.5	-6.0	-11.1
Value	37,645	38,575	30,330	21,908	16,549	-19.4	2.5	-21.4	-24.5
Unit value	\$17.05	\$16.40	\$13.72	\$13.91	\$11.82	-19.5	-3.8	-16.3	-15.1
Ending inventory quantity	3,800,923	3,995,589	2,976,270	5,202,339	3,350,997	-21.7	5.1	-25.5	-35.6
Inventories/total shipments (1)	5.5	5.5	4.4	7.8	4.9	-1.1	0.0	-1.1	-2.9
Production workers	3,495	3,160	2,971	3,011	2,874	-15.0	-9.6	-6.0	-4.5
Hours worked (1,000s)	7,597	7,154	6,903	5,108	4,903	-9.1	-5.8	-3.5	-4.0
Wages paid (\$1,000s)	95,452	105,602	103,881	80,564	75,528	8.8	10.6	-1.6	-6.3
Hourly wages	\$12.56	\$14.76	\$15.05	\$15.77	\$15.41	19.8	17.5	1.9	-2.3
Productivity (bags per hour)	9,242	10,109	9,601	10,001	10,508	3.9	9.4	-5.0	5.1
Unit labor costs	\$1.36	\$1.46	\$1.57	\$1.58	\$1.47	15.3	7.4	7.3	-7.0
Net sales:									
Quantity	68,728,820	72,926,211	67,241,013	49,874,583	51,209,397	-2.2	6.1	-7.8	2.7
Value	996,078	971,203	1,008,444	747,446	580,137	1.2	-2.5	3.8	-22.4
Unit value	\$14.49	\$13.32	\$15.00	\$14.99	\$11.33	3.5	-8.1	12.6	-24.4
Cost of goods sold (COGS)	896,911	874,034	937,213	689,309	502,469	4.5	-2.6	7.2	-27.1
Gross profit or (loss)	99,167	97,169	71,231	58,137	77,668	-28.2	-2.0	-26.7	33.6
SG&A expenses	94,307	90,407	103,228	62,737	53,070	9.5	-4.1	14.2	-15.4
Operating income or (loss)	4,860	6,762	(31,997)	(4,600)	24,598	(2)	39.1	(2)	(2)
Capital expenditures	38,799	17,643	14,548	10,300	6,044	-62.5	-54.5	-17.5	-41.3
Unit COGS	\$13.05	\$11.99	\$13.94	\$13.82	\$9.81	6.8	-8.2	16.3	-29.0
Unit SG&A expenses	\$1.37	\$1.24	\$1.54	\$1.26	\$1.04	11.9	-9.7	23.8	-17.6
Unit operating income or (loss)	\$0.07	\$0.09	(\$0.48)	(\$0.09)	\$0.48	(2)	31.1	(2)	(2)
COGS/sales (1)	90.0	90.0	92.9	92.2	86.6	2.9	-0.0	2.9	-5.6
Operating income or (loss)/ sales (1)	0.5	0.7	-3.2	-0.6	4.2	-3.7	0.2	-3.9	4.9

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

(2) Not available/not applicable.

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

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

Table C-1

## All PRCBs: Summary data concerning the U.S. market, 2001-03

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

Item	Reported data			Period changes		
	2001	2002	2003	2001-03	2001-02	2002-03
U.S. consumption quantity:						
Amount . . . . .	77,055,893	82,020,663	87,506,101	13.6	6.4	6.7
Producers' share (1) . . . . .	88.0	84.0	77.0	-11.0	-4.1	-6.9
Subject importers' share (1):						
China . . . . .	***	***	***	***	***	***
Malaysia . . . . .	***	***	***	***	***	***
Thailand . . . . .	***	***	***	***	***	***
Subtotal, subject . . . . .	10.5	13.5	18.6	8.1	3.0	5.1
Nonsubject importers' share (1):						
China . . . . .	***	***	***	***	***	***
Malaysia . . . . .	***	***	***	***	***	***
Thailand . . . . .	***	***	***	***	***	***
All other sources . . . . .	***	***	***	***	***	***
Subtotal, nonsubject . . . . .	***	***	***	***	***	***
Total imports . . . . .	12.0	16.0	23.0	11.0	4.1	6.9
U.S. consumption value:						
Amount . . . . .	971,140	935,596	995,491	2.5	-3.7	6.4
Producers' share (1) . . . . .	87.7	83.1	77.6	-10.1	-4.6	-5.5
Subject importers' share (1):						
China . . . . .	***	***	***	***	***	***
Malaysia . . . . .	***	***	***	***	***	***
Thailand . . . . .	***	***	***	***	***	***
Subtotal, subject . . . . .	***	***	***	***	***	***
Nonsubject importers' share (1):						
China . . . . .	***	***	***	***	***	***
Malaysia . . . . .	***	***	***	***	***	***
Thailand . . . . .	***	***	***	***	***	***
All other sources . . . . .	***	***	***	***	***	***
Subtotal, nonsubject . . . . .	***	***	***	***	***	***
Total imports . . . . .	12.3	16.9	22.4	10.1	4.6	5.5
U.S. shipments of imports from:						
China (subject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . . .	***	***	***	***	***	***
Malaysia (subject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . . .	***	***	***	***	***	***
Thailand (subject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . . .	***	***	***	***	***	***
Subtotal (subject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . . .	***	***	***	***	***	***

Table continued on next page.

**Table C-1--Continued**  
**All PRCBs: Summary data concerning the U.S. market, 2001-03**

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

Item	Reported data			Period changes		
	2001	2002	2003	2001-03	2001-02	2002-03
U.S. shipments of imports from:						
China (nonsubject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	***	***	***	***	***	***
Malaysia (nonsubject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	***	***	***	***	***	***
Thailand (nonsubject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	***	***	***	***	***	***
All other sources:						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	***	***	***	***	***	***
Subtotal (nonsubject):						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	***	***	***	***	***	***
All sources:						
Quantity . . . . .	9,213,290	13,146,907	20,085,840	118.0	42.7	52.8
Value . . . . .	119,417	157,878	223,197	86.9	32.2	41.4
Unit value . . . . .	\$12.96	\$12.01	\$11.11	-14.3	-7.3	-7.5
Ending inventory quantity . . . .	***	***	***	***	***	***

Table continued on next page.

**Table C-1--Continued**  
**All PRCBs: Summary data concerning the U.S. market, 2001-03**

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

Item	Reported data			Period changes		
	2001	2002	2003	2001-03	2001-02	2002-03
U.S. producers':						
Average capacity quantity . . . .	84,307,568	87,194,502	88,108,015	4.5	3.4	1.0
Production quantity . . . . .	68,918,284	69,275,404	67,260,527	-2.4	0.5	-2.9
Capacity utilization (1) . . . . .	81.7	79.4	76.3	-5.4	-2.3	-3.1
U.S. shipments:						
Quantity . . . . .	67,842,603	68,873,756	67,420,261	-0.6	1.5	-2.1
Value . . . . .	851,723	777,718	772,295	-9.3	-8.7	-0.7
Unit value . . . . .	\$12.55	\$11.29	\$11.45	-8.8	-10.1	1.4
Export shipments:						
Quantity . . . . .	***	***	***	***	***	***
Value . . . . .	***	***	***	***	***	***
Unit value . . . . .	***	***	***	***	***	***
Ending inventory quantity . . . .	4,667,815	4,005,465	2,888,366	-38.1	-14.2	-27.9
Inventories/total shipments (1)	***	***	***	***	***	***
Production workers . . . . .	4,578	4,271	3,904	-14.7	-6.7	-8.6
Hours worked (1,000s) . . . . .	9,447	9,004	8,327	-11.9	-4.7	-7.5
Wages paid (\$1,000s) . . . . .	125,385	123,524	114,814	-8.4	-1.5	-7.1
Hourly wages . . . . .	\$13.27	\$13.72	\$13.79	3.9	3.4	0.5
Productivity (units/hour) . . . . .	7,295.5	7,693.6	8,077.8	10.7	5.5	5.0
Unit labor costs . . . . .	\$1.82	\$1.78	\$1.71	-6.2	-2.0	-4.3
Net sales:						
Quantity . . . . .	68,567,027	69,448,037	68,451,856	-0.2	1.3	-1.4
Value . . . . .	862,624	784,727	785,636	-8.9	-9.0	0.1
Unit value . . . . .	\$12.58	\$11.30	\$11.48	-8.8	-10.2	1.6
Cost of goods sold (COGS) . . . .	724,372	669,068	702,598	-3.0	-7.6	5.0
Gross profit or (loss) . . . . .	138,252	115,659	83,038	-39.9	-16.3	-28.2
SG&A expenses . . . . .	84,112	82,922	76,908	-8.6	-1.4	-7.3
Operating income or (loss) . . . .	54,140	32,737	6,130	-88.7	-39.5	-81.3
Capital expenditures . . . . .	31,044	33,171	17,734	-42.9	6.9	-46.5
Unit COGS . . . . .	\$10.56	\$9.63	\$10.26	-2.8	-8.8	6.5
Unit SG&A expenses . . . . .	\$1.23	\$1.19	\$1.12	-8.4	-2.7	-5.9
Unit operating income or (loss)	\$0.79	\$0.47	\$0.09	-88.7	-40.3	-81.0
COGS/sales (1) . . . . .	84.0	85.3	89.4	5.5	1.3	4.2
Operating income or (loss)/ sales (1) . . . . .	6.3	4.2	0.8	-5.5	-2.1	-3.4

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

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

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





**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 five firms as the top purchasers of polyethylene retail carrier bags: \*\*\*. Purchaser questionnaires were sent to these five firms and three firms (\*\*\*) provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for polyethylene retail carrier bags that have occurred in the United States or in the market for polyethylene retail carrier bags in China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam since January 1, 2015?

<b>Purchaser</b>	<b>Yes / No</b>	<b>Changes that have occurred</b>
***	***	***
***	***	***
***	***	***

2. Do you anticipate any significant changes in the supply and demand conditions for polyethylene retail carrier bags in the United States or in the market for polyethylene retail carrier bags in China, Indonesia, Malaysia, Taiwan, Thailand, and Vietnam within a reasonably foreseeable time?

<b>Purchaser</b>	<b>Yes / No</b>	<b>Changes that have occurred</b>
***	***	***
***	***	***
***	***	***

