

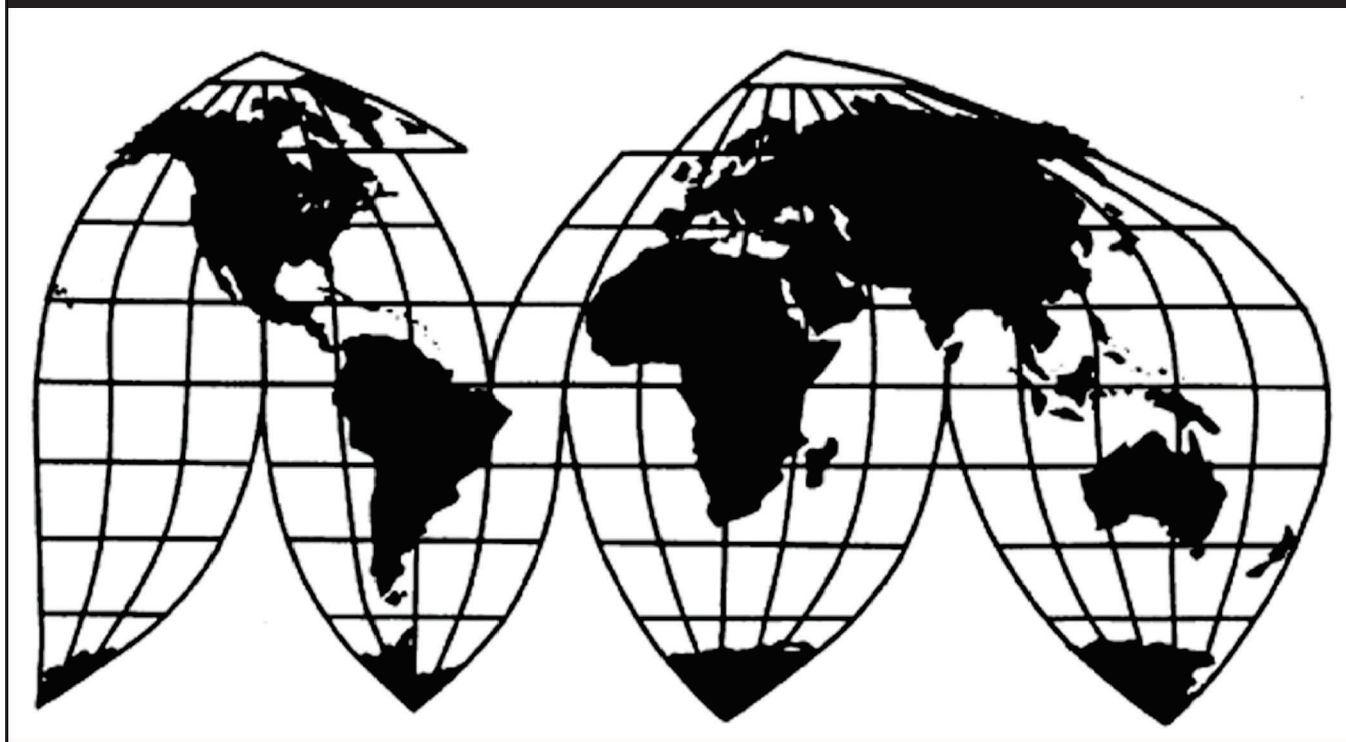
# Walk-Behind Snow Throwers from China

Investigation Nos. 701-TA-666 and 731-TA-1558 (Final)

Publication 5322

May 2022

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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



## UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-666 and 731-TA-1558 (Final)

Walk-Behind Snow Throwers from China

### DETERMINATIONS

On the basis of the record<sup>1</sup> developed in the subject investigations, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that an industry in the United States is materially injured by reason of imports of walk-behind snow throwers from China, provided for in subheading 8430.20.00 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value (“LTFV”), and to be subsidized by the government of China.<sup>2</sup>

### BACKGROUND

The Commission instituted these investigations effective March 30, 2021, following receipt of petitions filed with the Commission and Commerce by MTD Products Inc., Valley City, Ohio. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by Commerce that imports of walk-behind snow throwers from China were subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)) and sold at LTFV within the meaning of 733(b) of the Act (19 U.S.C. 1673b(b)). Notice of the scheduling of the final phase of the Commission’s investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* on November 5, 2021 (86 FR 69294). The Commission conducted its hearing on March 23, 2022. All persons who requested the opportunity were permitted to participate.

<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)).

<sup>2</sup> 87 FR 17984 (March 29, 2022); 87 FR 17987 (March 29, 2022).



## Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is materially injured by reason of imports of certain walk-behind snow throwers and parts thereof (“gas-powered snow throwers”) from China found by the U.S. Department of Commerce (“Commerce”) to be sold in the United States at less than fair value and subsidized by the government of China.

### I. Background

MTD Products Inc. (“Petitioner” or “MTD”), a U.S. producer of gas-powered snow throwers, filed the petitions in these investigations on March 30, 2021.<sup>1</sup> Petitioner appeared at the hearing and submitted prehearing and posthearing briefs, and final comments.<sup>2</sup>

As in the preliminary phase of these investigations, no respondents participated in the final phase of these investigations.

U.S. industry data for the January 1, 2018 through September 30, 2021 period of investigation (“POI”) are based on the questionnaire responses of six firms accounting for virtually all U.S. gas-powered snow thrower production in 2020.<sup>3</sup> U.S. import data are based on the questionnaire responses of nine U.S. importers, accounting for \*\*\* percent of imports from China in 2020 under Harmonized Tariff Schedule (“HTS”) statistical reporting number

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<sup>1</sup> Confidential Report, Memorandum INV-UU-035 (Apr. 11, 2022) (“CR”) at I-1; Public Report, *Walk-Behind Snow Throwers from China*, Inv. Nos. 701-TA-666 and 731-TA-1557 (Final), USITC Pub. 5322 (May 2022) (“PR”) at I-1.

<sup>2</sup> In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its hearing on March 23, 2022 through written witness testimony and video conference, as set forth in procedures provided to the parties and announced on its website. *Walk-Behind Snow Throwers from China; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations*, 86 Fed. Reg. 69294 (Dec. 5, 2021).

<sup>3</sup> CR/PR at I-4 & III-1.

8430.20.0060.<sup>4</sup> As in the preliminary phase of the investigations, the Commission did not receive any questionnaire responses from Chinese producers of gas-powered snow throwers.<sup>5</sup>

## II. Domestic Like Product

### A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the “domestic like product” and the “industry.”<sup>6</sup> Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Tariff Act”), defines the relevant domestic industry as the “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>7</sup> In turn, 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.”<sup>8</sup>

By statute, the Commission’s “domestic like product” analysis begins with the “article subject to an investigation,” *i.e.*, the subject merchandise as determined by Commerce.<sup>9</sup> Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the

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<sup>4</sup> CR/PR at I-4 & IV-1. Staff notes that 14 firms believed to have been major importers under HTS statistical number 8430.20.0060 (which includes out-of-scope snow blowers as well as subject merchandise), reported that they did not import subject snow throwers into the United States. Thus, notwithstanding that the questionnaire responses accounted for \*\*\* percent of total imports under this HTS number in 2020, Staff believes that the Commission received responses from firms that accounted for a majority of imports of in-scope snow throwers. CR/PR at IV-1. We consequently rely on questionnaire data rather than on official import statistics for HTS subheading 8430.20.0060 for analyzing import volumes of in-scope gas powered snow throwers.

<sup>5</sup> CR/PR at I-4 & VII-3.

<sup>6</sup> 19 U.S.C. § 1677(4)(A).

<sup>7</sup> 19 U.S.C. § 1677(4)(A).

<sup>8</sup> 19 U.S.C. § 1677(10).

<sup>9</sup> 19 U.S.C. § 1677(10). The Commission must accept Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value. *See, e.g., USEC, Inc. v. United States*, 34 Fed. App’x 725, 730 (Fed. Cir. 2002) (“The ITC may not modify the class or kind of imported merchandise examined by Commerce.”); *Algoma Steel Corp. v. United States*, 688 F. Supp. 639, 644 (Ct. Int’l Trade 1988), *aff’d*, 865 F.3d 240 (Fed. Cir.), *cert. denied*, 492 U.S. 919 (1989).

Commission’s like product analysis.”<sup>10</sup> The Commission then defines the domestic like product in light of the imported articles Commerce has identified.<sup>11</sup> The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.<sup>12</sup> No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.<sup>13</sup> The Commission looks for clear dividing lines among possible like products and disregards minor variations.<sup>14</sup>

## **B. Product Description**

Commerce defined the imported merchandise within the scope of these investigations as:

{G}as-powered, walk-behind snow throwers (also known as snow blowers), which are snow moving machines that are powered by internal combustion engines and primarily pedestrian-controlled. The scope of the investigation covers certain snow throwers (also known as snow blowers), whether self-propelled or non-self-propelled, whether finished

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<sup>10</sup> *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, 949 F.3d 710, 717 (Fed. Cir. 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

<sup>11</sup> *Cleo*, 501 F.3d at 1298 n.1 (“Commerce’s {scope} finding does not control the Commission’s {like product} determination.”); *Hosiden Corp. v. Advanced Display Mfrs.*, 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission’s determination defining six like products in investigations where Commerce found five classes or kinds).

<sup>12</sup> *See, e.g., Cleo*, 501 F.3d at 1299; *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); *Torrington*, 747 F. Supp. at 749 n.3 (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. *See Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

<sup>13</sup> *See, e.g., S. Rep. No. 96-249 at 90-91 (1979).*

<sup>14</sup> *Nippon*, 19 CIT at 455; *Torrington*, 747 F. Supp. at 748-49; *see also S. Rep. No. 96-249 at 90-91* (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).

or unfinished, whether assembled or unassembled, and whether containing any additional features that provide for functions in addition to snow throwing. Subject merchandise also includes finished and unfinished snow throwers that are further processed in a third country or in the United States, including, but not limited to, assembly or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope snow throwers.

Walk-behind snow throwers subject to the scope of this investigation are powered by internal combustion engines which are typically spark ignition, single or multiple cylinder, and air-cooled with power take off shafts.

For the purposes of this investigation, an unfinished and/or unassembled snow thrower means at a minimum, a sub-assembly comprised of an engine, auger housing (i.e., intake frame), and an auger (or “auger paddle”) packaged or imported together. An intake frame is the portion of the snow thrower—typically of aluminum or steel—that houses and protects an operator from a rotating auger and is the intake point for the snow. Importation of the subassembly whether or not accompanied by, or attached to, additional components including, but not limited to, handle(s), impeller(s), chute(s), track tread(s), or wheel(s) constitutes an unfinished snow thrower for purposes of this investigation. The inclusion in a third country of any components other than the snow thrower sub-assembly does not remove the snow thrower from the scope. A snow thrower is within the scope of this investigation regardless of the origin of its engine.

Specifically excluded is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 225cc and 999cc, and parts thereof from the People's Republic of China. *See Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, from the People's Republic of China: Amended Final Antidumping Duty Determination and Antidumping Duty Order*, 86 FR 12623 (March 4, 2021) and *Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof from the People's Republic of China: Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination*, 86 FR 12619 (March 4, 2021).

Also specifically excluded is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and up to 225cc, and parts thereof from the People's Republic of China. *See Certain Vertical Shaft Engines Between*



*99cc and up to 225cc, and Parts Thereof from the People's Republic of China: Antidumping and Countervailing Duty Orders*, 86 FR 023675 (May 4, 2021).<sup>15</sup>

Gas-powered snow throwers are rotary-powered snow throwing machines that are either self-propelled or non-self-propelled (pushed).<sup>16</sup> They are controlled by an operator walking behind them and typically have a clearing width of 12 to 60 inches.<sup>17</sup> Commerce's scope includes both finished and unfinished gas-powered snow throwers.<sup>18</sup> Unfinished gas-powered snow throwers consist of a subassembly comprising an engine, auger housing, and an auger (or auger paddle).<sup>19</sup>

U.S. producers manufacture gas-powered snow throwers in single-stage, two-stage, and three-stage models with increasing clearing widths.<sup>20</sup> Single-stage gas-powered snow throwers use the rotating auger to collect and throw snow in one motion.<sup>21</sup> Two-stage gas-powered snow throwers have an auger that can cut through deeper snow to feed the impeller for ejection.<sup>22</sup> Three-stage gas-powered snow throwers include the auger for collection and an accelerator that allows snow to be more rapidly ejected by the impeller.<sup>23</sup> Additional add-on components for gas-powered snow throwers include heated grips, headlights, and snow chains.<sup>24</sup>

### **C. Domestic Like Product Analysis**

In the preliminary phase of the investigations, the Commission defined a single domestic like product consisting of all domestically produced gas-powered snow throwers, coextensive with the scope of the investigations, based upon an examination of its traditional like product

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<sup>15</sup> *Certain Walk-Behind Snow Throwers and Parts Thereof from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 87 Fed. Reg. 17984, 17986 (Mar. 29, 2022); *Certain Walk-Behind Snow Throwers and Parts Thereof from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 17987, 17988 (Mar. 29, 2022).

<sup>16</sup> CR/PR at I-11.

<sup>17</sup> CR/PR at I-11.

<sup>18</sup> CR/PR at I-11.

<sup>19</sup> CR/PR at I-11-12. Augers are rotating paddles or serrated blades made of metal or plastic. CR/PR at I-12, n.28.

<sup>20</sup> CR/PR at I-12.

<sup>21</sup> CR/PR at I-12.

<sup>22</sup> CR/PR at I-12.

<sup>23</sup> CR/PR at I-12.

<sup>24</sup> CR/PR at I-12.

factors.<sup>25</sup> The Commission also determined to include both subassemblies and finished gas-powered snow throwers in the same domestic like product pursuant to a semi-finished product analysis.<sup>26</sup>

The record of the final phase of the investigations contains no new information or argument that would warrant the Commission's reconsideration of its domestic like product definition from the preliminary phase of the investigations.<sup>27</sup> Accordingly, we again define a single domestic like product consisting of all domestically produced gas-powered snow throwers, coextensive with the scope of the investigations, and including both subassemblies and finished gas-powered snow throwers.

### III. Domestic Industry

The domestic industry is defined 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>28</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.

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<sup>25</sup> *Walk-Behind Snow Throwers from China*, Inv. Nos. 701-TA-666 and 731-TA-1558 (Preliminary), USITC Pub. 5197 (May 2021) ("Preliminary Determinations") at 11, 13. In defining a single domestic like product, the Commission found that all domestically produced gas-powered snow throwers share common physical characteristics and are used to remove snow; are generally produced through the same production processes; are sold overwhelmingly through the same channels of distribution, to retailers (albeit at appreciably varying prices); are generally interchangeable; and are perceived by market participants to be a single product category. *Id.* at 9-11. The Commission also observed that there appear to be notable differences between in-scope gas-powered snow throwers and out-of-scope battery-powered and electric snow throwers. *Id.* at 11.

<sup>26</sup> Preliminary Determinations, USITC Pub. 5197 at 13. In determining to include both subassemblies and finished gas-powered snow throwers in the same domestic like product pursuant to its semi-finished product analysis, the Commission found that domestically produced in-scope subassemblies are dedicated for use in the production of finished gas-powered snow throwers; that there is no separate market for subassemblies; that subassemblies account for a substantial portion of the cost of finished gas-powered snow throwers; and that, while subassemblies have different physical characteristics than, and need further parts and processing to be transformed into, finished gas-powered snow throwers, the only function of these subassemblies is for use in finished gas-powered snow throwers. *Id.* at 11-13.

<sup>27</sup> Petitioner contends that the Commission should adopt the same domestic like product definition as it did in the preliminary phase of the investigations. Petitioner's Prehearing Br. at 5-7.

<sup>28</sup> 19 U.S.C. § 1677(4)(A).

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.<sup>29</sup> Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.<sup>30</sup>

Two firms, \*\*\* and \*\*\* are subject to possible exclusion under the related parties provision because they imported subject merchandise during the POI.<sup>31 32</sup> We discuss below

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<sup>29</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>30</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), *aff'd*, 879 F.3d 1377 (Fed. Cir. 2018); *see also Torrington Co.*, 790 F. Supp. at 1168.

<sup>31</sup> CR/PR at Tables III-10-11. In the preliminary phase of the investigations, the Commission found that domestic producer \*\*\* qualified for possible exclusion pursuant to the related parties provision as an importer of subject merchandise, but determined that appropriate circumstances did not exist to exclude this firm. Preliminary Determinations, USITC Pub. 5197 at 14, 16. In the final phase of the investigations, however, \*\*\* has clarified that it did not import subject merchandise itself, but rather purchased subject imports from importer \*\*\* during the POI. CR/PR at IV-1, n.2. \*\*\* does not share a corporate affiliation with \*\*\*, or with any other importer of subject merchandise. *See* \*\*\* domestic producer questionnaire response at I-6.

A domestic producer shall be considered to be a related party if it directly or indirectly controls an exporter, importer, or third party. 19 U.S.C. § 1677(4)(B). A domestic producer (like \*\*\*) that does not itself import subject merchandise and does not share a corporate affiliation with an importer may nonetheless be deemed a related party if, for example, it controls large volumes of subject imports. *See* Uruguay Round Agreements Act Statement of Administrative Action ("SAA"), H.R. Rep. 103-316, vol. I. at 858. The Commission has found such control to exist, for example, where the domestic producer's purchases were responsible for a predominant proportion of an importer's subject imports and the importer's subject imports were substantial. *See, e.g., Iron Construction Castings from Brazil, Canada, and China*, Inv. Nos. 701-TA-248, 731-TA-262-263, 265 (Fourth Review), USITC Pub. 4655 at 11 (Dec. 2016); *Chlorinated Isocyanurates from China and Spain*, Inv. Nos. 731-TA-1082-1083 (Second Review), USITC Pub. 4646 at 12 (Nov. 2016).

(Continued...)

whether appropriate circumstances exist to exclude either firm from the domestic industry under the related parties provision.<sup>33</sup>

\*\*\*. \*\*\* accounted for \*\*\* percent of U.S. production in 2020, and was \*\*\* domestic producer of gas-powered snow throwers that year.<sup>34</sup> It \*\*\* on the petitions.<sup>35</sup> \*\*\* imports of subject merchandise were \*\*\* units in 2018, \*\*\* units in 2019, and \*\*\* units in 2020; they were \*\*\* units in interim 2021, compared to \*\*\* units in January-September 2020 (“interim 2020”).<sup>36</sup> The ratio of its subject imports to U.S. production was \*\*\* percent in 2018, \*\*\* percent in 2019, and \*\*\* percent in 2020; it was \*\*\* percent in interim 2021, compared to \*\*\*

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(...Continued)

\*\*\* reported purchasing \*\*\* units of subject snow throwers from \*\*\* in 2020, accounting for \*\*\* percent of \*\*\* total imports of subject merchandise that year. CR/PR at Table III-14. However, the total volume of \*\*\* subject imports in 2020 accounted for only \*\*\* percent of the overall imports of subject merchandise into the United States that year. *Id.* Thus, although \*\*\* purchases were responsible for a predominant proportion of \*\*\* subject imports in 2020, given the volume of \*\*\* subject imports as a share of total subject imports, and the fact that \*\*\* did not report purchasing subject imports in any other full year of the POI, or in January-September 2021 (“interim 2021”), CR/PR at Table III-14, we find that \*\*\* does not fall under the related party provision because it did not control sufficiently large volumes of subject imports.

<sup>32</sup> Chair Kearns and Commissioner Karpel question whether, based on the SAA, Congress intended to preclude a finding that a domestic producer controls an importer where the producer purchases a predominant portion (here, that portion constituted the vast majority) of an importer’s subject imports but that importer’s imports are not “substantial” compared to total subject imports. It is unclear to them whether that latter factor is relevant to the inquiry into “control” required by the statute. They also question whether a share of total subject imports of \*\*\* percent in 2020 should not be considered “substantial.”

However, even if they were to find that \*\*\* and \*\*\* are related parties, Chair Kearns and Commissioner Karpel would find that appropriate circumstances do not exist to exclude \*\*\* from the definition of the domestic industry under the related parties provision. \*\*\* accounted for \*\*\* percent of U.S. production in 2020, and was the \*\*\* domestic producer of gas-powered snow throwers. CR/PR at Table III-1. Its purchases of subject imports occurred only in 2020 and accounted for \*\*\* percent of its domestic production that year. *Derived from* CR/PR at Table III-14. Moreover, \*\*\* made \*\*\* and incurred increasing \*\*\* expenses as it \*\*\* over the POI. In their view, the foregoing demonstrates that \*\*\* was committed to its U.S. production facilities and product lines, and that its primary interest was in domestic production. CR/PR at Tables VI-5-8.

<sup>33</sup> Petitioner has not addressed this issue in the final phase of these investigations.

<sup>34</sup> CR/PR at Table III-1.

<sup>35</sup> CR/PR at Table III-1.

<sup>36</sup> CR/PR at Table III-10.

percent in interim 2020.<sup>37</sup> \*\*\* indicated that \*\*\*.<sup>38</sup> Its operating income to net sales ratio was \*\*\*.<sup>39</sup> \*\*\* did \*\*\*.<sup>40</sup>

During the POI, \*\*\* primary interest appears to have been in the importation of subject merchandise, given that its ratio of subject imports to domestic production was high and increasing throughout the period. As its imports of subject merchandise increased, there was a marked decline in its domestic production from \*\*\* units in 2018 to \*\*\* units in 2019 and \*\*\* units in 2020, indicating that subject imports did not merely supplement its domestic production by the end of the POI, but replaced a substantial portion of it.<sup>41</sup> We therefore find that appropriate circumstances exist to exclude \*\*\* from the domestic industry pursuant to the related parties provision.

\*\*\*. \*\*\* accounted for \*\*\* percent of U.S. production in 2020, and was the \*\*\* largest domestic producer of gas-powered snow throwers that year.<sup>42</sup> It \*\*\* its position concerning the petitions.<sup>43</sup> \*\*\* imports of subject merchandise were \*\*\* units in 2018, \*\*\* units in 2019, and \*\*\* units in 2020; they were \*\*\* units in interim 2021, compared to \*\*\* units in interim 2020.<sup>44</sup> The ratio of its subject imports to U.S. production was \*\*\* percent in 2018, \*\*\* percent in 2019, and \*\*\* percent in 2020; it was \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020.<sup>45</sup> \*\*\* did not report its reasons for importing subject merchandise,<sup>46</sup> or provide useable financial data.<sup>47</sup>

During the POI, \*\*\* primary interest appears to have been in domestic production. Although \*\*\* ratio of subject imports to domestic production increased over the POI, it remained \*\*\* low throughout the period.<sup>48</sup> We therefore find that appropriate circumstances do not exist to exclude \*\*\* from the domestic industry pursuant to the related parties provision.

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<sup>37</sup> CR/PR at Table III-10.

<sup>38</sup> CR/PR at Table III-13.

<sup>39</sup> CR/PR at Table VI-3. As a ratio to net sales, \*\*\* operating income was \*\*\* percent in 2018, \*\*\* percent in 2019, and \*\*\* percent in 2020; it was \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. *Id.*

<sup>40</sup> CR/PR at Tables VI-5 & VI-7.

<sup>41</sup> CR/PR at Table III-10.

<sup>42</sup> CR/PR at Table III-1.

<sup>43</sup> CR/PR at Table III-1.

<sup>44</sup> CR/PR at Table III-11.

<sup>45</sup> CR/PR at Table III-11.

<sup>46</sup> CR/PR at Table III-13.

<sup>47</sup> CR/PR at VI-1, n.2.

<sup>48</sup> CR/PR at Table III-11.

In sum, we find that appropriate circumstances exist to exclude \*\*\*, but not \*\*\*, from the domestic industry under the related parties provision. Accordingly, based on our definition of the domestic like product, we define the domestic industry to include all U.S. producers of gas-powered snow throwers, with the exception of \*\*\*.<sup>49</sup>

#### **IV. Material Injury by Reason of Subject Imports**

Based on the record in the final phase of these investigations, we find that an industry in the United States is materially injured by reason of imports of gas-powered snow throwers from China that Commerce has found to be sold in the United States at less than fair value and subsidized by the government of China.

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

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.<sup>50</sup> In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.<sup>51</sup> The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”<sup>52</sup> In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.<sup>53</sup> No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>54</sup>

Although the statute requires the Commission to determine whether the domestic industry is “materially injured or threatened with material injury by reason of” unfairly traded

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<sup>49</sup> Consistent with our definition of the domestic industry, we rely on the domestic industry data contained in CR/PR Table C-2, which excludes \*\*\*.

<sup>50</sup> 19 U.S.C. §§ 1671d(b), 1673d(b).

<sup>51</sup> 19 U.S.C. § 1677(7)(B). The Commission “may consider such other economic factors as are relevant to the determination” but shall “identify each {such} factor ... and explain in full its relevance to the determination.” 19 U.S.C. § 1677(7)(B).

<sup>52</sup> 19 U.S.C. § 1677(7)(A).

<sup>53</sup> 19 U.S.C. § 1677(7)(C)(iii).

<sup>54</sup> 19 U.S.C. § 1677(7)(C)(iii).

imports,<sup>55</sup> it does not define the phrase “by reason of,” indicating that this aspect of the injury analysis is left to the Commission’s reasonable exercise of its discretion.<sup>56</sup> In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of the record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.<sup>57</sup>

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.<sup>58</sup> In performing its examination, however, the Commission need not isolate

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<sup>55</sup> 19 U.S.C. §§ 1671d(b), 1673d(b).

<sup>56</sup> *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

<sup>57</sup> The Federal Circuit, in addressing the causation standard of the statute, observed that “[a]s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. U.S. Int’l Trade Comm’n*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” See also *Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. U.S. Int’l Trade Comm’n*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

<sup>58</sup> Uruguay Round Agreements Act Statement of Administrative Action (“SAA”), H.R. Rep. 103-316, vol. I. at 851-52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and (Continued...)

the injury caused by other factors from injury caused by unfairly traded imports.<sup>59</sup> Nor does the “by reason of” standard require that unfairly traded imports be the “principal” cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.<sup>60</sup> It is clear that the existence of injury caused by other factors does not compel a negative determination.<sup>61</sup>

Assessment of whether material injury to the domestic industry is “by reason of” subject imports “does not require the Commission to address the causation issue in any particular way” as long as “the injury to the domestic industry can reasonably be attributed to the subject imports.”<sup>62</sup> The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other

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(...Continued)

competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); *accord Mittal Steel*, 542 F.3d at 877.

<sup>59</sup> SAA at 851-52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports ... . Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.” (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes.); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e.*, it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), *citing Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

<sup>60</sup> S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

<sup>61</sup> *See Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

<sup>62</sup> *Mittal Steel*, 542 F.3d at 878; *see also id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”), *citing United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swiff-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission’s causation analysis as comporting with the Court’s guidance in *Mittal*.



sources to the subject imports.”<sup>63</sup> The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”<sup>64</sup>

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.<sup>65</sup> Congress has delegated this factual finding to the Commission because of the agency’s institutional expertise in resolving injury issues.<sup>66</sup>

## **B. Conditions of Competition and the Business Cycle<sup>67</sup>**

The following conditions of competition inform our analysis of whether there is material injury by reason of subject imports.

### **1. Demand Conditions**

Demand for gas-powered snow throwers is largely driven by snowfall and expectations for snowfall, with snow early in the season affecting demand more than snow occurring later in the season.<sup>68</sup> It is subject to distinct business cycles, with sales of gas-powered snow throwers

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<sup>63</sup> *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that one relevant “other factor” may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

<sup>64</sup> *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); see also *Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).

<sup>65</sup> We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

<sup>66</sup> *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp.*, 458 F.3d at 1350, citing *U.S. Steel Group*, 96 F.3d at 1357; S. Rep. 96-249 at 75 (“The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.”).

<sup>67</sup> Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible. 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B). Subject imports from China (for both the antidumping and countervailing duty investigations) accounted for \*\*\* percent of total U.S. imports of gas-powered snow throwers in the 12-month period (March 2020 to February 2021) preceding the filing of the petitions. CR/PR at Table IV-7. As imports from China exceed the statutory negligibility threshold, we find that subject imports are not negligible.

<sup>68</sup> CR/PR at II-10.

being seasonal, peaking in winter, and dependent on winter weather.<sup>69</sup> Information on the record indicates that snow and ice cover generally exceeded historical levels in 2018, 2019, and for parts of 2020, but were at lower levels beginning in March 2021 through December 2021.<sup>70</sup>

Most market participants reported that U.S. demand for gas-powered snow throwers fluctuated since January 1, 2018.<sup>71</sup> Apparent U.S. consumption of gas-powered snow throwers decreased overall by \*\*\* percent between 2018 and 2020, increasing from \*\*\* units in 2018 to \*\*\* units in 2019, before declining to \*\*\* units in 2020. It was \*\*\* percent higher in interim 2021, at \*\*\* units, than in interim 2020, at \*\*\* units.<sup>72</sup>

## 2. Supply Conditions

The domestic industry consists of two large producers – MTD and Ariens (together accounting for \*\*\* percent, of domestic production of gas-powered snow throwers in 2020) – and three smaller producers.<sup>73</sup> It experienced two plant closures during the POI, as well as other operational changes.<sup>74</sup> The domestic industry was the largest supplier of gas-powered snow throwers to the U.S. market throughout the POI, although its market share declined from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020.<sup>75</sup> The industry's market share was higher in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent.<sup>76</sup>

Subject imports were the third-largest source of supply to the U.S. market throughout the POI. Subject imports' market share increased from \*\*\* percent in 2018 to \*\*\* percent in

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<sup>69</sup> CR/PR at II-12, IV-13. Purchaser \*\*\* described the majority of gas-powered snow thrower sales as occurring from October through April, and purchaser \*\*\* described November and December as being the main sales months. *Id.*

<sup>70</sup> CR/PR at II-10.

<sup>71</sup> CR/PR at Tables II-6-7.

<sup>72</sup> CR/PR at Table C-2.

<sup>73</sup> CR/PR at III-1. As previously discussed, we have excluded a fourth producer, \*\*\*, pursuant to section 771(4)(B) of the Tariff Act.

<sup>74</sup> CR/PR at III-3. Two U.S. producers, MTD and Husqvarna, closed manufacturing plants during the POI. MTD closed a snow thrower component manufacturing plant in Leitchfield, Kentucky, in October 2019. *Id.* Husqvarna closed a gas-powered snow thrower manufacturing facility in McRae, Georgia in 2019. *Id.* Other operational changes made by the domestic industry included \*\*\*, and \*\*\*. *Id.* at Table III-3. Notwithstanding these plant closures and operational changes, the domestic industry's reported production capacity exceeded apparent U.S. consumption throughout the POI. CR/PR at Table C-2.

<sup>75</sup> The domestic industry's market share decreased \*\*\* percentage points from 2018 to 2020. CR/PR at Table C-2.

<sup>76</sup> CR/PR at Table C-2.

2019 and to \*\*\* percent in 2020.<sup>77</sup> It was higher in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent.<sup>78</sup>

Nonsubject imports were the second largest source of supply to the U.S. market throughout the POI. Nonsubject imports' market share increased from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020.<sup>79</sup> It was lower in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent.<sup>80</sup> The largest source of nonsubject imports during the POI was Mexico.<sup>81</sup>

Three of five responding producers, four of seven responding importers, and eight of 11 responding purchasers reported experiencing supply constraints between January 1, 2018 and March 30, 2021, which affected both domestic and subject imported gas-powered snow throwers.<sup>82</sup> Market participants mostly attributed these supply constraints to disruptions stemming from the COVID-19 pandemic.<sup>83</sup>

### 3. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between domestically produced gas-powered snow throwers and subject imports from China.<sup>84</sup> Three of four responding domestic producers, four of five responding importers, and all eight responding purchasers reported that the domestic like product and subject imports were always or frequently interchangeable.<sup>85</sup> Additionally, majorities or pluralities of responding purchasers reported that the domestic like product and subject imports were comparable with respect to 11 of 16 purchasing factors.<sup>86</sup>

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<sup>77</sup> Subject imports' market share increased \*\*\* percentage points from 2018 to 2020. CR/PR at Table C-2.

<sup>78</sup> CR/PR at Tables IV-8 & C-2.

<sup>79</sup> Nonsubject imports' market share increased \*\*\* percentage points from 2018 to 2020. CR/PR at Table C-2.

<sup>80</sup> CR/PR at Tables IV-8 & C-2.

<sup>81</sup> CR/PR at I-3, II-7 & IV-2. The record indicates that domestic producer \*\*\* accounted for all or virtually all nonsubject imports from Mexico during the POI. CR/PR at II-7, Table III-12. Domestic producer \*\*\*. *Id.* at Table III-2.

<sup>82</sup> CR/PR at II-7. All four responding U.S. producers, six of seven responding importers, and nine of ten responding purchasers reported that there had been supply constraints since March 30, 2021. *Id.*

<sup>83</sup> CR/PR at II-7-8, Tables D-1-2.

<sup>84</sup> CR/PR at II-15.

<sup>85</sup> CR/PR at Tables II-14-16.

<sup>86</sup> CR/PR at Table II-13. Pluralities of responding purchasers reported that domestic snow throwers were inferior to subject imports with respect to price and reliability of supply. *Id.* Half of responding purchasers reported that domestic snow throwers were superior to subject imports with (Continued...)

We further find that price is an important factor in purchasing decisions for gas-powered snow throwers, although non-price factors are also important. Price was the factor second most frequently cited by responding purchasers as being among the top three factors influencing their purchasing decisions, tied with both availability/manufacturing capacity and quality.<sup>87</sup> Additionally, a majority of responding purchasers (6 of 10) reported that price is a very important factor in their purchasing decisions.<sup>88</sup>

We further find that domestically produced gas-powered snow throwers and subject imports are comparable in terms of channels of distribution, sales terms, and lead times. During the POI, both the domestic like product and subject imports were sold overwhelmingly to retailers in most years, although subject imports were also sold in appreciable quantities to distributors in 2020.<sup>89</sup> Both the domestic like product and subject imports were sold only in small quantities to end users.<sup>90</sup>

U.S. producers and importers of subject merchandise mostly sold gas-powered snow throwers using annual contracts during the POI, although importers also sold substantial quantities of subject imports using short-term contracts.<sup>91</sup> U.S. producers sold more limited quantities of domestically produced gas-powered snow throwers using long-term contracts,

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(...Continued)

respect to brand of engine and product consistency, and half reported that domestic and subject snow throwers were comparable in terms of these factors. *Id.* Equal numbers of responding purchasers reported that domestic snow throwers were superior, comparable, and inferior to subject imports in terms of availability. *Id.*

<sup>87</sup> CR/PR at Table II-9. Brand/traditional supplier was the most frequently cited factor, with eight firms ranking it among the top three factors influencing their purchasing decisions. *Id.* Price, availability/manufacturing capacity, and quality were tied as the second most frequently cited factors, with seven firms each ranking them as among the top three factors influencing their purchasing decisions. *Id.*

<sup>88</sup> CR/PR at Table II-10. A majority of responding purchasers also reported that certain non-price factors, including availability, product consistency, and reliability of supply, are very important factors. *Id.* In assessing the significance of non-price factors in purchasing decisions between the domestic like product and subject imports, the responses of market participants were mixed. A majority of responding U.S. producers (3 of 4) reported that differences other than price were only sometimes significant in these purchasing decisions, while a majority of responding importers (4 of 6) and purchasers (7 of 8) reported that they were always or frequently significant. CR/PR at Tables II-17-19.

<sup>89</sup> CR/PR at Table II-2. The version of Table II-2 in the Confidential Report contains a typographical error; the years “2019,” “2020,” and “2021” in the top row of that table should instead read “2018,” “2019,” and “2020,” respectively.

<sup>90</sup> CR/PR at Table II-2.

<sup>91</sup> CR/PR at Table V-3.

and very small quantities using spot sales,<sup>92</sup> while importers sold more limited quantities of subject imports using spot sales.<sup>93</sup>

During the POI, domestically produced gas-powered snow throwers were overwhelmingly sold from inventory, with an average lead time of five days, with the remainder being produced-to-order, with an average lead time of 25 days.<sup>94</sup> Subject imports from China were also primarily sold from U.S. inventory, with an average lead time of seven to eight days, with the balance sold from foreign inventories, with an average lead time of four months.<sup>95</sup>

Raw materials accounted for \*\*\* percent of the cost of goods sold (“COGS”) for domestically produced gas-powered snow throwers in 2018, \*\*\* percent in 2019, and \*\*\* percent in 2020.<sup>96</sup> Raw materials accounted for \*\*\* percent of COGS in interim 2021, compared to \*\*\* percent in interim 2020.<sup>97</sup> Gas-powered snow thrower bodies and augers are primarily made of metal, typically cast aluminum or steel.<sup>98</sup> From January 2018 to December 2021, prices for aluminum sheet and strip fluctuated but increased overall by 23.2 percent.<sup>99</sup> Over this same period, prices for steel also fluctuated but increased overall by 98.4 percent.<sup>100</sup> Prices for aluminum sheet and strip, and for steel, increased to period highs in late 2021.<sup>101</sup>

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<sup>92</sup> CR/PR at Table V-3. Most responding U.S. producers (three of four) reported that their annual contracts allowed for price renegotiation. CR/PR at V-7.

<sup>93</sup> CR/PR at Table V-3.

<sup>94</sup> CR/PR at II-19.

<sup>95</sup> CR/PR at II-19.

<sup>96</sup> CR/PR at Table G-1 (showing operational results for the domestic industry, excluding \*\*\*).

<sup>97</sup> CR/PR at Table G-1.

<sup>98</sup> CR/PR at V-1.

<sup>99</sup> CR/PR at V-1 & Table V-1.

<sup>100</sup> CR/PR at V-1 & Table V-1.

<sup>101</sup> CR/PR at V-1 & Table V-1.

Gas-powered snow throwers, as well as horizontal shaft engines that are used as a primary input in the production of gas-powered snow throwers, from China have been subject to additional duties pursuant to Section 301 of the Tariff Act of 1974 (“Section 301 duties”).<sup>102</sup>

### C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”<sup>103</sup>

We find that the volume and increase in volume of subject imports were significant, both absolutely and relative to apparent U.S. consumption, during the POI.<sup>104</sup> Subject import volume increased by 189.4 percent between 2018 and 2020, from 33,290 units in 2018 to 67,888 units in 2019 and 96,356 units in 2020.<sup>105</sup> It was 43,135 units in interim 2021, compared to 64,596 units in interim 2020.<sup>106</sup>

Subject imports also increased their share of apparent U.S. consumption by \*\*\* percentage points between 2018 and 2020, from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020.<sup>107</sup> Their market share was \*\*\* percentage points greater in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent.<sup>108</sup>

We conclude that the volume of subject imports and the increase in that volume are significant both in absolute terms and relative to U.S. consumption.

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<sup>102</sup> CR/PR at I-9 & Table I-4. The Section 301 duties covering gas-powered snow throwers went into effect on September 1, 2019, and were initially set at 15 percent *ad valorem* and are currently at 7.5 percent *ad valorem*. CR/PR at I-9-10. The Section 301 duties covering horizontal shaft engines went into effect on July 6, 2018, and were set at 25 percent *ad valorem*. CR/PR at I-10 nn.20 & 21. MTD requested and was granted temporary exclusions on its imports of horizontal shaft engines from China, but these exclusions have since expired. *See id.*

While subject imports are not subject to additional duties pursuant to Section 232 of the Trade Expansion Act of 1962 (“Section 232 duties”), certain steel and aluminum inputs used in the production of gas-powered snow throwers are subject to Section 232 duties. CR/PR at I-11, V-4-5.

<sup>103</sup> 19 U.S.C. § 1677(7)(C)(i).

<sup>104</sup> Subject imports increased as a share of U.S. production from 5.6 percent in 2018 to 13.9 percent in 2019 and to 22.6 percent in 2020. Subject imports as a share of U.S. production were 15.6 percent in interim 2021, compared to 23.6 percent in interim 2020. CR/PR at Table IV-2.

<sup>105</sup> CR/PR at Table IV-2.

<sup>106</sup> CR/PR at Table IV-2.

<sup>107</sup> CR/PR at Tables IV-8 & C-2.

<sup>108</sup> CR/PR at Tables IV-8 & C-2.

#### D. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Tariff Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether

(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.<sup>109</sup>

As addressed in section IV.B.3. above, the record indicates that there is a moderate-to-high degree of substitutability between subject imports and the domestic like product, and that price is an important factor in purchasing decisions, among other important factors.

We have examined several sources of data in our underselling analysis, including both pricing data and import purchase cost data. The Commission collected quarterly pricing data for the total quantity and f.o.b. value of four gas-powered snow thrower products shipped by U.S. producers and importers to unrelated customers between January 2018 and September 2021.<sup>110</sup> Five U.S. producers and three importers provided usable pricing data for three of the four requested products, although not all firms reported pricing data for all three products for all quarters.<sup>111</sup> Pricing data reported by these firms accounted for approximately 87.5 percent of U.S. producers' commercial U.S. shipments of gas-powered snow throwers and 45.1 percent of subject imports in 2020.<sup>112</sup>

Subject imports undersold the domestic like product in 35 of 38 quarterly comparisons, or 92.1 percent of the time, at margins ranging between 0.9 and 56.6 percent and averaging 27.3 percent.<sup>113</sup> Subject imports oversold the domestic like product in the remaining three of 38 quarterly comparisons, or 7.9 percent of the time, at margins ranging between 0.9 and 17.9

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<sup>109</sup> 19 U.S.C. § 1677(7)(C)(ii).

<sup>110</sup> CR/PR at V-8. The four pricing products are as follows: (1) Product 1.-- Single-stage walk-behind snow thrower with between 18" and 22" clearing width, without small vertical shaft engines; (2) Product 2.-- Single-stage walk-behind snow thrower with between 23" and 26" clearing width, without small vertical shaft engines; (3) Product 3.-- Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines; and (4) Product 4.-- Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines. *Id.*

<sup>111</sup> CR/PR at V-9. Pricing data were reported for products 1, 3, and 4; pricing data were not reported for product 2. *Id.*

<sup>112</sup> CR/PR at V-9.

<sup>113</sup> CR/PR at Table F-5 (summary of quarterly pricing data, excluding \*\*\*).

percent and averaging 8.2 percent.<sup>114</sup> The price comparison data also show predominant underselling by volume. Quarters in which there was underselling accounted for 94.3 percent of reported subject import sales volume (155,283 units), and quarters in which there was overselling accounted for 5.7 percent of reported of subject import sales volume (9,299 units).<sup>115</sup>

The Commission also collected import purchase cost data for the same four pricing products from firms that imported gas-powered snow throwers from China for retail sale.<sup>116</sup> Two importers, \*\*\* and \*\*\*, reported usable import purchase cost data, with \*\*\* providing data for product 4, and \*\*\* providing data for product 3, although these firms did not provide cost data for these products for all quarters.<sup>117</sup> Import purchase cost data reported by these firms accounted for 13.0 percent of subject imports from China in 2020.<sup>118</sup> Based on the import purchase cost data obtained by the Commission, landed duty-paid (“LDP”) costs for subject imports were below the sales price for the domestic like product in all 7 quarterly comparisons (involving \*\*\* units), at price-cost differentials ranging from \*\*\* percent to \*\*\* percent and averaging \*\*\* percent.<sup>119</sup>

We recognize that the import purchase cost data may not reflect the total cost of importing and therefore requested that importers for retail sale provide additional information regarding the costs and benefits of directly importing gas-powered snow throwers. Both importers providing import purchase cost data, \*\*\* and \*\*\*, reported that they incurred additional costs beyond the LDP costs associated with importing gas-powered snow throwers.<sup>120</sup> These costs ranged from \*\*\* to \*\*\* percent compared to LDP value, with the largest purchaser of gas-powered snow throwers, \*\*\*, reporting the \*\*\* percent figure.<sup>121</sup> Given that subject import costs were on average \*\*\* percent below domestic sales prices, as noted above, the inclusion of the additional costs of \*\*\* percent would still leave the cost of importing subject imports significantly below the domestic sales prices.<sup>122</sup>

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<sup>114</sup> CR/PR at Table F-5.

<sup>115</sup> *Derived from* CR/PR Table F-5.

<sup>116</sup> CR/PR at V-9.

<sup>117</sup> CR/PR at V-16 & Tables F-2-3.

<sup>118</sup> CR/PR at V-16.

<sup>119</sup> CR/PR at Table F-6 (summary of import purchase cost data, excluding \*\*\*).

<sup>120</sup> CR/PR at V-16.

<sup>121</sup> CR/PR at V-16 & Table V-10.

<sup>122</sup> Both \*\*\* and \*\*\* reported that the cost of gas-powered snow throwers that they imported was lower than the price of purchasing gas-powered snow throwers from a U.S. producer or importer when not including the additional costs of importing. CR/PR at V-16-17. When including additional costs, \*\*\* still reported that the total import cost was lower, but \*\*\* reported that it was not. CR/PR at (Continued...)



Based on the moderate-to-high degree of substitutability between subject imports and the domestic like product, the importance of price in purchasing decisions, and the pervasive underselling by subject imports, as well as the purchase cost data, we find that subject import underselling was significant during the POI. The underselling by subject imports led to subject imports gaining sales and market share at the domestic industry's expense during the POI. Subject imports gained \*\*\* percentage points of market share from the domestic industry between 2018 and 2020,<sup>123</sup> and additional evidence indicates that price was a factor for some purchasers' increase in their purchases of subject imports in lieu of the domestic like product.<sup>124</sup>

We have also considered price trends over the POI. The domestic industry's sales prices fluctuated but increased overall for all three pricing products for which data are available.<sup>125</sup> The domestic industry's sales prices for pricing products 1, 3, and 4 increased by \*\*\* percent, \*\*\* percent, and \*\*\* percent, respectively, over the POI.<sup>126</sup> Subject import sales prices for

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(...Continued)

V-17. \*\*\* estimated it saved \*\*\* percent by importing directly rather than purchasing from a U.S. producer, and \*\*\* percent by importing directly rather than purchasing from an importer. \*\*\* estimated that it saved \*\*\* percent by importing directly rather than purchasing from a U.S. producer. *Id.*

<sup>123</sup> CR/PR at Table C-2.

<sup>124</sup> \*\*\* of 11 responding purchasers reduced their share of purchases of the domestic like product and increased their share of purchases of subject imports between 2018 and 2020, by \*\*\* to \*\*\* percentage points. CR/PR at Table V-10. Of the \*\*\* purchasers reporting that they purchased subject imports instead of the domestic like product, \*\*\* purchasers reported that subject import prices were lower than domestic prices, and one, \*\*\*, reported that price was a primary reason for purchasing \*\*\* units of subject imported gas-powered snow throwers instead of domestically produced snow throwers. *Id.* at Table V-11. Overall, responding purchasers reported that between 2018 and 2020 the domestic industry's share of their purchases declined \*\*\* percentage points while the subject import share of their purchases increased \*\*\* percentage points. *Id.* at Table V-10.

Although two of the largest responding purchasers, \*\*\*, responded that their choice to purchase subject imports was not based on price, other evidence indicates that price was a factor motivating their shift in purchases from the domestic industry to subject imports during the POI. *See id.* at Table V-10. Petitioner reported losing the entirety of its sales volume to Menards starting in the fall of 2019, with Menards instead choosing to purchase lower-priced subject imports produced by Chinese manufacturer Z Monday. CR/PR at V-20 & n.19; Hearing Transcript at 19 (Mattern). Petitioner claims that its shipments to Menards \*\*\* and that it was able to regain "only some" of its lost sales volume to Menards in 2021 \*\*\*. CR/PR at V-20 & n.19. Additionally, Petitioner reported losing placements at Home Depot in 2019 and 2020 to lower-priced subject imports produced by Chinese manufacturers Powercare and Trade Peak. CR/PR at V-20 & n.19; Hearing Transcript at 20 (Mattern).

<sup>125</sup> CR/PR at Tables F-1-3. As previously discussed, quarterly pricing data are available for pricing products 1, 3, and 4; no pricing data were reported for product 2. CR/PR at V-9.

<sup>126</sup> *Derived from* CR/PR Table F-4.

pricing product 1 also increased by \*\*\* percent over the POI, but subject import sales prices for pricing products 3 and 4 decreased by \*\*\* percent and \*\*\* percent, respectively, over the POI.<sup>127</sup>

We have further considered whether the domestic industry was prevented from raising prices, which otherwise would have occurred, to a significant degree. The domestic industry's ratio of COGS to net sales increased by \*\*\* percentage points from 2018 to 2020, decreasing from \*\*\* percent in 2018 to \*\*\* percent in 2019, before increasing to \*\*\* percent in 2020; it was \*\*\* percentage points higher in interim 2021, at \*\*\* percent, than in interim 2020, at \*\*\* percent, but remained lower than in 2018.<sup>128</sup> The average unit value ("AUV") of the domestic industry's net sales increased by \$\*\*\* from 2018 to 2020, outstripping the \$\*\*\* increase in its unit COGS over this period. And although the domestic industry's net sales AUV was \$\*\*\* lower in interim 2021 than in interim 2020, while its unit COGS was \$\*\*\* higher, the domestic industry's COGS to net sales ratio in interim 2021 (at \*\*\* percent) was lower than at the beginning of the POI.<sup>129</sup>

Based on the above, we find that subject imports significantly undersold the domestic like product, leading the domestic industry to lose sales and market share to subject imports. We therefore find that subject imports had significant price effects on the domestic industry.

#### **E. Impact of the Subject Imports<sup>130</sup>**

Section 771(7)(C)(iii) of the Tariff Act provides that examining the impact of subject imports, the Commission "shall evaluate all relevant economic factors which have a bearing on

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<sup>127</sup> Derived from CR/PR Table F-4.

<sup>128</sup> CR/PR at Table C-2.

<sup>129</sup> CR/PR at Table C-2. We recognize that interim data excludes the fourth quarters of 2020 and 2021, which partially overlap with the winter peak season for gas-powered snow thrower sales. CR/PR at VII-6.

<sup>130</sup> The statute instructs the Commission to consider the "magnitude of the dumping margin" in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final determination, Commerce found dumping margins ranging from 163.27 to 223.07 percent for subject imports from China. *Certain Walk-Behind Snow Throwers and Parts Thereof from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 87 Fed. Reg. 17984, 17985 (Mar. 29, 2022). We take into account in our analysis the fact that Commerce has made a final finding that all subject producers in China are selling subject imports in the United States at less than fair value. In addition to this consideration, our impact analysis has considered other factors affecting domestic prices. Our analysis of the significant underselling and price effects of subject imports, described in both the price effects discussion and below, is particularly probative to an assessment of the impact of the subject imports.

the state of the industry.”<sup>131</sup> These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, R&D, and factors affecting domestic prices. No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>132</sup>

The domestic industry’s performance weakened by most measures from 2018 to 2020, as increasing volumes of low-priced subject imports took sales and market share from the industry. Although the industry’s performance improved in interim 2021 compared to interim 2020 by many measures, largely due to the \*\*\* percent increase in apparent U.S. consumption, the industry was unable to fully capitalize on strong demand growth due to subject import competition.<sup>133</sup>

Most measures of the domestic industry’s performance declined overall from 2018 to 2020, while trends over the interim periods were mixed. The industry’s capacity decreased overall by \*\*\* percent from 2018 to 2020, declining from \*\*\* units in 2018 to \*\*\* units in 2019, before increasing to \*\*\* units in 2020; its capacity was \*\*\* units in interim 2021, compared to \*\*\* units in interim 2020.<sup>134</sup> The domestic industry’s production declined by \*\*\* percent from 2018 to 2020, decreasing from \*\*\* units in 2018 to \*\*\* units in 2019 and to \*\*\* units in 2020; it was \*\*\* units in interim 2021, compared to \*\*\* units in interim 2020.<sup>135</sup> The industry’s rate of capacity utilization increased overall by \*\*\* percentage points from 2018 to 2020, increasing from \*\*\* percent in 2018 to \*\*\* percent in 2019, before declining to \*\*\* percent in 2020; it was \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020.<sup>136</sup>

As the domestic industry’s production declined between 2018 and 2020, so did its U.S. shipments and market share. The domestic industry’s U.S. shipments declined overall by \*\*\* percent from 2018 to 2020, increasing from \*\*\* units in 2018 to \*\*\* units in 2019, before

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<sup>131</sup> 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 (“In material injury determinations, 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 also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

<sup>132</sup> 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act (“TPEA”) of 2015, Pub. L. 114-27.

<sup>133</sup> CR/PR at Table C-2.

<sup>134</sup> CR/PR at Table C-2.

<sup>135</sup> CR/PR at Table C-2.

<sup>136</sup> CR/PR at Table C-2.

declining to \*\*\* in 2020; they were \*\*\* units in interim 2021, compared to \*\*\* units in interim 2020.<sup>137</sup> The industry's share of apparent U.S. consumption declined by \*\*\* percentage points from 2018 to 2020, from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020; its market share was \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020.<sup>138</sup>

The domestic industry's end-of-period inventories decreased overall between 2018 and 2020, and were lower in interim 2021 than in interim 2020.<sup>139</sup> The industry's end-of-period inventories as a share of total shipments increased overall from 2018 to 2020, but were lower in interim 2021 than in interim 2020.<sup>140</sup>

Consistent with the domestic industry's declining capacity and production, the industry's employment declined by \*\*\* percent from 2018 to 2020, from \*\*\* production-related workers ("PRWs") in 2018 to \*\*\* PRWs in 2019 and to \*\*\* PRWs in 2020; it was \*\*\* PRWs in interim 2021, compared to \*\*\* PRWs in interim 2020.<sup>141</sup> The industry's hours worked declined overall from 2018 to 2020, and were lower in interim 2021 than in interim 2020.<sup>142</sup> Its wages paid increased overall from 2018 to 2020, but were lower in interim 2021 than in interim 2020,<sup>143</sup> while its productivity declined from 2018 to 2020, but was higher in interim 2021 than

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<sup>137</sup> CR/PR at Table C-2.

<sup>138</sup> CR/PR at Table C-2.

<sup>139</sup> CR/PR at Table C-2. The industry's end-of-period inventories decreased overall by \*\*\* percent from 2018 to 2020, declining from \*\*\* units in 2018 to \*\*\* units in 2019, before increasing to \*\*\* units in 2020; they were \*\*\* units in interim 2021, compared to \*\*\* units in interim 2020. *Id.*

<sup>140</sup> CR/PR at Table C-2. The industry's end-of-period inventories as a share of total shipments increased overall by \*\*\* percentage points from 2018 to 2020, declining from \*\*\* percent in 2018 to \*\*\* percent in 2019, before increasing to \*\*\* percent in 2020; they were \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020. *Id.*

<sup>141</sup> CR/PR at Table C-2.

<sup>142</sup> CR/PR at Table C-2. Total hours worked decreased overall by \*\*\* percent between 2018 and 2020, decreasing from \*\*\* hours in 2018 to \*\*\* hours in 2019, before increasing to \*\*\* hours in 2020; they were \*\*\* hours in interim 2021, compared to \*\*\* hours in interim 2020. *Id.*

<sup>143</sup> CR/PR at Table C-2. Wages paid increased by \*\*\* percent from 2018 to 2020, declining from \$\*\*\* in 2018 to \$\*\*\* in 2019, before increasing to \$\*\*\* in 2020; they were \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.*

in interim 2020.<sup>144</sup> The industry's hourly wages increased from 2018 to 2020, and were higher in interim 2021 than in interim 2020.<sup>145</sup>

The domestic industry's financial performance declined between 2018 and 2020, as subject imports captured sales and market share from the industry, and remained weaker in interim 2021 than would have been expected in light of the substantially higher apparent U.S. consumption in interim 2021 as compared to interim 2020. The industry's net sales value declined overall by \*\*\* percent from 2018 to 2020, increasing from \$\*\*\* in 2018 to \$\*\*\* in 2019, before declining to \$\*\*\* in 2020; it was \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020.<sup>146</sup> The domestic industry's operating income decreased by \*\*\* percent from 2018 to 2020, from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; it was \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020.<sup>147</sup> The industry's operating income as a share of net sales decreased by \*\*\* percentage points from 2018 to 2020, from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020; it was \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020.<sup>148</sup>

The domestic industry's capital expenditures decreased from 2018 to 2020, and were lower in interim 2021 than in interim 2020, while its R&D expenses remained relatively flat from 2018 to 2020, and were higher in interim 2021 than in interim 2020.<sup>149</sup> The industry's return on assets decreased overall by \*\*\* percentage points from 2018 to 2020, increasing

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<sup>144</sup> CR/PR at Table C-2. Productivity declined by \*\*\* percent from 2018 to 2020, from \*\*\* units per 1,000 hours in 2018 to \*\*\* units per 1,000 hours in 2019 and to \*\*\* units per 1,000 hours in 2020; it was \*\*\* units per 1,000 hours in interim 2021, compared to \*\*\* units per 1,000 hours in interim 2020. *Id.*

<sup>145</sup> CR/PR at Table C-2. Hourly wages paid to PRWs increased by \*\*\* percent from 2018 to 2020, from \$\*\*\* per hour in 2018 to \$\*\*\* per hour in 2019 and to \$\*\*\* per hour in 2020; they were \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.*

<sup>146</sup> CR/PR at Table C-2.

<sup>147</sup> CR at Table C-2. The domestic industry's gross profit and net income exhibited similar trends over the POI. The industry's gross profit decreased overall by \*\*\* percent from 2018 to 2020, increasing from \$\*\*\* in 2018 to \$\*\*\* in 2019, before declining to \$\*\*\* in 2020; it was \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.* The domestic industry's net income decreased by \*\*\* percent from 2018 to 2020, from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; it was \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.*

<sup>148</sup> CR/PR at Table C-2. The domestic industry's net income as a share of net sales decreased by \*\*\* percentage points from 2018 to 2020, from \*\*\* percent in 2018 to \*\*\* percent in 2019 and to \*\*\* percent in 2020; it was \*\*\* percent in interim 2021, compared to \*\*\* percent in interim 2020. *Id.*

<sup>149</sup> CR/PR at Table C-2. The domestic industry's capital expenditures decreased by \*\*\* percent from 2018 to 2020, from \$\*\*\* in 2018 to \$\*\*\* in 2019 and to \$\*\*\* in 2020; they were \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.* The industry's R&D expenses were \$\*\*\* in 2018, \$\*\*\* in 2019, and \$\*\*\* in 2020; they were \$\*\*\* in interim 2021, compared to \$\*\*\* in interim 2020. *Id.*

from \*\*\* percent in 2018 to \*\*\* percent in 2019 before declining to \*\*\* percent in 2020.<sup>150</sup> The domestic industry also reported actual and anticipated negative effects on investment, growth, and development due to subject imports.<sup>151</sup>

We find a causal nexus between subject imports and the domestic industry's declining performance between 2018 and 2020, and the industry's weak performance relative to the strong growth in apparent U.S. consumption in interim 2021 compared to interim 2020. Subject import volume increased significantly in absolute terms and relative to apparent U.S. consumption during the POI, driven by significant subject import underselling. The increasing volume of lower-priced subject imports captured \*\*\* percentage points of market share from the domestic industry between 2018 and 2020. Consequently, the domestic industry suffered declining capacity, production, employment, U.S. shipments, net sales revenues, and profitability between 2018 and 2020. Moreover, despite substantially higher apparent U.S. consumption in interim 2021 compared to interim 2020, several of the industry's performance indicia were weaker in interim 2021 than in interim 2020, including hours worked, wages paid, the ratio of operating income to net sales, and the ratio of net income to net sales. Further, although the domestic industry's performance improved by many measures in interim 2021 relative to interim 2020, the industry's production and financial performance remained weaker than would have been expected in light of the strong increase in apparent U.S. consumption. In sum, competition from lower-priced subject imports caused declines in the domestic industry's performance over the POI and prevented the domestic industry from fully capitalizing on the \*\*\* percent increase in apparent U.S. consumption in interim 2021 compared to interim 2020.

We have also considered whether there are other factors that may have had an adverse impact on the domestic industry during the POI to ensure that we are not attributing injury from such other factors to subject imports. We recognize that apparent U.S. consumption declined by \*\*\* percent from 2018 to 2020. However, declining apparent U.S. consumption cannot explain the significant underselling of the domestic like product by subject imports and the domestic industry's consequent loss of \*\*\* percentage points of market share to subject imports over this period or declines in the industry's performance that resulted from this market share loss. Indeed, the percentage decline in the domestic industry's production and

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<sup>150</sup> *Derived from* CR/PR at Table VI-10 (adjusted to remove data from the excluded producer \*\*\*).

<sup>151</sup> CR/PR at Tables VI-12-13.

U.S. shipments greatly exceeded the \*\*\* percent decline in apparent U.S. consumption over the period.<sup>152</sup>

Nonsubject imports also do not explain the injury we have attributed to subject imports. Although nonsubject imports were present in significantly greater quantities than subject imports throughout the POI,<sup>153</sup> subject imports increased their market share by \*\*\* more than nonsubject imports between 2018 and 2020, and captured the vast majority of the market share lost by the domestic industry during the period.<sup>154</sup> Moreover, as the domestic industry's performance markedly worsened by several measures from 2019 to 2020,<sup>155</sup> the volume of nonsubject imports declined while the volume of subject imports increased.<sup>156</sup> Finally, the AUVs of U.S. importer shipments of nonsubject imports were higher than the AUVs of U.S. importer shipments of subject imports throughout the POI, by \*\*\* to \*\*\* percent, suggesting that nonsubject imports were not priced as aggressively as subject imports.<sup>157</sup>

Finally, the supply constraints reported by domestic producers, largely resulting from the COVID-19 pandemic, do not explain the domestic industry's declining performance as subject import volume and market share increased during the POI.<sup>158</sup> Although most responding purchasers reported experiencing supply constraints during the POI, and some attributed such constraints to domestic producers,<sup>159</sup> most responding importers also reported

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<sup>152</sup> Between 2018 and 2020, the domestic industry's production declined by \*\*\* percent and its U.S. shipments declined by \*\*\* percent. CR/PR at Table C-2.

<sup>153</sup> CR/PR at Table C-2. Between 2018 and 2020, the domestic industry's production declined by \*\*\* percent, and its U.S. shipments declined by \*\*\* percent. *Id.*

<sup>154</sup> CR/PR at Tables IV-8, C-2. Between 2018 and 2020, subject imports gained \*\*\* percentage points of market share, while nonsubject imports gained only \*\*\* percentage points of market share. *Id.*

<sup>155</sup> The domestic industry's production, U.S. shipments, productivity, net sales value, gross profit, operating income, net income, and capital expenditures all declined by over \*\*\* in 2020 relative to 2019. See CR/PR at Table C-2.

<sup>156</sup> The volume of nonsubject imports declined from \*\*\* in 2019 to \*\*\* in 2020, while the volume of subject imports increased from \*\*\* in 2019 to \*\*\* in 2020. CR/PR at Table IV-2.

<sup>157</sup> *Derived from* CR/PR at Table C-2. We recognize that AUV comparisons may be influenced by differences in product mix and changes in product mix over time.

<sup>158</sup> See CR/PR at II-6-7, Table D-1. Three of five responding domestic producers indicated that they had experienced supply constraints between January 1, 2018 and March 30, 2021, and four of four responding domestic producers reported such constraints after March 30, 2021, generally citing disruptions caused by the COVID-19 pandemic. *Id.*

<sup>159</sup> CR/PR at II-7-8. Eight of eleven responding purchasers reported that they had experienced supply constraints between January 1, 2018 and March 30, 2021, citing domestic suppliers putting purchasers on allocation among other reasons, and nine of ten responding purchasers reported such (Continued...)

supply constraints with respect to subject imports over the period, and a majority of responding purchasers (four of six) rated domestically produced snow throwers as superior or comparable to subject imports with respect to availability.<sup>160</sup> Furthermore, the largest domestic producer, \*\*\*, reported no supply constraints between January 1, 2018, and March 30, 2021, and the domestic industry possessed ample unused capacity and inventories throughout the POI with which it could have served additional demand.<sup>161</sup> Indeed, the domestic industry was able to increase its U.S. shipments by \*\*\* percent in interim 2021 compared to interim 2020, notwithstanding the supply constraints reported by domestic producers and purchasers during the period.<sup>162</sup> Finally, had short supplies of domestically produced gas-powered snow throwers forced purchasers to increase their purchases of subject imports, we would have expected to see increasing subject import prices and overselling, not declining subject import prices for products accounting for a majority of subject import sales and pervasive underselling.<sup>163</sup> For these reasons, we find that the supply disruptions reported by domestic producers do not explain either the increase in subject import volume and market share or the injury that we have attributed to subject imports.

In sum, based on the record in the final phase of these investigations, we conclude that subject imports had a significant impact on the domestic industry.

## V. Conclusion

For the reasons stated above, we determine that an industry in the United States is materially injured by reason of gas-powered snow throwers from China found by Commerce to be sold in the United States at less than fair value and subsidized by the government of China.

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(...Continued)

constraints after March 30, 2021, usually describing such constraints as coming from domestic producers. *Id.*

<sup>160</sup> See CR/PR at II-7-8, Tables II-13, D-1-2. Four of seven responding importers indicated that they had experienced supply constraints between January 1, 2018 and March 30, 2021, and six of seven responding importers reported such constraints after March 30, 2021, stemming from the COVID-19 pandemic. *Id.*

<sup>161</sup> CR/PR at II-7, Table C-2.

<sup>162</sup> CR/PR at Table C-2.

<sup>163</sup> See CR/PR at Tables F-4-6.



# Part I: Introduction

## Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by MTD Products Inc. (“MTD”), Valley City, Ohio, on March 30, 2021, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized and less-than-fair-value (“LTFV”) imports of walk-behind snow throwers (“snow throwers”)<sup>1</sup> from China. Table I-1 presents information relating to the background of these investigations.<sup>2 3</sup>

**Table I-1**  
**Snow throwers: Information relating to the background and schedule of this proceeding**

Effective date	Action
March 30, 2021	Petitions filed with Commerce and the Commission; institution of Commission investigations (86 FR 17852, April 6, 2021)
April 19, 2021	Commerce’s notice of initiation AD (86 FR 22026, April 26, 2021)
April 19, 2021	Commerce’s notice of initiation CVD (86 FR 22022, April 26, 2021)
May 14, 2021	Commission’s preliminary determinations (86 FR 27107, May 19, 2021)
September 10, 2021	Commerce’s preliminary CVD determination (86 FR 50696, September 10, 2021)
November 5, 2021	Commerce’s preliminary AD determination (86 FR 61135, November 5, 2021); scheduling of final phase of Commission investigations (86 FR 69294, December 7, 2021)
March 23, 2022	Commission’s hearing
March 29, 2022	Commerce’s final determination AD (87 FR 17984, March 29, 2022)
March 29, 2022	Commerce’s final determination CVD (87 FR 17987, March 29, 2022)
April 22, 2022	Commission’s vote
May 11, 2022	Commission’s views

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<sup>1</sup> See the section entitled “The subject merchandise” in Part I of this report for a complete description of the merchandise subject in this proceeding.

<sup>2</sup> Pertinent Federal Register notices are referenced in appendix A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

<sup>3</sup> Appendix B presents the witnesses who appeared at the Commission’s hearing.

## Statutory criteria

Section 771(7)(B) of the Tariff Act of 1930 (the “Act”) (19 U.S.C. § 1677(7)(B)) provides that in making its determinations of injury to an industry in the United States, the Commission--

*shall consider (I) the volume of imports of the subject merchandise, (II) the effect of imports of that merchandise on prices in the United States for domestic like products, and (III) the impact of imports of such merchandise on domestic producers of domestic like products, but only in the context of production operations within the United States; and. . . may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.*

Section 771(7)(C) of the Act (19 U.S.C. § 1677(7)(C)) further provides that--<sup>4</sup>

*In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States is significant. . . In evaluating the effect of imports of such merchandise on prices, the Commission shall consider whether. . . (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree. . . In examining the impact required to be considered under subparagraph (B)(i)(III), the Commission shall evaluate (within the context of the business cycle and conditions of competition that are distinctive to the affected industry) all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to. . . (I) actual and potential decline in output, sales, market share, gross profits, operating profits, net profits, ability to service debt, productivity, return on investments, return on assets, and utilization of capacity, (II) factors affecting domestic prices, (III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, (IV) actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and (V) in {an antidumping investigation}, the magnitude of the margin of dumping.*

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<sup>4</sup> Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

*In addition, Section 771(7)(J) of the Act (19 U.S.C. § 1677(7)(J)) provides that—<sup>5</sup>*

*(J) EFFECT OF PROFITABILITY.—The Commission may not determine that there is no material injury or threat of material injury to an industry in the United States merely because that industry is profitable or because the performance of that industry has recently improved.*

## **Organization of report**

Part I of this report presents information on the subject merchandise, subsidy and dumping margins, and domestic like product. Part II of this report presents information on conditions of competition and other relevant economic factors. Part III presents information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment. Parts IV and V present the volume of subject imports and pricing of domestic and imported products, respectively. Part VI presents information on the financial experience of U.S. producers. Part VII presents the statutory requirements and information obtained for use in the Commission’s consideration of the question of threat of material injury as well as information regarding nonsubject countries.

## **Market summary**

Snow throwers are generally used to clear snow, primarily in residential and smaller commercial settings. They are intended for consumer household use but may also be used by professional landscapers and snow removal companies. The leading U.S. producers of snow throwers are \*\*\* and \*\*, while leading producers of snow throwers outside the United States include \*\*\* of China and \*\*\* of Mexico. The leading U.S. importer of snow throwers from China is \*\*, while the leading importers of snow throwers from nonsubject countries (primarily Mexico) is \*\*. U.S. purchasers of snow throwers include national retail stores and locally owned independent dealers that sell to homeowners and other end users; large purchasers of snow throwers include \*\*.

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<sup>5</sup> Amended by PL 114-27 (as signed, June 29, 2015), Trade Preferences Extension Act of 2015.

Apparent U.S. consumption of snow throwers totaled approximately \*\*\* units (\$\*\*\*) in 2020. Currently, six firms are known to produce snow throwers in the United States. U.S. producers' U.S. shipments of snow throwers totaled 311,380 units (\$253.2 million) in 2020, and accounted for \*\*\* percent of apparent U.S. consumption by quantity and \*\*\* percent by value. U.S. shipments of imports from subject sources totaled \*\*\* units (\$\*\*\*) in 2020 and accounted for \*\*\* percent of apparent U.S. consumption by quantity and \*\*\* percent by value. U.S. shipments of imports from nonsubject sources totaled \*\*\* units (\$\*\*\*) in 2020 and accounted for \*\*\* percent of apparent U.S. consumption by quantity and \*\*\* percent by value.

## Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, tables C-1 and C-2. Except as noted, U.S. industry data are based on questionnaire responses of six firms that accounted for virtually all of U.S. production of snow throwers during 2020. U.S. imports are based on nine firms' responses to the Commission's questionnaires and may be somewhat understated.<sup>6</sup> Just as in the preliminary phase of these investigations, the Commission did not receive any questionnaire responses from any Chinese producers. Global Trade Atlas data are used in part VII of this report for Chinese exports of a broad category of snow throwers, including products outside of the scope of these investigations.

## Previous and related investigations

Snow throwers have not been the subject of any prior countervailing and/or antidumping duty investigations in the United States. However, products related to snow throwers, such as small and large vertical shaft engines, and walk-behind lawnmowers, have been subject to countervailing and/or antidumping duty investigations in the United States.

In 2021, the Commission conducted final phase antidumping and countervailing duty investigations on large vertical shaft engines from China. Large vertical shaft engines are spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 225 cubic centimeters ("cc") and a maximum

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<sup>6</sup> U.S. import data may be understated due to the firms that did not return questionnaires. Staff believes that official import statistics for HTS statistical reporting number 8430.20.0060 represent more than only snow throwers and are overstated.

displacement of 999cc.<sup>7</sup> The Commission determined that an industry in the United States was materially injured by reason of imports of large vertical shaft engines from China that Commerce determined to be subsidized and sold in the United States at LTFV.<sup>8</sup> In March 2021, Commerce issued antidumping and countervailing duty orders on large vertical shaft engines from China.<sup>9</sup>

In 2021, the Commission also conducted final phase antidumping duty and countervailing duty investigations on small vertical shaft engines from China. Small vertical shaft engines are spark ignition, single-cylinder, air cooled, internal combustion engines with vertical power take off shafts with a minimum displacement of 99cc and a maximum displacement of up to, but not including, 225cc.<sup>10</sup> The Commission determined that an industry in the United States was materially injured by reason of imports of small vertical shaft engines from China that Commerce determined to be subsidized and sold in the United States at LTFV.<sup>11</sup> In May 2021, Commerce issued antidumping and countervailing duty orders on small vertical shaft engines from China.<sup>12</sup>

In 2021, the Commission also conducted final phase antidumping duty and countervailing duty investigations on walk-behind lawn mowers from China and Vietnam. Walk-behind lawn mowers within the scope of these investigations are only those powered by an internal combustion engine with a power rating of less than 3.7 kilowatts (kw). These internal combustion engines are typically spark ignition, single or multiple cylinder, air cooled, internal combustion engines with vertical power take off shafts with a maximum displacement of 196cc.<sup>13</sup> The Commission determined that an industry in the United States was materially injured by reason of imports of walk-behind lawn mowers from China that Commerce determined to be subsidized and sold in the United States at LTFV, and threatened with material injury by reason of imports of walk-behind lawn mowers from Vietnam that Commerce determined to be sold at LTFV.<sup>14</sup> In July 2021, Commerce issued antidumping duty orders on

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<sup>7</sup> Large Vertical Shaft Engines from China, Inv. Nos. 701-TA-637 and 731-TA-1471 (Final), USITC Publication 5162, February 2021, p. 7.

<sup>8</sup> 86 FR 12206, March 2, 2021.

<sup>9</sup> 86 FR 12623, March 4, 2021 and 86 FR 12619, March 4, 2021.

<sup>10</sup> Small Vertical Shaft Engines from China, Inv. Nos. 701-TA-643 and 731-TA-1493 (Final), USITC Publication 5185, April 2021, p. 7.

<sup>11</sup> 86 FR 22975, April 30, 2021.

<sup>12</sup> 86 FR 23675, May 4, 2021.

<sup>13</sup> Walk-Behind Lawn Mowers from China, Inv. Nos. 701-TA-648 and 731-TA-1521-1522 (Final), USITC Publication 5209, July 2021, pp. 8-9.

<sup>14</sup> 86 FR 36304, July 6, 2021.

walk-behind lawn mowers from China and Vietnam and a countervailing duty order on walk-behind lawn mowers from China.<sup>15</sup>

As discussed further below, in 2018, Section 232 tariffs on aluminum and steel and Section 301 tariffs on goods from China took effect.

## Nature and extent of subsidies and sales at LTFV

### Subsidies

On March 29, 2022, Commerce published a notice in the Federal Register of its final determination of countervailable subsidies for producers and exporters of snow throwers from China.<sup>16</sup> Table I-2 presents Commerce’s findings of subsidization of snow throwers in China.

**Table I-2**  
**Snow throwers: Commerce’s final subsidy determination with respect to imports from China**

Entity	Subsidy rate (percent)
Zhejiang Zhouli Industrial Co	203.06
All others	203.06
Changzhou Globe Tools Co., Ltd. Co., Ltd	203.06
Nanjing Chevron Industry Co., Ltd	203.06
Ningbo Daye Garden Machinery Co., Ltd	203.06
Ningbo Joyo Garden Tools Co., Ltd	203.06
Ningbo Scojet Import & Export Trading	203.06
TIYA International Co., Ltd	203.06
Weima Agricultural Machinery Co., Ltd	203.06
Zhejiang Yat Electrical Appliance Co	203.06

Source: 87 FR 17987, March 29, 2022.

Note: For further information on programs determined to be countervailable, see Commerce’s associated Issues and Decision Memorandum.

<sup>15</sup> 86 FR 36703, July 13, 2021 and 86 FR 36702, July 13, 2021.

<sup>16</sup> 87 FR 17987, March 29, 2022.

## Sales at LTFV

On March 29, 2022, Commerce published a notice in the Federal Register of its final determination of sales at LTFV with respect to imports from China.<sup>17</sup> Table I-3 presents Commerce’s dumping margins with respect to imports of product from China.

**Table I-3**  
**Snow throwers: Commerce’s final weighted-average LTFV margins with respect to imports from China**

Exporter	Producer	Estimated weighted-average dumping margin (percent)	Cash deposit rate (adjusted for subsidy offsets) (percent)
Zhejiang Zhouli Industrial Co., Ltd	Zhejiang Zhouli Industrial Co., Ltd	163.27	142.19
Ningbo Scojet Import & Export Trade Co., Ltd	Ninghai Yiyi Garden Tools Co., Ltd	163.27	142.19
Sumec Hardware and Tools Co., Ltd	Zhejiang KC Mechanical & Electrical Co., Ltd	163.27	142.19
Zhejiang Amerisun Technology Co., Ltd	Zhejiang Dobest Power Tools Co., Ltd	163.27	142.19
Zhejiang KC Mechanical & Electrical Co., Ltd	Zhejiang KC Mechanical & Electrical Co., Ltd	163.27	142.19
China-Wide Entity		223.07	201.99

Source: 87 FR 17984, March 29, 2022.

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<sup>17</sup> 87 FR 17984, March 29, 2022.

## The subject merchandise

### Commerce's scope

In the current proceeding, Commerce has defined the scope as follows:<sup>18</sup>

*The merchandise covered by this investigation consists of gas-powered, walk-behind snow throwers (also known as snow blowers), which are snow moving machines that are powered by internal combustion engines and primarily pedestrian-controlled. The scope of the investigation covers certain snow throwers (also known as snow blowers), whether self-propelled or non-self-propelled, whether finished or unfinished, whether assembled or unassembled, and whether containing any additional features that provide for functions in addition to snow throwing. Subject merchandise also includes finished and unfinished snow throwers that are further processed in a third country or in the United States, including, but not limited to, assembly or any other processing that would not otherwise remove the merchandise from the scope of this investigation if performed in the country of manufacture of the in-scope snow throwers.*

*Walk-behind snow throwers subject to the scope of this investigation are powered by internal combustion engines which are typically spark ignition, single or multiple cylinder, and air-cooled with power take off shafts.*

*For the purposes of this investigation, an unfinished and/or unassembled snow thrower means at a minimum, a sub-assembly comprised of an engine, auger housing (i.e., intake frame), and an auger (or "auger paddle") packaged or imported together. An intake frame is the portion of the snow thrower—typically of aluminum or steel—that houses and protects an operator from a rotating auger and is the intake point for the snow. Importation of the subassembly whether or not accompanied by, or attached to, additional components including, but not limited to, handle(s), impeller(s), chute(s), track tread(s), or wheel(s) constitutes an unfinished snow thrower for purposes of this investigation. The inclusion in a third country of any components other than the snow thrower sub-assembly does not remove the snow thrower from the scope. A snow thrower is within the scope of this investigation regardless of the origin of its engine.*

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<sup>18</sup> 86 FR 61135, November 5, 2021.



*Specifically excluded is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 225cc and 999cc, and parts thereof from the People's Republic of China. See Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof, from the People's Republic of China: Amended Final Antidumping Duty Determination and Antidumping Duty Order, 86 FR 12623 (March 4, 2021) and Certain Vertical Shaft Engines Between 225cc and 999cc, and Parts Thereof from the People's Republic of China: Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination, 86 FR 12619 (March 4, 2021).*

*Also specifically excluded is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and Up to 225cc, and parts thereof from the People's Republic of China. See Certain Vertical Shaft Engines Between 99cc and Up to 225cc, and Parts Thereof from the People's Republic of China: Antidumping and Countervailing Duty Orders, 86 FR 023675 (May 4, 2021).*

## **Tariff treatment**

Based upon the scope set forth by Commerce, information available to the Commission indicates that the merchandise subject to these investigations is primarily imported under HTS statistical reporting number 8430.20.0060. The certain parts of snow throwers subject to these investigations may also be imported under HTS statistical reporting number 8431.49.9095. The 2021 general rate of duty is free for both HTS subheadings, 8430.20.00 and 8431.49.90. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

## **Section 301 Tariff Treatment**

Chinese products subject to these investigations are also subject to additional duties under Section 301 of the Trade Act of 1974. Subheading 8430.20.00 (which includes the primary statistical reporting number, 8430.20.0060, under which the subject merchandise is imported) was part of the fourth tranche with additional duties initially at 15 percent and currently at 7.5 percent ad valorem (Table I-4). These duties went into effect on September 1,

2019.<sup>19</sup> Snow thrower parts classified under HTS subheading 8431.49.90 are subject to additional 25 percent ad valorem import duties under Section 301.<sup>2021</sup> See Part II for more information on the section 301 tariffs.

Exclusions were granted based on descriptions at the statistical reporting number level and were granted to products imported under HTS statistical reporting number 8431.49.9095 on October 2, 2019,<sup>22</sup> and on out-of-scope products (electric snow blowers) imported under HTS statistical reporting number 8430.20.0060 on July 23, 2020.<sup>23</sup> The exclusions granted under HTS statistical reporting number 8431.49.9095 were extended on March 28, 2022 and will expire on December 31, 2022.<sup>24</sup>

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<sup>19</sup> The originally announced duty rate of 10 percent ad valorem was amended to 15 percent ad valorem prior to going into effect. A subsequent notice of modification reduced the rate of additional duty to 7.5 percent, effective February 14, 2020. Notice of Modification of Section 301 Action: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 85 FR 3741 (U.S. Trade Rep., Jan 22, 2020).

<sup>20</sup> See U.S. note 20(f), subchapter III of HTS chapter 99. Subheading 8431.49.90 was in the first tranche, which went into effect July 6, 2018. For more information see <https://ustr.gov/issue-areas/enforcement/section-301-investigations/tariff-actions>.

<sup>21</sup> Petitioner faced increased costs on the three of the primary inputs and components (aluminum, steel, and horizontal shaft engines) due to Section 232 and 301 tariffs. Petitioner's postconference brief, p. 27. Petitioner also indicated that it requested three temporary exclusions on horizontal shaft engines (two of these engines are imported under HTSUS 8407.90.9040 and one under 8407.90.9060). All three requests were granted but have now expired, and MTD pays a 25 percent tariff on imported horizontal engines for its snow throwers. Petitioner's postconference brief, Responses to staff hearing questions, pp. 8-10.

<sup>22</sup> Notice of Product Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 84 FR 52572 (U.S. Trade Rep., October 2, 2019).

<sup>23</sup> This exclusion was for "Electric snowblowers, corded or cordless, each weighing not more than 46 kg, with a motor not more than 15 A wheeled (described in statistical reporting number 8430.20.0060)." These snowblowers are not within the scope of this investigation. Notice of Product Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 84 FR 44568 (U.S. Trade Rep., July 23, 2019).

<sup>24</sup> Notice of Product Exclusion Extensions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 85 FR 15849 (U.S. Trade Rep. March 19, 2020). Notice of Reinstatement of Certain Exclusions: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation, 87 FR 17380 (U.S. Trade Rep. March 28, 2022), See U.S. note 20(ttt), subchapter III, chapter 99 and heading 9903.88.67.

**Table I-4  
Relevant HTS Subheadings, Additional Tariffs and Exclusions**

Subheading	Relevance	Additional Tariff	Exclusion
8430.20.00	Includes primary statistical code 8430.20.0060	7.5 percent	Only for out of scope electrical snow blowers under 8430.20.0060
8431.49.90	Includes additional subject product under 8431.49.9095	25 percent	Exclusion for vulcanized rubber tracks, each incorporating cords and cleats of steel, designed for use on construction equipment (8431.49.9095) will expire on December 31, 2022

Source: Compiled by staff from <https://ustr.gov/issue-areas/enforcement/section-301-investigations/tariff-actions>, <https://www.federalregister.gov/documents/2022/03/28/2022-06397/notice-of-reinstatement-of-certain-exclusions-chinas-acts-policies-and-practices-related-to>.

### Section 232 Tariff Treatment

HTS subheadings 8430.20 and 8431.49 were not included in the enumeration of steel mill and aluminum article products that are subject to the additional Section 232 national-security duties, effective March 23, 2018.<sup>25</sup> However, certain steel and aluminum inputs which are used in the production of snow throwers are included, and thus may be subject to the additional section 232 duties. See Part V for more information on the section 232 tariffs

## The product

### Description and applications

Snow throwers (also referred to as “snow blowers”) are rotary-powered snow throwing machines that can be either self-propelled or non-self-propelled (pushed).<sup>26</sup> Snow throwers as defined in Commerce’s scope are controlled by an operator walking behind the snow thrower and typically have a clearing width of 12 to 60 inches.<sup>27</sup> Commerce’s scope included finished and unfinished gas-powered snow throwers, which are generally considered more powerful and faster than electric or battery-powered snow throwers. Unfinished snow throwers consist

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<sup>25</sup> Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) authorizes the President, on advice of the Secretary of Commerce, to adjust the imports of an article and its derivative that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.

<sup>26</sup> Petitions, p. I-7.

<sup>27</sup> Petitions, p. I-7.

of a sub-assembly comprised of an engine, auger housing, and an auger<sup>28</sup> (or auger paddle) at the minimum.<sup>29</sup>

U.S. producers manufacture snow throwers in single-stage, two-stage, and three-stage models with increasing clearing widths (figure I-1). Single-stage snow throwers use the rotating auger to collect and throw snow in one motion.<sup>30</sup> Two-stage snow throwers have an auger that can cut through deeper snow to feed the impeller for ejection.<sup>31</sup> Three-stage snow throwers include the auger for collection and an accelerator which allows snow to be more rapidly ejected by the impeller.<sup>32</sup> Additional add-on components that add functionality to the snow thrower include heated grips, headlights, and snow chains.<sup>33</sup>

**Figure I-1: Single-stage, two-stage, and three-stage snow**



**throwers**

Source: Cub Cadet, “How to choose between a single stage, 2 stage and 3 stage Cub Cadet snow blower,” undated, [https://www.cubcadet.com/en\\_US/knowledge-center/knowledge-how-to-choose-the-right-snow-blower.html](https://www.cubcadet.com/en_US/knowledge-center/knowledge-how-to-choose-the-right-snow-blower.html), retrieved on April 24, 2021.

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<sup>28</sup> Augers are rotating paddles or serrated blades made out of metal or plastic. See Figure I-2.

<sup>29</sup> Petitions, p. I-15.

<sup>30</sup> Petitions, p. I-11.

<sup>31</sup> MTD, “Choosing the Snow Thrower that is Right for You,” undated, [https://www.mtdparts.com/en\\_US/knowledge-choosing-right-snow-thrower.html](https://www.mtdparts.com/en_US/knowledge-choosing-right-snow-thrower.html), retrieved on April 23, 2021.

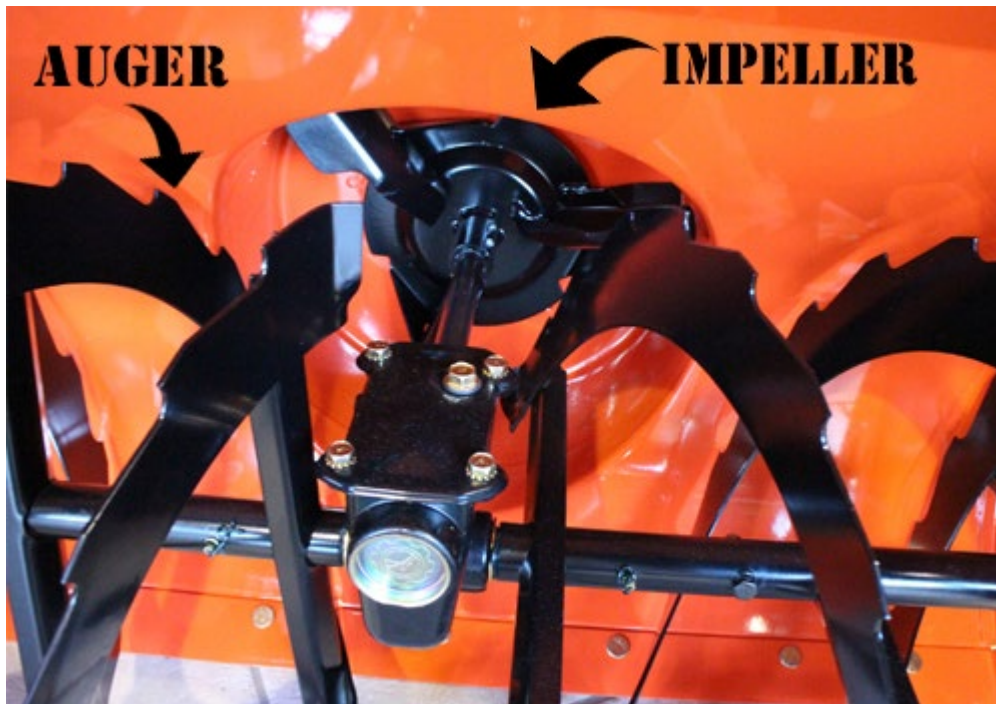
<sup>32</sup> Petitions, p. I-11.

<sup>33</sup> Conference transcript, p. 89 (Stenroos).

## Manufacturing processes

The manufacturing process for snow throwers consists of an assembly of sourced components into finished snow throwers that may require some minor assembly by the ultimate purchaser. Snow throwers are assembled from various components that differ by particular snow thrower design and stage. They are powered by a spark-ignition, single or multiple cylinder, air-cooled, internal combustion gas-powered engine and utilize an auger, rotating impeller blade (figure I-2), the snow intake deck (or impeller housing), shields, control devices, safety devices, the chute,<sup>34</sup> handles, and tires.<sup>35</sup> Some snow throwers include lights, power steering, multi-directional chute control, push-button start, treads (instead of tires), and heated grips.<sup>36</sup>

Figure I-2: Two-stage snow thrower displaying rotating augers and impeller



Source: Jacks Small Engines, "How Snow Blowers Work," October 15, 2015, <https://www.jacksmallengines.com/diy/how-snow-blowers-work/>.

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<sup>34</sup> The chute is located on the upper-middle section of a snow thrower and is used to throw snow away from driveways, walkways, and roads – depending on the user's preferences.

<sup>35</sup> Petitions, p. I-14.

<sup>36</sup> Petitions, p. I-15.

Once a snow thrower has been conceptualized and designed, prototypes are built and tested for durability and safety. Tests include verifying speeds, checking safety shutdowns, and verifying there are no leaks or abnormal operations.<sup>37</sup>

### **Manufacturing Parts**

Manufacturers tend to produce the impeller, the auger, the snow intake deck, and the chute.<sup>38</sup> They generally purchase fasteners, wiring harnesses, cables, and the snow thrower engine for further assembly.<sup>39</sup> Major structural components of snow throwers, including the auger, the rotating impeller, and the snow intake deck, are molded from plastic resin or formed using sheet metal and tubing.<sup>40</sup> Components are manufactured using the following processes: stamping and metal forming, welding, and plastic injection molding of components. Metal tubing is bent to form the handles which house the snow thrower controls that, in some models, include the starting mechanism. Plastic resin and colorants are used in injection molding operations to form the front and rear clips that attach to the snow intake deck, shields, discharge chutes, wheels, wheel treads, and hub caps.<sup>41</sup> During the plastic injection molding process, identifying information such as safety labels and model plates are permanently imprinted.

After forming, parts, including the auger, the handles, the chute, and the snow intake deck, are put through tool and die operations (including cutting, shaping, and further forming of metals and other materials) and painting. Prior to painting, the parts are hung on racks attached to overhead conveyers and washed in alkaline and phosphate solutions.<sup>42</sup> Sheet metal is die-cut and stamped to shape, and exposed parts (like the snow intake deck) are painted using fine paint particles sprayed from a gun that imbues them with an electrostatic charge that causes paint to spread evenly.<sup>43</sup>

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<sup>37</sup> Petitions, p. I-12.

<sup>38</sup> Petitions, p. I-12.

<sup>39</sup> Petitions, p. I-13.

<sup>40</sup> Petitions, p. I-13.

<sup>41</sup> Petitions, p. I-13.

<sup>42</sup> Petitions, p. I-13.

<sup>43</sup> Petitions, p. I-13.

## Assembly

After the components are manufactured, snow throwers are assembled on a continuously moving assembly line which includes both robotic and human assembly (figure I-3). The first step is to attach the snow intake deck to the rear and front clips. Then the wheels and wheel treads are attached to the axle using the front and rear clips. Then the snow thrower is inverted and the axle (with wheels attached) is connected. Afterwards, the snow thrower is placed right side up and the engine is mounted to the deck. Next, the engine, the auger, and the impeller are mounted to the deck, and the handles are attached while the controls are assembled in place.<sup>44</sup> During the assembly process, snow throwers are pulled from the line for safety, compliance, and quality checks.

**Figure I-3: Ariens' snow thrower assembly line in Brillion, Wisconsin**



Source: Ariens, "A peek inside Ariens' manufacturing plant in Brillion, Wisconsin," <https://www.totallandscapecare.com/business/article/15041032/take-a-look-inside-ariens-brand-new-manufacturing-plant>, August 29, 2017.

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<sup>44</sup> Petitions, p. I-14.

After assembly, snow throwers are packaged in boxes and shipped to retailers and distribution centers. Snow throwers may take some assembly by the purchaser using a Phillips head screwdriver.<sup>45</sup>

## **Domestic like product issues**

No issues with respect to the domestic like product have been raised in these investigations. The petitioner proposes a single domestic like product that is co-extensive with the scope of the investigations.<sup>46</sup> It contends that all domestically produced walk-behind gas-powered snow throwers within the scope have similar physical characteristics and uses, channels of distribution, common manufacturing facilities, production processes, and employees, customer and producer perceptions, are generally interchangeable, and are sold within a reasonable range of similar prices.<sup>47</sup> It maintains that clear lines divide in-scope walk-behind gas powered snow throwers from out-of-scope battery-powered snow throwers and electric snow throwers.<sup>48</sup> Employing the Commission's semi-finished product analysis, Petitioner also contends that in-scope domestic snow thrower subassemblies are not a separate domestic like product from in-scope domestically produced finished walk-behind gas-powered snow throwers.<sup>49</sup>

No respondents contested the domestic like product definition for the preliminary phase of these investigations. No potential separate domestic like products were identified and no requests for data or other information necessary for analysis of the domestic like product were provided in party comments on the draft final phase questionnaires.

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<sup>45</sup> Conference transcript, pp. 43-44 (Schaefer).

<sup>46</sup> Petitions, p.18; Petitioner's postconference brief, p.4.

<sup>47</sup> Petitioner's postconference brief, pp. 1-8.

<sup>48</sup> Petitioner's postconference brief, pp. 1-8.

<sup>49</sup> Petitioner's postconference brief, pp. 8-10.



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

### U.S. market characteristics

Snow throwers are intended for use by consumer households. The U.S. market for snow throwers is supplied by U.S. producers as well as imports from China and Mexico.

Five U.S. producers and five importers (\*\*\*)<sup>1</sup> indicated that there had not been any significant changes in the product range, product mix, or marketing of snow throwers since January 1, 2018. However, importer \*\*\* indicated that it had added new models under different brands and sizes, and importer \*\*\* indicated that it had begun to supply two-stage snow throwers and battery-operated snow throwers (an out-of-scope product).

Apparent U.S. consumption of snow throwers increased approximately \*\*\* percent from 2018 to 2019, and then decreased approximately \*\*\* percent from 2019 to 2020, for an overall decrease of approximately \*\*\* percent over 2018 to 2020. Apparent U.S. consumption in the first nine months of 2021 was approximately \*\*\* percent higher than the first nine months of 2020.

### U.S. purchasers

The Commission received 11 usable questionnaire responses from firms that had purchased snow throwers during January 2018-September 2021.<sup>2 3</sup> These 11 purchasers purchased and imported \*\*\* snow throwers in 2020, well over half of total U.S. consumption of snow throwers in 2020.

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<sup>1</sup> \*\*\*.

<sup>2</sup> The following firms provided purchaser questionnaire responses: \*\*\*.

<sup>3</sup> Of the 11 responding purchasers, 10 purchased domestic snow throwers, 7 purchased imports of the subject merchandise from China, and 2 purchased imports of snow throwers from other sources. Of these two purchasers of nonsubject-country snow throwers, one was \*\*\*. The other was \*\*\*. \*\*\* indicated that it purchased snow throwers from \*\*\*. In response to a separate question, nine purchasers indicated they had marketing/pricing knowledge of domestic product, four of Chinese product, and one (\*\*\*) of product from nonsubject countries. Most purchasers listed at least three firms as suppliers in 2021.

All responding purchasers are retailers. Large purchasers of snow throwers include \*\*\*.<sup>4</sup> Total purchases of these three firms accounted for over half of U.S. consumption of snow throwers in 2018, 2019, and 2020. Other purchasers include \*\*\*. Two purchasers (\*\*\*) stated that they sometimes compete with their suppliers, when those suppliers sell snow throwers directly to consumers from the suppliers' websites.

Most end users of snow throwers are individual retail consumers; other end users include municipalities and commercial landscapers.

## **Impact of section 301 tariffs**

Snow throwers subject to these investigations have been subject to section 301 tariffs. Three U.S. producers, three importers, and four U.S. purchasers reported that section 301 tariffs had an impact on the snow thrower market. Two U.S. producers, three importers, and six purchasers reported that they did not know whether section 301 tariffs had had an impact.

Firms that reported that the section 301 tariffs had an impact were asked further questions regarding the impact on U.S. supply, Chinese supply, supply from other sources, prices, U.S. demand, and raw material costs, as summarized in table II-1.<sup>5</sup>

Firms' responses were mixed regarding the impact of section 301 tariffs on U.S. supply, Chinese supply, and demand. However, a majority of responding firms indicated that the supply of snow throwers from nonsubject countries was unchanged, and that prices of snow throwers and the costs of raw materials used to produce snow throwers had increased.

Among U.S. producers and importers, \*\*\* described the section 301 tariffs as often being higher on snow thrower components than on snow throwers themselves. MTD described horizontal shaft engines as subject to 25.0 percent tariffs under the section 301 action, while snow throwers were initially subject to a 15.0 percent tariff that was later reduced to 7.5 percent.<sup>6</sup>

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<sup>4</sup> In its questionnaire, \*\*\*. \*\*\*.

<sup>5</sup> Purchaser \*\*\* indicated that it did not know if the section 301 tariffs had had an effect, and then indicated that none of the listed factors had changed due to the section 301 tariffs. Its responses are included in table II-1.

<sup>6</sup> Petitioner's prehearing brief at 32; hearing transcript at 39 (Schaefer).

**Table II-1**  
**Snow throwers: Count of firms' responses regarding the impact of the 301 tariffs on Chinese origin products**

Impact on	Firm type	Increase	No change	Decrease	Fluctuate
Supply of U.S. snow throwers	U.S. producers	0	2	1	0
Supply of U.S. snow throwers	Importers	0	1	2	0
Supply of U.S. snow throwers	Purchasers	1	1	3	0
Supply of snow throwers from China	U.S. producers	2	1	0	0
Supply of snow throwers from China	Importers	1	0	3	0
Supply of snow throwers from China	Purchasers	1	1	3	0
Supply of snow throwers from nonsubject countries	U.S. producers	0	2	0	0
Supply of snow throwers from nonsubject countries	Importers	0	1	1	0
Supply of snow throwers from nonsubject countries	Purchasers	0	3	1	0
Demand	U.S. producers	0	1	0	2
Demand	Importers	0	0	0	3
Demand	Purchasers	1	3	1	1
Prices	U.S. producers	3	0	0	0
Prices	Importers	3	0	0	0
Prices	Purchasers	4	1	0	0
Raw material cost	U.S. producers	2	0	0	1
Raw material cost	Importers	3	0	0	0
Raw material cost	Purchasers	3	1	0	0

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

In discussing the effects of the section 301 tariffs on supply, purchasers \*\*\* described the section 301 tariffs as removing up to “hundreds of thousands” of units from the U.S. market, while U.S. suppliers were not able to fill the lost orders. Purchaser \*\*\* also described the section 301 tariffs as reducing import supply, adding that section 301 tariffs on snow thrower components also reduced the availability of U.S.-produced snow throwers. However, purchaser \*\*\* described new snow thrower factories opening in the United States as an effect of the tariffs.

In discussing the effects of the section 301 tariffs on demand, purchaser \*\*\* stated that demand is down somewhat for the 2021-22 season, adding that (at the time of filling out the questionnaire) it was still early in winter. Purchaser \*\*\* added that demand varies based on weather, with some recent substitution away from snow throwers toward battery-powered snow throwers.

In discussing the effects of the section 301 tariffs on U.S. prices, purchaser \*\*\* stated that the prices for small snow throwers had increased overall.

Purchaser \*\*\* stated that among suppliers, \*\*\*.

In discussing the effects of the section 301 tariffs on raw material costs, two purchasers (\*\*\*) described snow thrower components and materials, such as steel and resin, as having higher costs due to the section 301 tariffs.

## Channels of distribution

Snow throwers are typically sold to consumers through large home improvement retailers.<sup>7</sup> “From the factory warehouse, snow throwers are shipped in cartons, by truck, to retailers, either to the retailer’s distribution centers or directly to their stores.”<sup>8</sup>

U.S. producers and importers sold mainly to retailers, as shown in table II-2.

**Table II-2**  
**Snow throwers: Share of U.S. shipments by source, channel of distribution, and period**

Shares in percent

Source	Channel	2018	2019	2020	Jan-Jun 2020	Jan-Jun 2021
United States	Retailers	***	***	***	***	***
United States	Distributors	***	***	***	***	***
United States	End users	***	***	***	***	***
China	Retailers	***	***	***	***	***
China	Distributors	***	***	***	***	***
China	End users	***	***	***	***	***
Nonsubject sources	Retailers	***	***	***	***	***
Nonsubject sources	Distributors	***	***	***	***	***
Nonsubject sources	End users	***	***	***	***	***
All import sources	Retailers	***	***	***	***	***
All import sources	Distributors	***	***	***	***	***
All import sources	End users	***	***	***	***	***

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

Note: \*\*\*.

<sup>7</sup> Petitions, p. 20.

<sup>8</sup> Petitions, p. 14.

## Geographic distribution

U.S. producers and importers reported selling snow throwers to all regions in the contiguous United States (table II-3), although somewhat fewer firms reported selling snow throwers to regions with less snowfall (like the central southwest). For U.S. producers, 1.9 percent of sales were within 100 miles of their production facility, 75.0 percent were between 101 and 1,000 miles, and 23.1 percent were over 1,000 miles. Importers sold 4.6 percent within 100 miles of their U.S. point of shipment, 57.8 percent between 101 and 1,000 miles, and 37.7 percent over 1,000 miles.

**Table II-3**  
**Snow throwers: Count of U.S. producers' and U.S. importers' geographic markets**

Region	U.S. producers	China
Northeast	5	3
Midwest	5	5
Southeast	4	3
Central Southwest	3	1
Mountain	5	3
Pacific Coast	4	3
Other	3	2
All regions (except Other)	3	1
Reporting firms	5	5

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

Note: Other U.S. markets include AK, HI, PR, and VI.

## Supply and demand considerations

### U.S. supply

Table II-4 provides a summary of the supply factors regarding snow throwers from U.S. producers. No Chinese producers responded to Commission questionnaires.

**Table II-4**  
**Snow throwers: Supply factors that affect the ability to increase shipments to the U.S. market, by country**

Quantity in units; ratio and share in percent; count is number of “yes” responses

Factor	Measure	United States	China
Capacity 2018	Quantity	1,196,926	***
Capacity 2020	Quantity	746,480	***
Capacity utilization 2018	Ratio	49.8	***
Capacity utilization 2020	Ratio	57.2	***
Inventories to total shipments 2018	Ratio	24.7	***
Inventories to total shipments 2020	Ratio	26.4	***
Home market shipments 2020	Share	78.4	***
Non-US export market shipments 2020	Share	21.6	***
Ability to shift production (firms reporting “yes”)	Count	***	***

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

Note: Responding U.S. producers accounted for virtually all of U.S. production of snow throwers in 2020. No Chinese producers submitted questionnaire responses. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from China, please refer to Part I, “Summary Data and Data Sources.”

### **Domestic production**

Based on available information, U.S. producers of snow throwers have the ability to respond to changes in demand with moderate to large changes in the quantity of shipments of U.S.-produced snow throwers to the U.S. market. The main contributing factors to this degree of responsiveness of supply are the availability of unused capacity, the ability to shift shipments from alternate markets, the level of inventories, and the ability to shift production to or from alternate products. However, there were also some purchaser reports of limited supply from U.S. producers.

U.S. producers’ capacity decreased from 2018 to 2020, as did production. Factors affecting U.S. producers’ ability to shift production include component processing, labor availability, and seasonal constraints on production equipment. Other products produced on the same production lines include lawnmowers and out-of-scope snow throwers.

### **Subject imports from China**

Based on available information, producers of snow throwers from China have the ability to respond to changes in demand with large changes in the quantity of shipments of snow throwers to the U.S. market. The main contributing factors to this degree of responsiveness of

supply are the high volume of Chinese exports of snowplows and snow blowers to the world (\$177 million in 2020) relative to U.S. consumption of snow throwers (\$373 million in 2020), and the demonstrated ability of Chinese suppliers to increase shipments to the United States (e.g., from 2018 to 2019 and from January-September 2020 to January-September 2021). See part VII for more information on the Chinese industry.

### **Imports from nonsubject sources**

Nonsubject imports accounted for \*\*\* percent of total U.S. imports in 2020. \*\*\*.

### **Supply constraints**

Three U.S. producers reported that they had experienced supply constraints between January 1, 2018 and March 30, 2021 (when the petitions in these investigations were filed). \*\*\* reported that due to COVID-19 related disruptions, they experienced temporary limitations to supply chains or order fulfillment. \*\*\* reported that it has had difficulty obtaining \*\*\*, and that if it could secure enough \*\*\*, labor would then also be an issue. However, \*\*\* reported no supply constraints.

Four of seven responding importers also indicated that they had experienced supply constraints between January 1, 2018 and March 30, 2021, again citing COVID-19 related disruptions. \*\*\* described supply constraints from \*\*\* due to supply chain and labor issues.

Eight of 11 responding purchasers reported that there had been constraints on their ability to obtain snow throwers before March 30, 2021. These purchasers described such constraints as coming from the COVID-19 pandemic and associated supply chain issues, domestic suppliers putting purchasers on allocation, higher consumer demand, the bankruptcy of Briggs & Stratton, and/or lawsuits against engine manufacturers.

Four of 4 responding U.S. producers, 6 of 7 responding importers, and 9 of 10 responding purchasers reported that there had been supply constraints since March 30, 2021. U.S. producers mostly cited the same issues as they had described limiting supply before March 30, 2021, i.e., COVID-19 related supply-chain problems. Most importers also cited the same issues, although \*\*\* added that the \*\*\*. The purchasers citing constraints usually

described the constraints as coming from U.S. producers, and further attributed the constraints as being due to component shortages, the continuing effects of the COVID-19 pandemic, and/or general supply chain problems. Purchaser \*\*\* stated that domestic producers have fulfilled orders from larger retailers but not for smaller retailers like itself. However, multiple purchasers (including \*\*\*) also reported not being able to obtain as many domestic snow throwers as they wanted to purchase, with \*\*\* specifically citing \*\*\*.

Purchasers were also asked if there had been any changes in the availability of U.S.-produced snow throwers since January 1, 2018. Nine stated that there had been, and two stated that there had not. Purchaser \*\*\* stated that “tariffs” and limited domestic production capacity had restricted supply. \*\*\* stated that \*\*\*. Other purchasers described domestic supply as constrained by labor shortages, supply chain problems, the COVID-19 pandemic, higher demand, and the bankruptcy of Briggs & Stratton.<sup>9</sup> However, \*\*\* stated that there had been increased number of domestic suppliers.

Four of four responding purchasers stated that there had been changes in the availability of Chinese-produced snow throwers in the U.S. market since January 1, 2018. \*\*\* stated that tariffs and freight costs had “greatly diminished” the availability of subject imports. \*\*\* stated that “entire brands” (such as \*\*\*) were no longer available. \*\*\* attributed decreased subject import supply to these investigations, supply chain disruptions due to the COVID-19 pandemic, and component shortages.<sup>10</sup>

### **Supplier exclusivity**

U.S. producers, importers, and purchasers were asked if they were aware of any suppliers of snow throwers having exclusive supply relationships with particular purchasers of snow throwers. Four U.S. producers, five importers, and eight purchasers indicated that they were not aware of any such relationships. However, one U.S. producer and three purchasers

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<sup>9</sup> Petitioner described experiencing labor, supply chain, and transportation challenges that were the result of the COVID-19 pandemic but added that “MTD was able to fulfill all contracts agreed to” since January 2018. Petitioner’s posthearing brief, p. 6, and exhibit 1, p. 19.

<sup>10</sup> \*\*\* stated that there had been an increased number of suppliers. Regarding the availability of nonsubject imports, purchaser \*\*\* stated that there had been no change, and purchaser \*\*\* stated that the supply of battery-powered snow throwers (an out-of-scope product) had increased to meet demand.



indicated that they were. Purchaser \*\*\* stated that \*\*\* has exclusive relationships with their brands and certain retailers, limiting the availability of \*\*\* snow throwers to other retailers. Purchaser \*\*\* also noted that some manufacturers have exclusive relationships with certain retailers, adding that some snow thrower manufacturers also have exclusive relationships with their own engine manufacturers as well. \*\*\* stated that \*\*\* sells exclusively to \*\*\*. U.S. producer \*\*\* stated that \*\*\* has an exclusive relationship with \*\*\*, but it added that these relationships have little effect on the overall availability and price of snow throwers.

### **New suppliers**

Eight of 11 purchasers indicated that no new suppliers had entered the U.S. snow throwers market since January 1, 2018. However, \*\*\* described \*\*\*, \*\*\* described \*\*\* entering the market, and \*\*\* described \*\*\* entering the market.

Purchasers were asked if they had changed suppliers since January 1, 2018. Six indicated that they had, and four indicated that they had not. Among those indicating changes, four indicated dropping Husqvarna for various reasons, including \*\*\*. \*\*\* indicated that it had dropped \*\*\* because it was unable to supply. \*\*\* stated that it was no longer able to purchase \*\*\*. \*\*\* stated that it added \*\*\* as a supplier due to price and quality reasons. \*\*\* stated that it dropped \*\*\* because \*\*\*. \*\*\* added that it dropped \*\*\* because of trade remedy investigations. \*\*\* reported shifting suppliers from \*\*\*.

### **U.S. demand**

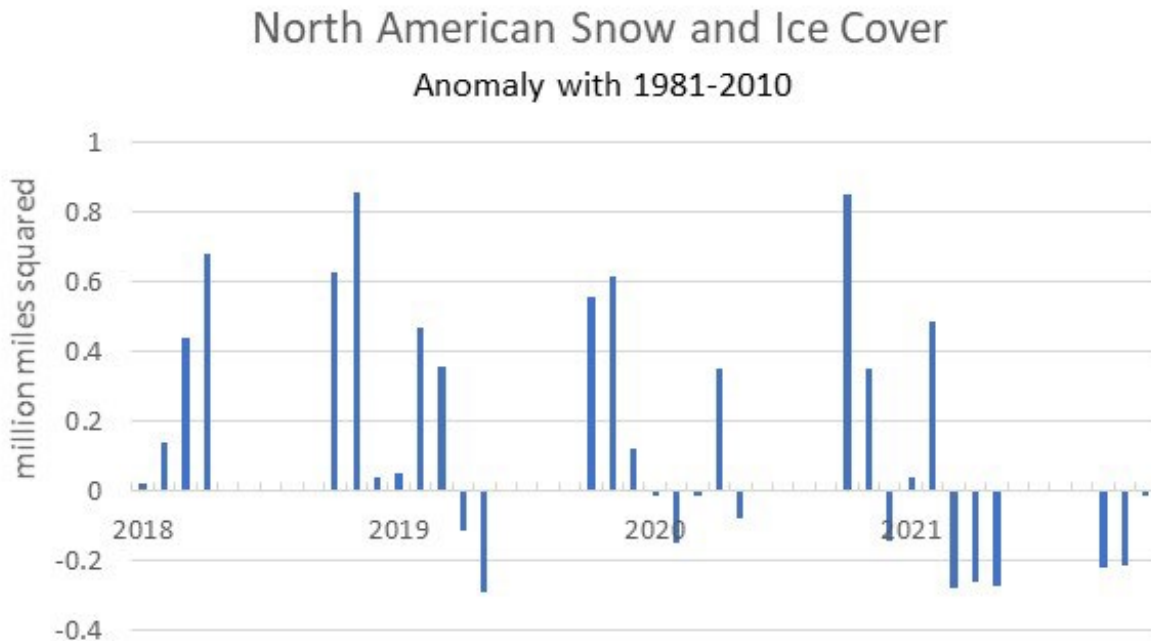
Snow throwers are used by consumers to clear snow. Based on available information, the overall demand for snow throwers is likely to experience small-to-moderate changes in response to changes in price. The main contributing factor is the somewhat limited range of substitutes for certain applications (such as snowfall, area to be cleared, etc.).

## Snowfall

U.S. demand for snow throwers depends in part on snow fall during the winter.<sup>11</sup> Figure II-1 and table II-5 show snow and ice cover data for North America from January 2018 to the most recently available data point in December 2021. Specifically, the data show the difference (“anomaly”) between the snowfall in each month and the average snowfall in that month over 1981-2010. These anomaly data show that snow and ice cover generally exceeded these historical levels in 2018 and 2019, and for parts of 2020. However, from March 2021 through December 2021, all the anomalies have been negative, indicating lower snowfall than the 1981-2010 period. U.S. producer MTD described demand as depending primarily on early winter snowfall, continuing that heavier snowfall early in winter often led consumers to purchase more snow throwers, while heavier snowfall later in the winter had less effect.<sup>12</sup>

**Figure II-1**

**Snow throwers: North America snow and ice cover, anomaly compared to the 1981-2010 period, January 2018-December 2021**



Source: National Center for Environmental Information, Northern Hemisphere Snow Cover Extent, various issues. <https://www.ncei.noaa.gov/access/monitoring/snow-and-ice-extent> accessed January 27, 2022.

<sup>11</sup> For example, see Petitioner’s posthearing brief, exh. 1, p. 21.

<sup>12</sup> Hearing transcript, p. 16 (Mattern).

**Table II-5**  
**Snow throwers: North America snow and ice cover, anomaly compared to the 1981-2010 period,**  
**January 2018-December 2021**

1981-2010 anomaly in million miles squared

Year	Month	1981-2010 Anomaly
2018	January	0.02
2018	February	0.14
2018	March	0.44
2018	April	0.68
2018	May	--
2018	June	--
2018	July	--
2018	August	--
2018	September	--
2018	October	0.63
2018	November	0.86
2018	December	0.04
2019	January	0.05
2019	February	0.47
2019	March	0.36
2019	April	(0.11)
2019	May	(0.29)
2019	June	--
2019	July	--
2019	August	--
2019	September	--
2019	October	0.56
2019	November	0.62
2019	December	0.12
2020	January	(0.01)
2020	February	(0.15)
2020	March	(0.01)
2020	April	0.35
2020	May	(0.08)
2020	June	--
2020	July	--
2020	August	--
2020	September	--
2020	October	0.85
2020	November	0.35
2020	December	(0.14)

Table continued on next page.

**Table II-5--Continued****Snow throwers: North America snow and ice cover, anomaly with 1981-2010, January 2018-December 2021**

1981-2010 anomaly in million miles squared

Year	Month	1981-2010 Anomaly
2021	January	0.04
2021	February	0.49
2021	March	(0.28)
2021	April	(0.26)
2021	May	(0.27)
2021	June	--
2021	July	--
2021	August	--
2021	September	--
2021	October	(0.22)
2021	November	(0.21)
2021	December	(0.01)

Source: National Center for Environmental Information, Northern Hemisphere Snow Cover Extent, various issues. <https://www.ncei.noaa.gov/access/monitoring/snow-and-ice-extent> accessed January 27, 2022.

**Business cycles**

All 5 responding U.S. producers, all 7 importers, and all 11 responding purchasers indicated that the market was subject to business cycles or conditions of competition. These firms described the snow throwers market as seasonal and dependent on winter weather. Purchaser \*\*\* described the majority of sales as occurring from October through April, and purchaser \*\*\* described November and December as being the main sales months.

No responding purchasers or importers described the snow thrower market as having other distinctive conditions of competition. Most U.S. producers did not either, but \*\*\* stated that discrete weather events can impact demand.

Three U.S. producers, five importers, and six purchasers indicated that there had been no changes in business cycles or conditions of competition for snow throwers since January 1, 2018. One U.S. producer, two importers, and five purchasers stated that there had been, with two purchasers and one U.S. producer citing weather changes and two purchasers citing the COVID-19 pandemic. Purchaser \*\*\* and importer \*\*\* described supply shortages and interruptions since the onset of the COVID-19 pandemic. Another purchaser, \*\*\*, stated that U.S. manufacturers have no inventory, making supply tighter. Purchaser \*\*\* described several changes, including the introduction and increase of the battery-powered snow thrower market. It also described consolidation of

suppliers in the gas segment, citing \*\*\* exiting the consumer walk-behind snow thrower business in 2019, as well as \*\*\*.

**Demand trends**

U.S. producers, importers, and purchasers were asked to assess demand trends for the period from January 1, 2018 to December 31, 2019 separately from demand trends for the period since January 1, 2020. This separation allows analysis for the periods before and after the COVID-19 pandemic and lockdowns.

For the period from January 1, 2018 to December 31, 2019, four U.S. producers, five importers, and three purchasers described fluctuating U.S. demand.<sup>13</sup> One U.S. producer, one importer, and three purchasers described no change in demand.<sup>14</sup> Two purchasers and one importer described increased demand.

No matter what trend they described, most U.S. producers, importers, and purchasers attributed the trend to changes in snowfall, described as the major driver of demand. For example, MTD described lower snowfall in 2019 and 2002 (compared to 2018) causing reduced demand and pushing some retailers to return excess inventory to suppliers.<sup>15</sup> Purchaser \*\*\* also attributed fluctuating demand to substitution away from snow throwers to battery-powered snow throwers.

**Table II-6  
Snow throwers: Count of firms’ responses regarding overall domestic and foreign demand, January 1, 2018 to December 31, 2019**

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	0	1	0	4
Domestic demand	Importers	1	1	0	5
Domestic demand	Purchasers	2	3	0	3
Foreign demand	U.S. producers	0	1	0	3
Foreign demand	Importers	1	1	0	3
Foreign demand	Purchasers	0	0	0	1

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

Regarding U.S. demand since January 1, 2020, three U.S. producers, five importers, and three purchasers described fluctuating demand (table II-7). One U.S. producer and three

<sup>13</sup> \*\*\*.

<sup>14</sup> \*\*\*.

<sup>15</sup> Petitioner’s posthearing brief, exh. 1, p. 21.

purchasers described no change in demand. One importer and two purchasers described increased demand. Two purchasers described decreasing demand.

As with the period before January 1, 2020, purchasers attributed changes in U.S. demand since January 1, 2020 to weather changes. However, while the question asked about demand, several purchasers also indicated that there had been increased retail prices or lower growth in sales of snow throwers due to supply problems.

Regarding foreign demand both before and after January 1, 2020, \*\*\* described it as fluctuating due to changes in weather.

**Table II-7**  
**Snow throwers: Count of firms' responses regarding overall domestic and foreign demand, since January 1, 2020**

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	0	1	0	3
Domestic demand	Importers	1	0	0	5
Domestic demand	Purchasers	2	3	2	3
Foreign demand	U.S. producers	0	1	0	2
Foreign demand	Importers	1	0	0	4
Foreign demand	Purchasers	0	0	0	1

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

### Substitute products

Substitutes for snow throwers include shovels, battery-powered or corded electric snow throwers, and snowplows. The feasibility of these different substitutes varies by the amount and weight of the snowfall and the size of the area to be cleared of snow. MTD described such substitution as a possibility only for consumers at the retail level, while snow thrower suppliers do not experience such substitution when selling at the wholesale level.<sup>16</sup>

Petitioner states that battery-powered snow throwers are typically smaller and less powerful than in-scope gas-powered snow throwers and that they have a shorter usage life and require recharging sooner than a gas-powered snow thrower would require refueling. Corded snow throwers tend to be used for much smaller areas because they are limited to the range of the cord, and require a nearby electrical outlet, making them more suited to light snow throwing needs and smaller areas. In contrast, gas-powered snow throwers have an extended range, can be used to throw snow over larger areas, and can be used in both commercial and

<sup>16</sup> Hearing transcript, p. 15 (Mattern).

residential applications.<sup>17</sup> According to Petitioner, gas-powered snow throwers tend to be less expensive and are viewed as less premium than other snow removal tools, such as plows, which are mounted on a truck and used in more commercial settings.<sup>18</sup>

Two U.S. producers, three importers, and six purchasers indicated that there were no substitutes for snow throwers. \*\*\* elaborated that electric-powered snow throwers do not yet have enough of a market share to affect the prices of subject snow throwers. However, three U.S. producers, four importers, and four purchasers stated that there were, listing snowplows, battery-powered snow throwers, electric-cord-powered snow throwers, ice melt, and shovels as substitutes. However, all four of these purchasers, two importers, and two U.S. producers indicated that the prices of substitutes had not affected the prices of snow throwers. On the other hand, \*\*\* indicated that competition with battery-powered and electric-cord-powered snow throwers had put pressure on the prices of subject snow throwers.

## **Substitutability issues**

This section assesses the degree to which U.S.-produced snow throwers and imports of snow throwers from China can be substituted for one another by examining the importance of certain purchasing factors and the comparability of snow throwers from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate to high degree of substitutability between domestically produced snow throwers and snow throwers imported from China.<sup>19</sup>

Factors contributing to a higher level of substitutability include a high degree of reported interchangeability between U.S. and Chinese snow throwers, including in factors most important to purchasers, such as quality and delivery time (although purchasers often rated U.S. snow throwers as superior in consistency). Additionally, both U.S. and Chinese snow throwers at least usually meet minimum quality specifications. Factors reducing substitutability include the reported importance of factors other than price by both purchasers and importers, factors including brand and, to some extent, availability.

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<sup>17</sup> Petitions, p. 19.

<sup>18</sup> Petitions, p. 21.

<sup>19</sup> The degree of substitution between domestic and imported snow throwers depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced snow throwers to the snow throwers imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

## Factors affecting purchasing decisions

### Purchaser decisions based on source

As shown in table II-8, most purchasers always or usually make purchasing decisions based on the producer, but had a wide variety of answers regarding whether they make decisions based on country of origin. In additional comments, \*\*\* stated that brand awareness is strong in the snow throwers market, and that it tries to purchase snow throwers under brands with strong consumer awareness. \*\*\* stated that it purchases based on brand, quality, product specifications, availability, and value/price, and not specifically on where the product is produced. Other purchasers also described purchasing based on profit potential, quality, and value.

Regarding their customers, pluralities or majorities described their customers as sometimes basing decisions on producer or country of origin. Three purchasers (\*\*\*) described their customers as having strong brand awareness and three (\*\*\*) described some of their customers as preferring domestic product.

**Table II-8**  
**Snow throwers: Count of purchasing decisions by purchaser or their customer, based on producer and country of origin**

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	3	5	2	1
Customer	Producer	1	3	5	1
Purchaser	Country	3	2	2	4
Customer	Country	0	2	6	2

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

### Importance of purchasing domestic product

Nine of 11 purchasers reported that all of their purchases did not require purchasing U.S.-produced product. Two others (\*\*\*) reported that domestic product was required for reasons other than law or regulation. \*\*\* specified that this reason was customer demand for product made in America. \*\*\* did not specify a reason.<sup>20</sup>

Purchasers were asked if they or their customers ever specifically order snow throwers from one country in particular over other possible sources of supply. Six stated that they did not, but five indicated they did. Among those five, \*\*\* stated that many of its customers want 100 percent U.S.-made product, but that there is no such product. It added

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<sup>20</sup> Staff has followed up with \*\*\* and has received no response.



that many of its customers (in the \*\*\*) also prefer buying product from \*\*\*. It continued that many customers are more brand-focused than country-focused. \*\*\* stated that it prefers U.S. product for reasons of service and availability. \*\*\* stated that it sometimes purchases U.S. product because the difficulty of predicting winter weather makes importing less preferable. \*\*\* stated that the reason to source internationally has more to do with product than with location, and that when it finds a product with the proper innovation, quality, and value, it will then set up its supply chain to procure such product.

Purchasers were also asked if certain grades/types/sizes of snow throwers were only available from certain country sources. Ten purchasers answered no, and one purchaser (\*\*\*) noted that battery-powered snow throwers, which are not included in the scope of these investigations, are only available from China.

### **Most important purchase factors**

The most often cited top three factors that firms consider in their purchasing decisions for snow throwers were brand/traditional supplier (eight firms), availability/manufacturing capacity (seven firms), quality (seven firms), and price/cost/value (seven firms), as shown in table II-9. Brand/traditional supplier was the most frequently cited first-most important factor (cited by six firms), followed by availability/manufacturing capacity (three firms).<sup>21</sup> Quality was the most frequently reported second-most important factor (five firms); and price/cost/value was the most frequently reported third-most important factor (four firms). When asked to describe how they evaluated the quality of snow throwers, purchasers provided numerous characteristics including brand, defect rates, durability, component quality, material thickness, performance, reliability, reviews, service, and warranty.

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<sup>21</sup> At the hearing, MTD described brand as important to retail customers, but stated that Chinese product often enters the market at the entry price points of the market, where there is less brand affinity. Hearing transcript, pp. 58-59 (Mattern).

**Table II-9****Snow throwers: Count of ranking of factors used in purchasing decisions as reported by U.S. purchasers, by factor**

Factor	First	Second	Third	Total
Brand/traditional supplier	6	1	1	8
Availability/manufacturing capacity	3	1	3	7
Quality	1	5	1	7
Price/cost/value	1	2	4	7
All other factors	0	1	0	1

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

Note: Two purchasers equated “brand” and “quality”; their answers are compiled above as “brand.” Other factors include consumer demand (ranked second by one purchaser) and replacement parts availability (listed as the third factor by one purchaser and after the third factor by another purchaser).

The majority of purchasers (7 of 11, including \*\*\*) reported that they sometimes purchase the lowest-priced product. Two (including \*\*\*) indicated that they usually did, and two (including \*\*\*) indicated they never did.

**Importance of specified purchase factors**

Purchasers were asked to rate the importance of 16 factors in their purchasing decisions (table II-10). The factors rated as very important by at least six responding purchasers were availability, delivery time, price, product consistency, quality meeting industry standards, quality exceeding industry standards, reliability of supply, and technical support/service.

**Table II-10****Snow throwers: Count of importance of purchase factors, as reported by U.S. purchasers, by factor**

Factor	Very important	Somewhat important	Not important
Availability	10	1	0
Brand of engine	3	5	3
Delivery terms	4	6	1
Delivery time	9	1	1
Discounts offered	1	8	2
Minimum quantity requirements	2	2	7
Packaging	2	5	4
Payment terms	2	8	1
Price	6	3	1
Product consistency	10	0	1
Product range	4	5	2
Quality meets industry standards	9	0	1
Quality exceeds industry standards	8	2	1
Reliability of supply	10	0	1
Technical support/service	8	2	1
U.S. transportation costs	3	6	2

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

## **Lead times**

Snow throwers are primarily sold from inventory. U.S. producers reported that \*\*\* percent of their commercial shipments were sold from inventory, with lead times averaging five days. The remaining \*\*\* percent of their commercial shipments were produced-to-order, with lead times averaging 25 days. Importers reported that \*\*\* percent of their shipments are sold from U.S. inventories with lead times of seven to eight days. The remaining \*\*\* percent of their shipments were sold from foreign inventories with average lead times of four months.

## **Supplier certification**

Seven responding purchasers do not require their suppliers to become certified or qualified to sell snow throwers to their firm. However, four purchasers (\*\*\*) do. These purchasers reported that the time to qualify a new supplier ranged from 1 to 30 days. Purchasers reported requiring that suppliers meet general vendor certification requirements, as well as passing financial and/or factory audits and meeting quality specifications. All 10 responding purchasers reported that no domestic or foreign supplier had failed in its attempt to qualify snow throwers, or had lost its approved status, since January 1, 2018.

## **Minimum quality specifications**

Purchasers described snow throwers from all sources as always or usually meeting minimum quality specifications. As can be seen from table II-11, 10 responding purchasers reported that domestically produced product always or usually met minimum quality specifications. Fewer purchasers were familiar with Chinese product, but the four responding purchasers reported that Chinese snow throwers always or usually met minimum quality specifications. \*\*\* was the only purchaser that responded regarding nonsubject-country (\*\*\*) snow throwers, and it reported that such snow throwers always met minimum quality specifications.

**Table II-11****Snow throwers: Count of firms' responses regarding suppliers' ability to meet minimum quality specifications, by source**

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	7	3	0	0	1
China	2	2	0	0	7
Nonsubject sources	1	0	0	0	8

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

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

**Changes in purchasing patterns**

Purchasers were asked about changes in their purchasing patterns from different sources since January 1, 2018 (table II-12). A plurality reported fluctuating purchases of U.S. snow throwers, and there were a variety of responses regarding purchases of Chinese snow throwers. \*\*\* reported that it purchased more U.S. product in 2021 because U.S. product was its only option. \*\*\* reported that their purchases of U.S. product fluctuated due to snow activity. \*\*\* reported that it increased purchases from U.S. and \*\*\* producers due to increased U.S. demand. It added that it \*\*\*. Other reasons for changes in purchasing patterns cited by one purchaser include COVID-19 and changes in individual suppliers.

**Table II-12****Snow throwers: Count of changes in purchase patterns from U.S., subject, and nonsubject countries since January 1, 2018**

Source of purchases	Decreased	Increased	Constant	Fluctuated	Did not purchase
United States	1	2	3	5	0
China	1	2	1	2	4
Nonsubject sources	0	1	0	0	6
Sources unknown	0	0	0	0	7

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

**Purchase factor comparisons of domestic products, subject imports, and nonsubject imports**

Purchasers were asked a number of questions comparing snow throwers produced in the United States, China, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 16 factors (tables II-13) for which they were asked to rate the importance.

Most purchasers reported that U.S. and Chinese snow throwers were comparable in most factors. However, half of responding purchasers described U.S. snow throwers as inferior to Chinese snow throwers in terms of price and reliability of supply (both of which were described as very important by a majority of purchasers). On product consistency and brand of engine, equal numbers of responding purchasers described U.S. snow throwers as superior and as comparable to Chinese snow throwers. On availability (described as very important by most purchasers), two purchasers each described U.S. snow throwers as superior, comparable, and inferior to Chinese snow throwers.

Only one purchaser, \*\*\*, compared nonsubject-country snow throwers to U.S. and Chinese snow throwers. It described nonsubject-country snow throwers as comparable to U.S. snow throwers in all factors. It also described Chinese snow throwers as comparable to nonsubject-country snow throwers in most factors. However, it also described Chinese snow throwers as superior to nonsubject-country snow throwers in availability, discounts offered, price, and reliability of supply, while describing Chinese snow throwers as inferior in delivery time.

**Table II-13**  
**Snow throwers: Count of purchasers' responses comparing U.S.-produced and imported product**

Factor	Country pair	Superior	Comparable	Inferior
Availability	US v. China	2	2	2
Brand of engine	US v. China	3	3	0
Delivery terms	US v. China	1	5	0
Delivery time	US v. China	2	4	0
Discounts offered	US v. China	0	5	1
Minimum quantity requirements	US v. China	1	5	0
Packaging	US v. China	0	6	0
Payment terms	US v. China	1	5	0
Price	US v. China	1	2	3
Product consistency	US v. China	3	3	0
Product range	US v. China	2	3	1
Quality meets industry standards	US v. China	1	5	0
Quality exceeds industry standards	US v. China	2	4	0
Reliability of supply	US v. China	1	2	3
Technical support/service	US v. China	2	4	0
U.S. transportation costs	US v. China	1	5	0

Table continued.

**Table II-13 Continued****Snow throwers: Count of purchasers' responses comparing U.S.-produced and imported product**

Factor	Country pair	Superior	Comparable	Inferior
Availability	US v. Nonsubject	0	1	0
Brand of engine	US v. Nonsubject	0	1	0
Delivery terms	US v. Nonsubject	0	1	0
Delivery time	US v. Nonsubject	0	1	0
Discounts offered	US v. Nonsubject	0	1	0
Minimum quantity requirements	US v. Nonsubject	0	1	0
Packaging	US v. Nonsubject	0	1	0
Payment terms	US v. Nonsubject	0	1	0
Price	US v. Nonsubject	0	1	0
Product consistency	US v. Nonsubject	0	1	0
Product range	US v. Nonsubject	0	1	0
Quality meets industry standards	US v. Nonsubject	0	1	0
Quality exceeds industry standards	US v. Nonsubject	0	1	0
Reliability of supply	US v. Nonsubject	0	1	0
Technical support/service	US v. Nonsubject	0	1	0
U.S. transportation costs	US v. Nonsubject	0	1	0

Table continued.

**Table II-13 Continued****Snow throwers: Count of purchasers' responses comparing U.S.-produced and imported product**

Factor	Country pair	Superior	Comparable	Inferior
Availability	China v. Nonsubject	1	0	0
Brand of engine	China v. Nonsubject	0	1	0
Delivery terms	China v. Nonsubject	0	1	0
Delivery time	China v. Nonsubject	0	0	1
Discounts offered	China v. Nonsubject	1	0	0
Minimum quantity requirements	China v. Nonsubject	0	1	0
Packaging	China v. Nonsubject	0	1	0
Payment terms	China v. Nonsubject	0	1	0
Price	China v. Nonsubject	1	0	0
Product consistency	China v. Nonsubject	0	1	0
Product range	China v. Nonsubject	0	1	0
Quality meets industry standards	China v. Nonsubject	0	1	0
Quality exceeds industry standards	China v. Nonsubject	0	1	0
Reliability of supply	China v. Nonsubject	1	0	0
Technical support/service	China v. Nonsubject	0	1	0
U.S. transportation costs	China v. Nonsubject	0	1	0

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

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

**Comparison of U.S.-produced and imported snow throwers**

In order to determine whether U.S.-produced snow throwers can generally be used in the same applications as imports from China, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables II-14 to II-16, a majority of responding U.S. producers,

importers, and purchasers indicated that snow throwers from all sources were always or frequently interchangeable, except when four responding importers split evenly on whether U.S. and nonsubject-country snow throwers were sometimes or frequently interchangeable.

**Table II-14**  
**Snow throwers: Count of U.S. producers reporting the interchangeability between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	1	2	1	0
U.S. vs. Other	1	1	1	0
China vs. Other	1	1	0	0

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

**Table II-15**  
**Snow throwers: Count of importers reporting the interchangeability between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	0	4	1	0
U.S. vs. Other	0	2	2	0
China vs. Other	0	2	1	0

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

**Table II-16**  
**Snow throwers: Count of purchasers reporting the interchangeability between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	2	6	0	0
U.S. vs. Other	1	4	0	0
China vs. Other	0	3	0	0

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

In further comments, U.S. producer \*\*\* stated that European regulations on materials and engines affected which snow throwers could be sold to Europe. Importer \*\*\* similarly described different countries as having different regulations on materials and engines.

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of snow throwers from the United States, subject, or nonsubject countries. As seen in table II-17, U.S. producers generally described differences other than price among snow throwers from all sources as sometimes significant. However, as seen in tables II-18 and II-19, a majority of responding importers and purchasers indicated that factors other than price were always or frequently significant in sales of U.S. product compared to Chinese product, while a majority of responding importers and purchasers described factors other than price as sometimes significant in sales of U.S. product

compared to nonsubject-country product and sales of Chinese product compared to nonsubject product.

**Table II-17**

**Snow throwers: Count of U.S. producers reporting the significance of differences other than price between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	0	1	3	0
U.S. vs. Other	0	1	2	0
China vs. Other	0	0	2	0

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

**Table II-18**

**Snow throwers: Count of importers reporting the significance of differences between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	2	2	2	0
U.S. vs. Other	0	1	3	0
China vs. Other	0	0	3	0

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

**Table II-19**

**Snow throwers: Count of purchasers reporting the significance of differences between snow throwers produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. China	5	2	1	0
U.S. vs. Other	1	0	3	0
China vs. Other	1	0	2	0

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

In additional comments, U.S. producer \*\*\* stated that important purchasing factors other than price include brand ratings, product performance and quality, and dealer networks to support transportation costs and service. Importer \*\*\* stated that product range was an important non-price factor.

Among purchasers, \*\*\* stated that U.S. product has an advantage over Chinese product in technical support and service. Purchaser \*\*\* stated that Honda offers a product with a hydraulic drive system and tracks instead of wheels. Purchaser \*\*\* stated that some retail customers favor imported brands over domestic brands when trying to buy a snow thrower with certain specifications at certain price points. Purchaser \*\*\* described transportation as limiting availability recently, due to trucker availability and the cost of shipping containers. It added that domestic availability has been limited by the availability of components, which are sourced globally. It also stated that Chinese product often



has higher availability than U.S. product because Chinese suppliers ship well in advance of the purchasing season.

## **Elasticity estimates**

This section discusses elasticity estimates; parties were encouraged to comment on these estimates as an attachment to their prehearing or posthearing brief. None did so.

### **U.S. supply elasticity**

The domestic supply elasticity for snow throwers measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of snow throwers. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to production of other products, the existence of inventories, and the availability of alternate markets for U.S.-produced snow throwers. Analysis of these factors above, along with some purchasers' reports of tight supply conditions, indicates that the U.S. industry has the ability to substantially increase or decrease shipments to the U.S. market; an estimate in the range of 4 to 8 is suggested.

### **U.S. demand elasticity**

The U.S. demand elasticity for snow throwers measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of snow throwers. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the snow throwers in the production of any downstream products. Based on the available information, the aggregate demand for snow throwers is likely to be moderately inelastic; a range of -0.5 to -1.0 is suggested.

### **Substitution elasticity**

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.<sup>22</sup> Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the

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<sup>22</sup> The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

elasticity of substitution between U.S.-produced snow throwers and imported snow throwers is likely to be in the range of 3 to 6. Most market participants described U.S. and Chinese snow throwers as interchangeable, but there were a few factors (such as brand and sometimes availability) in which there were some reported differences.

## **Part III: U.S. producers' production, shipments, and employment**

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidies and dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of six firms that accounted for virtually of U.S. production of snow throwers during 2020.

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

The Commission issued a U.S. producer questionnaire to six firms based on information contained in the petitions, industry sources, and information from the preliminary phase of these investigations. Six firms provided usable data on their operations.<sup>1</sup> Staff believes that these responses represent virtually all of U.S. production of snow throwers.

Table III-1 lists U.S. producers of snow throwers, their production locations, positions on the petitions, and shares of total production.

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<sup>1</sup> Data for \*\*\* are limited. The firm \*\*\*.

\*\*\*. \*\*\* producer questionnaire response, section II-2a, pp. 8-9.

**Table III-1****Snow throwers: U.S. producers, their positions on the petition, production locations, and shares of reported production, 2020**

Firm	Position on petition	Production location(s)	Share of production
American Honda	***	Swepsonville, NC	***
Ariens	***	Brillion, WI	***
Briggs & Stratton	***	Wauwatosa, WI	***
Husqvarna	***	Orangeburg, SC	***
MTD	Petitioner	Valley City, OH Willard, OH Martin, TN Tupelo, MS	***
Toro	***	Windom, MN Shakopee, MN	***
All firms	Various	Various	100.0

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

Table III-2 presents information on U.S. producers' ownership, related and/or affiliated firms. On December 1, 2021, Stanley Black & Decker, which owned 20 percent of MTD during the preliminary phase of these investigations, announced that it had successfully completed the acquisition of MTD by purchasing the remaining 80 percent ownership stake in MTD.<sup>2</sup>

**Table III-2****Snow throwers: U.S. producers' ownership, related and/or affiliated firms**

Reporting firm	Relationship type and related firm	Details of relationship
***	***	***
***	***	***
***	***	***

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

As indicated in table III-2, no U.S. producers are related to Chinese producers or to U.S. importers of snow throwers from China. In addition, as discussed in greater detail below, two U.S. producers directly import snow throwers from China, two U.S. producers import snow throwers from nonsubject sources, and one U.S. producer has purchased imported snow throwers from China.

<sup>2</sup> MTD webpage, [https://www.mtdproducts.com/en\\_US/Stanley-Black-Decker-Completes-Acquisitions-MTD-Excel.html](https://www.mtdproducts.com/en_US/Stanley-Black-Decker-Completes-Acquisitions-MTD-Excel.html), retrieved March 29, 2022.

Table III-3 presents U.S. producers' reported changes in operations since January 1, 2018. Two U.S. producers, MTD and Husqvarna, closed manufacturing plants during 2018-20. MTD closed its manufacturing facility for components and aftermarket parts in Leitchfield, Kentucky, in June 2020.<sup>3</sup> Husqvarna closed its manufacturing facility that produced gas-powered, walk-behind lawnmowers, tillers and snow throwers in McRae, Georgia in 2019 and moved its snow thrower production to Orangeburg, South Carolina.<sup>4</sup> \*\*\* U.S. producers relocated some aspect of their operations, ranging from \*\*\*, to \*\*\*, to \*\*\*. In 2020, Briggs & Stratton completed a sale to KPS Capital Partners, LP and successfully exited from a Chapter 11 Bankruptcy proceeding.<sup>5</sup>

The Commission also asked firms to describe the impact of the COVID-19 pandemic and resulting government actions as related to supply chain arrangements, production, employment, and shipments of snow throwers, both in 2020 and 2021. Responding firms' narrative responses are presented in appendix D.

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<sup>3</sup> MTD webpage, [https://www.mtdproducts.com/en\\_US/MTD-Closed-Leitchfield-Kentucky-Facility.html](https://www.mtdproducts.com/en_US/MTD-Closed-Leitchfield-Kentucky-Facility.html), retrieved May 6, 2021. 2020: The Year in Review, [https://www.messenger-inquirer.com/grayson\\_county/news/2020-the-year-in-review/article\\_87d45f20-987b-5f5c-a9e6-6b69126e867b.html](https://www.messenger-inquirer.com/grayson_county/news/2020-the-year-in-review/article_87d45f20-987b-5f5c-a9e6-6b69126e867b.html), retrieved May 6, 2021.

<sup>4</sup> Petitions, Exhibit I-18. *Husqvarna to sell or close McRae facility*, <https://www.savannahnow.com/business/20180918/husqvarna-to-sell-or-close-mcrae-facility>, retrieved May 6, 2021.

<sup>5</sup> Briggs & Stratton webpage, [https://www.briggsandstratton.com/na/en\\_us/news-room/briggs-and-stratton-announces-sale-to-kps-capital-partners.html](https://www.briggsandstratton.com/na/en_us/news-room/briggs-and-stratton-announces-sale-to-kps-capital-partners.html), retrieved May 6, 2021.

**Table III-3**  
**Snow throwers: U.S. producers' reported changes in operations, since January 1, 2020**

Item	Firm name and narrative response on changes in operations
Plant closings	***
Plant closings	***
Relocations	***
Relocations	***
Relocations	***
Consolidations	***
Consolidations	***
Prolonged shutdowns or curtailments	***
Revised labor agreements	***
Other	***

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

## U.S. production, capacity, and capacity utilization

Table III-4 and figure III-1 present U.S. producers' production, capacity, and capacity utilization. U.S. producers' capacity decreased from 1,196,926 units in 2018 to 729,562 units in 2019 before increasing to 746,480 units in 2020, a 37.6 percent decrease from 2018 to 2020. The closure of Husqvarna's manufacturing plant in McRae, Georgia in 2019 had a large impact on the decrease in U.S. producers' capacity during 2019. U.S. producers' production decreased by 18.0 percent from 2018 to 2019 and 12.6 percent from 2019 to 2020, for a total decrease of 28.3 percent during 2018-20, from 595,939 units to 427,252 units. \*\*\* accounted for over three-quarters of the decrease during 2018-20.<sup>6</sup> Capacity utilization increased from 2018 to 2019 (impacted by Husqvarna's plant closure) before decreasing from 67.0 percent to 57.2 percent from 2019 to 2020. The decrease in U.S. producers' capacity utilization from 2019 to 2020 is consistent with lower levels of production by \*\*\* of the six U.S. producers, including a reduction of more than \*\*\* units by \*\*\*.

U.S. producers' capacity was lower in interim 2021, at 411,437 units, compared to interim 2020, at 527,303 units, with \*\*\* percent of the difference attributable to \*\*\*. Conversely, production was higher in interim 2021, at 276,879 units, compared to interim 2020, at 273,904 units. Capacity utilization measured 67.3 percent in interim 2021 compared to 51.9 percent in interim 2020.

**Table III-4**  
**Snow throwers: Firm-by-firm capacity, by period**

Capacity					
Capacity in units					
Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
Husqvarna	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	1,196,926	729,562	746,480	527,303	411,437

Table continued.

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<sup>6</sup> \*\*\*.

**Table III-4--Continued**  
**Snow throwers: Firm-by-firm production, by period**

**Production**

Production in units

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
Husqvarna	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	595,939	488,699	427,252	273,904	276,879

Table continued.

**Table III-4--Continued**  
**Snow throwers: Firm-by-firm capacity utilization, by period**

**Capacity utilization**

Ratio in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
Husqvarna	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	49.8	67.0	57.2	51.9	67.3

Note: Capacity utilization ratio represents the ratio of the U.S. producer's production to its production capacity.

Table continued.

**Table III-4--Continued**  
**Snow throwers: Firm-by-firm share of production, by period**

**Share of production**

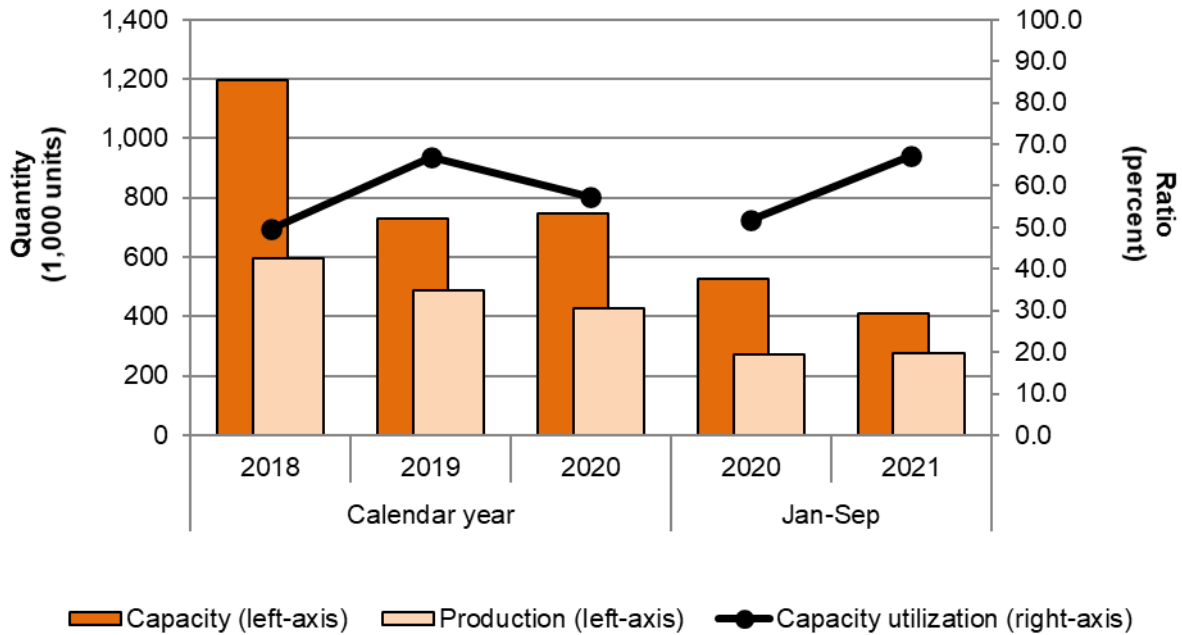
Share in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
Husqvarna	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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



**Figure III-1**  
**Snow throwers: U.S. producers' production, capacity, and capacity utilization, by period**



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

### Alternative products

As shown in table III-5, snow throwers accounted for a relatively small share of overall production by U.S. producers on shared equipment, ranging from \*\*\* percent to \*\*\* percent during 2018-20 and the interim periods. Four of five U.S. producers reported producing other products using the same equipment, machinery, or employees as used to produce snow throwers. Such products included lawn mowers, pressure washers, and other lawn and garden equipment. Overall capacity declined by \*\*\* percent from 2018 to 2020 and was similar in interim 2021 compared to interim 2020. The decline in overall capacity reflected Husqvarna's plant closure in 2019 and \*\*\*.<sup>7</sup>

<sup>7</sup> \*\*\*'s producer questionnaire response, sections II-2a and II-3a.

**Table III-5**  
**Snow throwers: U.S. producers' overall capacity and production on the same equipment as subject production, by period**

Quantity in units; ratio and shares in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Overall capacity	Quantity	***	***	***	***	***
Production: Snow throwers	Quantity	595,939	488,699	427,252	273,904	276,879
Production: Pressure washers	Quantity	***	***	***	***	***
Production: Lawn mowers	Quantity	***	***	***	***	***
Production: Other lawn and garden	Quantity	***	***	***	***	***
Production: Other products	Quantity	***	***	***	***	***
Production: All out-of-scope products	Quantity	***	***	***	***	***
All production on same machinery	Quantity	***	***	***	***	***
Overall capacity utilization	Ratio	***	***	***	***	***
Production: Snow throwers	Share	***	***	***	***	***
Production: Pressure washers	Share	***	***	***	***	***
Production: Lawn mowers	Share	***	***	***	***	***
Production: Other lawn and garden	Share	***	***	***	***	***
Production: Other products	Share	***	***	***	***	***
Production: All out-of-scope products	Share	***	***	***	***	***
All production on same machinery	Share	100.0	100.0	100.0	100.0	100.0

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

Note: Data do not include out-of-scope production figures for \*\*\*.

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

Table III-6 presents U.S. producers' U.S. shipments, export shipments, and total shipments. U.S. shipments increased by 1.5 percent from 2018 to 2019 before declining by 29.9 percent from 2019 to 2020, and were 50.4 percent higher in interim 2021 compared to interim 2020.<sup>8</sup> Every U.S. producer except \*\*\* reported export shipments, primarily to \*\*\*, which ranged from 15.4 to 25.0 percent of total U.S. producers' total shipments during 2018-20 and the interim periods. Two U.S. producers, \*\*\*, reported export shipments to related firms during 2018-20 and the interim periods. Average unit values of U.S. shipments increased in both 2019 and 2020 but were lower in interim 2021 compared to interim 2020. Average unit values of export shipments decreased in 2019 before increasing in 2020, and were higher in interim 2021 compared to interim 2020.

**Table III-6**  
**Snow throwers: U.S. producers' shipments, by destination and period**

Quantity in units; value in 1,000 dollars; unit value in dollars per unit; shares in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. shipments	Quantity	437,447	444,123	311,380	135,985	204,541
Export shipments	Quantity	108,895	80,899	86,031	45,284	58,575
Total shipments	Quantity	546,342	525,022	397,411	181,269	263,116
U.S. shipments	Value	308,020	347,204	253,234	117,897	171,676
Export shipments	Value	113,313	83,326	96,607	50,470	69,633
Total shipments	Value	421,333	430,530	349,841	168,367	241,309
U.S. shipments	Unit value	704	782	813	867	839
Export shipments	Unit value	1,041	1,030	1,123	1,115	1,189
Total shipments	Unit value	771	820	880	929	917
U.S. shipments	Share of quantity	80.1	84.6	78.4	75.0	77.7
Export shipments	Share of quantity	19.9	15.4	21.6	25.0	22.3
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	73.1	80.6	72.4	70.0	71.1
Export shipments	Share of value	26.9	19.4	27.6	30.0	28.9
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

<sup>8</sup> Internal consumption and transfers to related parties jointly accounted for less than \*\*\* percent of total U.S. producer shipments in each year during 2018-20 and the interim periods. \*\*\* reported transfers to related firms, and \*\*\* reported internal consumption.

The Commission asked U.S. producers to differentiate their U.S. shipments of snow throwers between complete/retail ready and unfinished/incomplete<sup>9</sup> as well between one-, two-, and three-stage snow throwers. U.S. producers reported that all of their U.S. shipments of snow throwers were complete, retail ready during 2018-20 and the interim periods. The vast majority of U.S. shipments reported were two-stage snow throwers, ranging from \*\*\* percent to \*\*\* percent of U.S. shipments during 2018-20 and the interim periods. During the same period, one-stage snow throwers accounted for \*\*\* percent to \*\*\* of U.S. shipments and three-stage snow throwers accounted for \*\*\* percent to \*\*\* of U.S. shipments. Unit values for three-stage snow throwers were highest and unit values for one-stage throwers were lowest among the three product types. These data are presented in table III-7 below.

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<sup>9</sup> An unfinished and/or unassembled snow thrower includes at minimum a subassembly comprised of an engine, auger housing (i.e., intake frame), and an auger (or “auger paddle”) packaged or imported together. Shipment of the subassembly whether or not accompanied by, or attached to, additional components including, but not limited to, handle(s), impeller(s), chute(s), track tread(s), or wheel(s) constitutes an unfinished snow thrower. However, the subassembly is not in a finished state, i.e., requires some additional components or production operations, and is otherwise not in a retail-ready state. Not included in this category are retail-ready packages that include all the components necessary for an end customer to assemble a complete snow thrower. Complete, retail-ready snow throwers do not require any additional components or assembly beyond minimal customer assembly. This category includes all retail-packaged snow throwers that contain all the components necessary for an end user (to customer) to assemble the snow thrower and put it to use.

**Table III-7**  
**Snow throwers: U.S. producers' U.S. shipments by product stage and period**

Quantity in units; value in 1,000 dollars; unit values in dollars per unit; shares in percent

Product stage	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
One-stage	Quantity	***	***	***	***	***
Two-stage	Quantity	***	***	***	***	***
Three-stage	Quantity	***	***	***	***	***
All stages	Quantity	437,447	444,123	311,380	135,985	204,541
One-stage	Value	***	***	***	***	***
Two-stage	Value	***	***	***	***	***
Three-stage	Value	***	***	***	***	***
All stages	Value	308,020	347,204	253,234	117,897	171,676
One-stage	Unit value	***	***	***	***	***
Two-stage	Unit value	***	***	***	***	***
Three-stage	Unit value	***	***	***	***	***
All stages	Unit value	704	782	813	867	839
One-stage	Share of quantity	***	***	***	***	***
Two-stage	Share of quantity	***	***	***	***	***
Three-stage	Share of quantity	***	***	***	***	***
All stages	Share of quantity	100.0	100.0	100.0	100.0	100.0
One-stage	Share of value	***	***	***	***	***
Two-stage	Share of value	***	***	***	***	***
Three-stage	Share of value	***	***	***	***	***
All stages	Share of value	100.0	100.0	100.0	100.0	100.0

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

The Commission also asked questionnaire recipients whether they produce snow throwers with certain characteristics. U.S. producers' responses indicated that their production consists of snow throwers with all of the characteristics identified in the Commission's questionnaire: self-propelled and push-only propellant technologies; pull and auto start technologies; and snow throwers with clearing widths of less than 18", 18"-26", and greater than 26".

## U.S. producers' inventories

Table III-8 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. U.S. producers' end-of-period inventories \*\*\*, by quantity, and were lower in interim 2021 compared to interim 2020. Similarly, the ratios of inventories to U.S. production, U.S. shipments, and total shipments \*\*\*. \*\*\* accounted for between \*\*\* percent of U.S. producers' end-of-period inventories during 2018-20 and the interim periods.<sup>10</sup>

**Table III-8**  
**Snow throwers: U.S. producers' inventories and their ratio to select items, by period**

Quantity in units; ratios in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
End-of-period inventory quantity	135,032	***	104,936	165,870	115,625
Inventory ratio to U.S. production	22.7	***	24.6	45.4	31.3
Inventory ratio to U.S. shipments	30.9	***	33.7	91.5	42.4
Inventory ratio to total shipments	24.7	***	26.4	68.6	33.0

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

## U.S. producers' imports and purchases

U.S. producers' imports of snow throwers are presented in tables III-9 through III-12 and reasons for importing are presented in table III-13. Two U.S. producers reported importing some quantity of snow throwers from China and two U.S. producers reported importing snow throwers from nonsubject sources \*\*\*. One U.S. producer reported purchases of snow throwers \*\*\* with the data presented in table III-14.

<sup>10</sup> According to MTD, total snowfall in the winter of 2018-2019 was \*\*\* and total snowfall in the winter of 2019-2020 was \*\*\*. Petitioner's postconference brief, Responses to Staff Hearing Questions, p.7. See Part II for more information on snow cover and demand.

**Table III-9****Snow throwers: \*\*\*'s U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in units; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from nonsubject sources (***)	Quantity	***	***	***	***	***
Imports from nonsubject sources to U.S. production	Ratio	***	***	***	***	***

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

**Table III-10****Snow throwers: \*\*\*'s U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in units; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from China	Quantity	***	***	***	***	***
Imports from China to U.S. production	Ratio	***	***	***	***	***

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

**Table III-11****Snow throwers: \*\*\*'s U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in units; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from China	Quantity	***	***	***	***	***
Imports from China to U.S. production	Ratio	***	***	***	***	***

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

**Table III-12****Snow throwers: \*\*\*'s U.S. production, U.S. imports, and ratio of imports to production, by source and period**

Quantity in units; ratio in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
Imports from nonsubject sources (***)	Quantity	***	***	***	***	***
Imports from nonsubject sources to U.S. production	Ratio	***	***	***	***	***

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

**Table III-13**  
**Snow throwers: U.S. producers' reasons for importing**

Item	Narrative response on reasons for importing
***'s reason for importing	***
***'s reason for importing	***
***'s reason for importing	***
***'s reason for importing	***

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

**Table III-14**  
**Snow throwers: \*\*\*'s U.S. production, U.S. purchases of imports of subject merchandise, by period**

Quantity in units; Ratios in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. production	Quantity	***	***	***	***	***
U.S. purchases of imports from China (imported by ***)	Quantity	***	***	***	***	***
U.S. importer ***'s U.S. imports from China	Quantity	***	***	***	***	***
U.S. producer's purchases to U.S. importers' imports from China (***)	Ratio	***	***	***	***	***
Overall U.S. imports from China	Quantity	***	***	***	***	***
U.S. importers' imports from China to total U.S. imports from China (***)	Ratio	***	***	***	***	***

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



## U.S. employment, wages, and productivity

Table III-15 shows U.S. producers' employment-related data. The number of production and related workers ("PRWs") decreased by 19.0 percent between 2018 and 2020, with a net decline of 337 from 1,776 to 1,439. There were more PRWs in interim 2021 (1,331) compared to interim 2020 (1,287). The decline in PRWs during 2018-20 reflects \*\*\*'s decrease of \*\*\* PRWs during this period. During 2018-20, total hours worked decreased, and were lower in interim 2021 compared to interim 2020. However, hours worked per PRW increased from 2018-20 and were lower in interim 2021 compared to interim 2020. Hourly wages for PRWs increased by 10.3 percent from 2018 to 2020, and were higher in interim 2021 compared to interim 2020, while productivity decreased by 18.7 percent during 2018-20 and was higher in interim 2021 compared to interim 2020. Unit labor costs increased by 35.6 percent, from \$70.49 per unit in 2018 to \$95.61 per unit in 2020, but were lower in interim 2021 compared to interim 2020.

**Table III-15**  
**Snow throwers: U.S. producers' employment related information, by period**

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Production and related workers (PRWs) (number)	1,776	***	1,439	1,287	1,331
Total hours worked (1,000 hours)	1,930	***	1,771	1,400	1,179
Hours worked per PRW (hours)	1,087	***	1,231	1,088	886
Wages paid (\$1,000)	37,709	***	38,151	27,303	26,477
Hourly wages (dollars per hour)	\$19.54	***	\$21.54	\$19.50	\$22.46
Productivity (units per 1,000 hours)	277.2	***	225.3	180.1	220.6
Unit labor costs (dollars per unit)	\$70.49	***	\$95.61	\$108.26	\$101.79

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.



## Part IV: U.S. imports, apparent U.S. consumption, and market shares

### U.S. importers

The Commission issued importer questionnaires to 40 firms believed to be importers of subject snow throwers, as well as to all U.S. producers of snow throwers.<sup>1</sup> Usable questionnaire responses were received from nine companies,<sup>2</sup> representing \*\*\* percent of U.S. imports from China in 2020 under HTS subheading 8430.20.0060, a statistical reporting number that also includes electric snow blowers.

Fourteen firms reported that they did not import snow throwers into the United States, including firms that staff believes are major importers under HTS statistical reporting number 8430.20.0060.<sup>3</sup> As such, since the Commission received responses from firms that staff believes account for a substantial share of imports of snow throwers, staff believes that official import statistics for HTS statistical reporting number 8430.20.0060 are overstated with respect to in-scope snow throwers. Staff estimates that reported import volumes account for the majority of U.S. imports of in-scope snow throwers. Accordingly, import quantities and values presented in

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<sup>1</sup> The Commission issued questionnaires to those firms identified in the petitions and preliminary phase questionnaire responses, along with firms that, based on staff research and a review of data from third-party sources, may have accounted for more than one percent of total imports under HTS subheading 8430.20.0060 in 2020.

<sup>2</sup> \*\*\* was not able to provide a completed U.S. importer questionnaire but provided a partial response including \*\*\*. \*\*\*, which reported subject imports from China in its preliminary phase questionnaire response, clarified that those imports are actually purchases of subject imports and certified that it is not an importer of record for any subject merchandise. These imports are accounted for in the Commission data via the questionnaire response of another firm, \*\*\*. \*\*\*, which also reported subject imports from China in their preliminary phase questionnaire response, reported exclusively imports of snow throwers that contain small vertical shaft engines which are excluded from the scope of the final phase of these investigations.

<sup>3</sup> Firms that certified that they did not import snow throwers into the United States: \*\*\*. \*\*\* certified that they had not imported snow throwers to the U.S. since January 2018 in the preliminary phase of these investigation but did not provide a response in this final phase.

this report are derived from questionnaire responses. Such data may be understated due to the firms that did not return questionnaires.

Table IV-1 lists all responding U.S. importers of snow throwers from China and other sources, their locations, and their shares of U.S. imports, in 2020.

**Table IV-1**  
**Snow throwers: U.S. importers, their headquarters, and share of imports within each source, 2020**

Share in percent

Firm	Headquarters	China	Nonsubject sources	All import sources
American Honda	Torrance, CA	***	***	***
Briggs & Stratton	Wauwatosa, WI	***	***	***
Generac	Waukesha, WI	***	***	***
Home Depot	Atlanta, GA	***	***	***
Husqvarna	Charlotte, NC	***	***	***
Massimo	Garland, TX	***	***	***
Pulsar	Ontario, CA	***	***	***
Scojet	Brunswick, GA	***	***	***
Toro	Bloomington, MN	***	***	***
All firms	Various	100.0	100.0	100.0

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

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

## U.S. imports

Table IV-2 and figure IV-1 present data for U.S. imports of snow throwers from China and all other sources. U.S. imports of snow throwers from China increased 189.4 percent by quantity, and 156.2 percent by value from 2018 to 2020, and were 33.2 percent lower by quantity and 32.5 percent lower by value in interim 2021 compared to interim 2020. During 2018-20 U.S. imports of snow throwers from nonsubject sources increased by \*\*\* percent by quantity and \*\*\* percent by value and were \*\*\* percent lower by quantity and \*\*\* percent lower by value in interim 2021 compared to interim 2020. Only two firms, \*\*\*, reported imports of snow throwers from nonsubject sources during 2018-20 with \*\*\* accounting for \*\*\* such imports of snow throwers from nonsubject sources with their reported imports from \*\*\*. Overall, U.S. imports of snow throwers from all sources increased by \*\*\* percent by quantity, and \*\*\* percent by value, between 2018 and 2020, and were \*\*\* percent lower by quantity and \*\*\* percent lower by value in interim 2021 compared to interim 2020.

Average unit values of U.S. imports from China decreased by 11.5 percent from 2018 to 2020, and were comparable in interim 2021 compared to interim 2020. Average unit values of U.S. imports from nonsubject sources decreased by \*\*\* percent from 2018 to 2019 before increasing by \*\*\* percent in 2020, for an overall increase of \*\*\* percent during 2018-20, and were comparable in the interim periods. Overall, average unit values from all import sources increased by \*\*\* percent during 2018-20, and were \*\*\* percent higher in interim 2021 compared to interim 2020.

U.S. imports of snow throwers from China increased as a share of total imports of snow throwers by quantity from \*\*\* percent in 2018 to \*\*\* percent in 2020, but were lower in interim 2021 compared to interim 2020. During 2018-20, U.S. imports of snow throwers as a ratio to U.S. production increased by 17.0 percentage points for subject imports from China and by \*\*\* percentage points for imports from nonsubject sources for an overall increase of \*\*\* percentage points. This ratio was 8.0 percentage points lower for U.S. imports of snow throwers from China and \*\*\* percentage points lower for U.S. imports of snow throwers from nonsubject sources in interim 2021 compared to interim 2020.

**Table IV-2**  
**Snow throwers: U.S. imports by source and period**

Quantity in units; value in 1,000 dollars; unit value in dollars per unit; ratio in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
China	Quantity	33,290	67,888	96,356	64,596	43,135
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
China	Value	12,490	24,395	31,994	21,535	14,540
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
China	Unit value	375	359	332	333	337
Nonsubject sources	Unit value	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***
China	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
China	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0
China	Ratio	5.6	13.9	22.6	23.6	15.6
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

Table continued.

**Table IV-2--Continued**  
**Snow throwers: Share of U.S. imports by source and period**

Change in percent

Source	Measure	2018-20	2018-19	2019-20	Jan-Sep 2020-21
China	% Quantity	▲ 189.4	▲ 103.9	▲ 41.9	▼ (33.2)
Nonsubject sources	% Quantity	▲ ***	▲ ***	▼ ***	▼ ***
All import sources	% Quantity	▲ ***	▲ ***	▲ ***	▼ ***
China	% Value	▲ 156.2	▲ 95.3	▲ 31.1	▼ (32.5)
Nonsubject sources	% Value	▲ ***	▲ ***	▲ ***	▼ ***
All import sources	% Value	▲ ***	▲ ***	▲ ***	▼ ***
China	% Unit value	▼ (11.5)	▼ (4.2)	▼ (7.6)	▲ 1.1
Nonsubject sources	% Unit value	▲ ***	▼ ***	▲ ***	▲ ***
All import sources	% Unit value	▲ ***	▼ ***	▲ ***	▲ ***

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

Note: Share of quantity is the share of U.S. imports by quantity; share of value is the share of U.S. imports by value; ratio is U.S. imports to U.S. production.

Note: \*\*\*.

**Figure IV-1**  
**Snow throwers: U.S. import quantities and average unit values, by source and period**

\* \* \* \* \*

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

The Commission collected additional data regarding imports of out-of-scope snow throwers containing Chinese small vertical shaft engines with a minimum displacement of 99 cubic centimeters (“cc”) and a maximum displacement of up to, but not including, 225cc which were in-scope and included in the Commission’s import data set during the preliminary phase of these investigations. Three firms, \*\*\*, reported importing snow throwers with Chinese-origin small vertical shaft engines during 2018-20: \*\*\* units in 2018, \*\*\* units in 2019, \*\*\* units in 2020, \*\*\* units during January-September 2020 and \*\*\* units during January-September 2021.

Respondents were also asked to report their share of imports of snow throwers that contain in-scope vertical shaft engines with displacement between 225cc and 999cc. These data are presented in table IV-3 below.

**Table IV-3**  
**Snow throwers: U.S. importers' U.S. imports by engine type and source, 2020**

Quantity in units; shares in percent

Engine type	Measure	China	Nonsubject	All import sources
Horizontal shaft engine	Quantity	***	***	***
Vertical shaft engine (large only)	Quantity	***	***	***
All engine types	Quantity	***	***	***
Horizontal shaft engine	Share of quantity	***	***	***
Vertical shaft engine (large only)	Share of quantity	***	***	***
All engine types	Share of quantity	100.0	100.0	100.0

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

The Commission also asked responding firms to differentiate their U.S. imports of snow throwers between complete, retail-ready, and unfinished, incomplete snow throwers.<sup>4</sup> Virtually all reported U.S. shipments of subject imports from China (ranging from \*\*\* percent

<sup>4</sup> Complete, retail-ready snow throwers do not require any additional components or assembly beyond minimal customer assembly. This category includes all retail-packaged snow throwers that contain all the components necessary for an end user (customer) to assemble the snow thrower and put it to use. An unfinished and/or unassembled snow thrower includes at minimum a subassembly comprised of an engine, auger housing (i.e., intake frame), and an auger (or “auger paddle”) packaged or imported together. Shipment of the subassembly whether or not accompanied by, or attached to, additional components including, but not limited to, handle(s), impeller(s), chute(s), track tread(s), or wheel(s) constitutes an unfinished snow thrower. However, the subassembly is not in a finished state, i.e., requires some additional components or production operations, and is otherwise not in a retail-ready state. The Commission asked respondents to not include in this category retail-ready packages that include all the components necessary for an end customer to assemble a complete snow thrower.

during 2018-20 and the interim periods) and \*\*\* imports of snow throwers from nonsubject sources were reported to be complete, retail-ready.

Respondents were asked to further differentiate imports by whether they were one-stage, two-stage, or three-stage snow throwers. These data are presented in table IV-4 for subject imports from China and in table IV-5 for nonsubject imports from all other sources and in figure IV-2. Respondents did not report any imports of three-stage snow throwers from China. Overall, there were more U.S. subject import shipments of two-stage snow throwers than one-stage snow throwers. Their share of total shipments of subject imports increased during 2018-2020 and was higher in interim 2021 compared to interim 2020. U.S. subject import shipments of two-stage snow throwers accounted for \*\*\* percent in 2018, \*\*\* percent in 2019, \*\*\* percent in 2020, \*\*\* percent in interim 2020, and \*\*\* percent in interim 2021. Average unit values of imports of two-stage snow throwers from China were consistently higher during 2018-20 and the interim periods, and were approximately twice the average unit values of imports of one-stage snow throwers during this period.

**Table IV-4**  
**Snow throwers: U.S. importers' U.S. shipments of imports from China, by product stage and period**

Quantity in units; value in 1,000 dollars; unit values in dollars per unit; shares in percent

Source and product stage	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
China: One-stage	Quantity	***	***	***	***	***
China: Two-stage	Quantity	***	***	***	***	***
China: Three-stage	Quantity	***	***	***	***	***
China: All stages	Quantity	***	***	***	***	***
China: One-stage	Value	***	***	***	***	***
China: Two-stage	Value	***	***	***	***	***
China: Three-stage	Value	***	***	***	***	***
China: All stages	Value	***	***	***	***	***
China: One-stage	Unit value	***	***	***	***	***
China: Two-stage	Unit value	***	***	***	***	***
China: Three-stage	Unit value	***	***	***	***	***
China: All stages	Unit value	***	***	***	***	***
China: One-stage	Share of quantity	***	***	***	***	***
China: Two-stage	Share of quantity	***	***	***	***	***
China: Three-stage	Share of quantity	***	***	***	***	***
China: All stages	Share of quantity	100.0	100.0	100.0	100.0	100.0
China: One-stage	Share of value	***	***	***	***	***
China: Two-stage	Share of value	***	***	***	***	***
China: Three-stage	Share of value	***	***	***	***	***
China: All stages	Share of value	100.0	100.0	100.0	100.0	100.0

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



Respondents did not report any imports of three-stage snow throwers from nonsubject sources either. The majority of nonsubject imports were one-stage snow throwers, accounting for \*\*\* percent in 2018, \*\*\* percent in 2019, \*\*\* percent in 2020, \*\*\* percent in interim 2020, and \*\*\* percent in interim 2021. Average unit values of imports of two-stage snow throwers from nonsubject sources were consistently higher during 2018-20 and the interim periods.

**Table IV-5**  
**Snow throwers: U.S. importers' U.S. shipments of imports from nonsubject sources, by product stage and period**

(Quantity in units; Value in 1,000 dollars; Unit values in dollars per unit; Shares in percent)

Source and product stage	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Nonsubject: One-stage	Quantity	***	***	***	***	***
Nonsubject: Two-stage	Quantity	***	***	***	***	***
Nonsubject: Three-stage	Quantity	***	***	***	***	***
Nonsubject: All stages	Quantity	***	***	***	***	***
Nonsubject: One-stage	Value	***	***	***	***	***
Nonsubject: Two-stage	Value	***	***	***	***	***
Nonsubject: Three-stage	Value	***	***	***	***	***
Nonsubject: All stages	Value	***	***	***	***	***
Nonsubject: One-stage	Unit value	***	***	***	***	***
Nonsubject: Two-stage	Unit value	***	***	***	***	***
Nonsubject: Three-stage	Unit value	***	***	***	***	***
Nonsubject: All stages	Unit value	***	***	***	***	***
Nonsubject: One-stage	Share of quantity	***	***	***	***	***
Nonsubject: Two-stage	Share of quantity	***	***	***	***	***
Nonsubject: Three-stage	Share of quantity	***	***	***	***	***
Nonsubject: All stages	Share of quantity	100.0	100.0	100.0	100.0	100.0
Nonsubject: One-stage	Share of value	***	***	***	***	***
Nonsubject: Two-stage	Share of value	***	***	***	***	***
Nonsubject: Three-stage	Share of value	***	***	***	***	***
Nonsubject: All stages	Share of value	100.0	100.0	100.0	100.0	100.0

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

**Figure IV-2**  
**Snow throwers: U.S. producers' and U.S. importers' U.S. shipments, by source and stage, 2020**

\* \* \* \* \*

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

The Commission also asked questionnaire recipients whether they produce or import snow throwers with certain characteristics. U.S. producers' reported production of snow throwers with 1) self-propelled and push only propellant technologies; 2) pull and button, or auto start technologies; 3) one-, two-, and three-stage snow throwers; and 4) snow throwers with clearing widths of less than 18", 18"-- 26", and greater than 26". U.S. importers' responses indicated that both subject and nonsubject imports of snow throwers consist of merchandise with all characteristics listed except three-stage snow throwers and snow throwers with clearing width of less than 18". Firm responses are summarized in table IV-6.

**Table IV-6**  
**Snow throwers: Product mix for U.S. producers and U.S. importers**

Count in number of firms reporting

Product Mix	U.S. producers	China	Nonsubject sources
Propulsion: Push only mowers	4	3	1
Propulsion: Self-propellant	5	5	3
Start: Pull start only	3	4	2
Start: Button or auto start system	5	5	3
One-stage	3	3	1
Two-stage	5	5	3
Three-stage	1	---	---
Clearing width: Less than 18"	2	---	---
Clearing width: 18" - 26"	4	6	2
Clearing width: Greater than 26"	5	2	2

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

Note.—\*\*\* provided an incomplete questionnaire that did not include the data presented above.

## Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.<sup>5</sup> Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petitions or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.<sup>6</sup> Imports from China accounted for \*\*\* percent of total imports of snow throwers by quantity during March 2020 through February 2021, as presented in table IV-7.

<sup>5</sup> Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

<sup>6</sup> Section 771 (24) of the Act (19 U.S.C § 1677(24)).

**Table IV-7**  
**Snow throwers: U.S. imports in the twelve-month period preceding the filing of the petitions, March 2020 through February 2021**

Quantity in units; shares in percent

Source of imports	Quantity	Share of quantity
China	***	***
Nonsubject sources	***	***
All import sources	***	100.0

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

## Apparent U.S. consumption and market shares

### Based on quantity

Table IV-8 and figure IV-3 present data on apparent U.S. consumption and U.S. market shares by quantity for snow throwers. Apparent consumption increased from \*\*\* units in 2018 to \*\*\* units in 2019 before declining to \*\*\* units in 2020, a \*\*\* percent decrease during 2018-20. It was higher during interim 2021, at \*\*\* units, compared to interim 2020, at \*\*\* units. From 2018 to 2020, U.S. producers' share of apparent U.S. consumption decreased from \*\*\* percent to \*\*\* percent while subject imports' share increased from \*\*\* percent to \*\*\* percent and nonsubject imports (\*\*\*) increased from \*\*\* percent to \*\*\* percent. U.S. producers' and subject imports' share of apparent U.S. consumption were higher in interim 2021 compared to interim 2020 while nonsubject imports' share was lower.

**Table IV-8**  
**Snow throwers: Apparent U.S. consumption and market shares based on quantity, by source and period**

Quantity in units; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Quantity	437,447	444,123	311,380	135,985	204,541
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
Apparent U.S. consumption	Quantity	***	***	***	***	***
U.S. producers	Share of quantity	***	***	***	***	***
China	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	***	***	***	***	***

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

Note: Apparent consumption figures are derived from U.S. producers' and U.S. importers' U.S. shipments data.

**Figure IV-3**  
**Snow throwers: Apparent U.S. consumption based on quantity, by source and period**

\* \* \* \* \*

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

## Based on value

Table IV-9 and figure IV-4 presents data on apparent U.S. consumption and U.S. market shares by value for snow throwers. Apparent consumption increased from \*\*\* dollars in 2018 to \*\*\* dollars in 2019 before declining to \*\*\* dollars in 2020, a \*\*\* percent decrease during 2018-20. It was higher during interim 2021, at \*\*\* dollars, compared to interim 2020, at \*\*\* dollars. From 2018 to 2020, U.S. producers' share of apparent U.S. consumption decreased from \*\*\* percent to \*\*\* percent while subject imports' share increased from \*\*\* percent to \*\*\* percent and nonsubject imports (\*\*\*) increased from \*\*\* percent to \*\*\* percent. U.S. producers' and subject imports' share of apparent U.S. consumption were higher in interim 2021 compared to interim 2020 while nonsubject imports' share was lower.

**Table IV-9**  
**Snow throwers: Apparent U.S. consumption and market shares based on value, by source and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. producers	Value	308,020	347,204	253,234	117,897	171,676
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
Apparent U.S. consumption	Value	***	***	***	***	***
U.S. producers	Share of value	***	***	***	***	***
China	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	***	***	***	***	***

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

Note: Apparent consumption figures are derived from U.S. producers' and U.S. importers' U.S. shipments data.

**Figure IV-4**  
**Snow throwers: Apparent U.S. consumption based on value, by source and period**

\* \* \* \* \*

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

The Commission asked U.S. producers and importers to report their monthly production and importation of snow throwers from January 2018 to September 2021. The U.S. market for snow blowers typically follows a seasonal pattern where a majority of sales occur during the winter months<sup>7</sup> and production<sup>8</sup> and imports take place predominantly during the summer and fall months. These data are presented in table IV-10 and figure IV-5.

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<sup>7</sup> Petitions, Exhibit I-1.

<sup>8</sup> \*\*\*. Petitioner's postconference brief, Responses to Staff Hearing Questions, p.5.

**Table IV-10**  
**Snow throwers: U.S. producers' production and U.S. Importers' imports, by month and source**

Quantity in units

Year	Month	U.S. producers	China	Nonsubject sources	All import sources	U.S. producers and U.S. importers combined
2018	January	***	***	***	***	***
2018	February	***	***	***	***	***
2018	March	***	***	***	***	***
2018	April	***	***	***	***	***
2018	May	***	***	***	***	***
2018	June	***	***	***	***	***
2018	July	***	***	***	***	***
2018	August	***	***	***	***	***
2018	September	***	***	***	***	***
2018	October	***	***	***	***	***
2018	November	***	***	***	***	***
2018	December	***	***	***	***	***
2019	January	***	***	***	***	***
2019	February	***	***	***	***	***
2019	March	***	***	***	***	***
2019	April	***	***	***	***	***
2019	May	***	***	***	***	***
2019	June	***	***	***	***	***
2019	July	***	***	***	***	***
2019	August	***	***	***	***	***
2019	September	***	***	***	***	***
2019	October	***	***	***	***	***
2019	November	***	***	***	***	***
2019	December	***	***	***	***	***

Table continued.



**Table IV-10--Continued**  
**Snow throwers: U.S. producers' production and U.S. Importers' imports, by month and source**

Quantity in units

Year	Month	U.S. producers	China	Nonsubject sources	All import sources	U.S. producers and U.S. importers combined
2020	January	***	***	***	***	***
2020	February	***	***	***	***	***
2020	March	***	***	***	***	***
2020	April	***	***	***	***	***
2020	May	***	***	***	***	***
2020	June	***	***	***	***	***
2020	July	***	***	***	***	***
2020	August	***	***	***	***	***
2020	September	***	***	***	***	***
2020	October	***	***	***	***	***
2020	November	***	***	***	***	***
2020	December	***	***	***	***	***
2021	January	***	***	***	***	***
2021	February	***	***	***	***	***
2021	March	***	***	***	***	***
2021	April	***	***	***	***	***
2021	May	***	***	***	***	***
2021	June	***	***	***	***	***
2021	July	***	***	***	***	***
2021	August	***	***	***	***	***
2021	September	***	***	***	***	***

Table continued

**Table IV-10--Continued**  
**Snow throwers: U.S. producers' production and U.S. Importers' imports, by month and source**

Shares across

Year	Month	U.S. producers	China	Nonsubject sources	All import sources	U.S. producers and U.S. importers combined
2018	January	***	***	***	***	100.0
2018	February	***	***	***	***	100.0
2018	March	***	***	***	***	100.0
2018	April	***	***	***	***	100.0
2018	May	***	***	***	***	100.0
2018	June	***	***	***	***	100.0
2018	July	***	***	***	***	100.0
2018	August	***	***	***	***	100.0
2018	September	***	***	***	***	100.0
2018	October	***	***	***	***	100.0
2018	November	***	***	***	***	100.0
2018	December	***	***	***	***	100.0
2019	January	***	***	***	***	100.0
2019	February	***	***	***	***	100.0
2019	March	***	***	***	***	100.0
2019	April	***	***	***	***	100.0
2019	May	***	***	***	***	100.0
2019	June	***	***	***	***	100.0
2019	July	***	***	***	***	100.0
2019	August	***	***	***	***	100.0
2019	September	***	***	***	***	100.0
2019	October	***	***	***	***	100.0
2019	November	***	***	***	***	100.0
2019	December	***	***	***	***	100.0

Table continued

**Table IV-10--Continued****Snow throwers: U.S. producers' production and U.S. Importers' imports, by month and source**

Shares across

Year	Month	U.S. producers	China	Nonsubject sources	All import sources	U.S. producers and U.S. importers combined
2020	January	***	***	***	***	100.0
2020	February	***	***	***	***	100.0
2020	March	***	***	***	***	100.0
2020	April	***	***	***	***	100.0
2020	May	***	***	***	***	100.0
2020	June	***	***	***	***	100.0
2020	July	***	***	***	***	100.0
2020	August	***	***	***	***	100.0
2020	September	***	***	***	***	100.0
2020	October	***	***	***	***	100.0
2020	November	***	***	***	***	100.0
2020	December	***	***	***	***	100.0
2021	January	***	***	***	***	100.0
2021	February	***	***	***	***	100.0
2021	March	***	***	***	***	100.0
2021	April	***	***	***	***	100.0
2021	May	***	***	***	***	100.0
2021	June	***	***	***	***	100.0
2021	July	***	***	***	***	100.0
2021	August	***	***	***	***	100.0
2021	September	***	***	***	***	100.0

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

Note: \*\*\* provided an incomplete questionnaire that did not include U.S. imports, by month, data presented above.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Note: U.S. producers data reflect U.S. production, a portion of which are exported. Therefore totals do not reflect apparent consumption.

**Figure IV-5**  
**Snow throwers: U.S. producers' production and U.S. Importers' imports, by month and source**

\* \* \* \* \*

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

Note: \*\*\* provided an incomplete questionnaire that did not include U.S. importers' imports, by month, data presented above.

## Part V: Pricing data

### Factors affecting prices

#### Raw material costs

Raw materials costs are a large share of the total costs of producing snow throwers. Raw materials costs as a share of U.S. producers' cost of goods sold decreased from \*\*\* percent in 2018 to \*\*\* percent in 2020. In January-September 2021, raw materials as a share of costs of goods sold were \*\*\* percent, up from \*\*\* percent in January-September 2020.

Snow throwers are made up of hundreds of parts and components, including the engine, impeller, auger, snow intake deck, chute, handle, and tires.<sup>1</sup> Snow thrower bodies and augers are made from metal, typically cast aluminum or steel.<sup>2</sup> Petitioner stated that horizontal shaft engines are not available from the U.S. market, so MTD must import these components (from China).<sup>3 4</sup>

The costs of aluminum sheet and strip, as well as for iron and steel, increased overall between January 2018 and December 2021, as reflected in the rising producer price indexes for each (table V-1 and figure V-1). The Producer Price Index (PPI) for aluminum rose 23.2 percent while the PPI for iron and steel rose 98.4 percent. Before 2021, both PPIs fluctuated in a narrower range before reaching period highs in late 2021.

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<sup>1</sup> Petitions, p. 12.

<sup>2</sup> Petitions, p. 21.

<sup>3</sup> Conference transcript, p. 72 (Schaefer); Petitioner's postconference brief, pp. 23-24; and Petitioners' prehearing brief, p. 32.

<sup>4</sup> At the hearing, U.S. producer MTD described not experiencing supply chain disruptions in 2018 and 2019. It added that it did experience such problems in 2020 due to COVID-19. Hearing transcript, pp. 44-46 (McConaughy).

**Table V-1**  
**Raw materials: Producer price indexes (PPI) for aluminum sheet and strip and iron and steel,**  
**January 2018-December 2021, by month**

PPIs are indexed to January 2018 = 100.0

Year	Month	Aluminum sheet and strip PPI	Iron and steel PPI
2018	January	100.0	100.0
2018	February	102.0	102.1
2018	March	105.3	104.5
2018	April	107.3	107.6
2018	May	112.3	109.8
2018	June	114.1	111.4
2018	July	109.2	112.3
2018	August	108.2	112.5
2018	September	107.9	112.5
2018	October	107.9	112.2
2018	November	105.6	113.4
2018	December	105.4	113.0
2019	January	105.2	110.5
2019	February	105.2	108.3
2019	March	105.7	109.7
2019	April	106.4	107.5
2019	May	105.2	105.6
2019	June	103.4	102.3
2019	July	103.7	99.7
2019	August	100.7	100.1
2019	September	100.2	97.6
2019	October	99.0	94.9
2019	November	97.3	94.3
2019	December	97.6	95.3
2020	January	98.7	97.5
2020	February	93.7	96.1
2020	March	93.1	96.8
2020	April	86.4	94.1
2020	May	82.7	93.5
2020	June	81.8	93.5
2020	July	82.6	92.3
2020	August	85.0	92.1
2020	September	89.2	94.3
2020	October	88.7	95.3
2020	November	89.4	97.0
2020	December	93.9	106.0

Table continued on next page.

**Table V-1--Continued**

**Raw materials: Producer price indexes (PPI) for aluminum sheet and strip and iron and steel, January 2018-December 2021, by month**

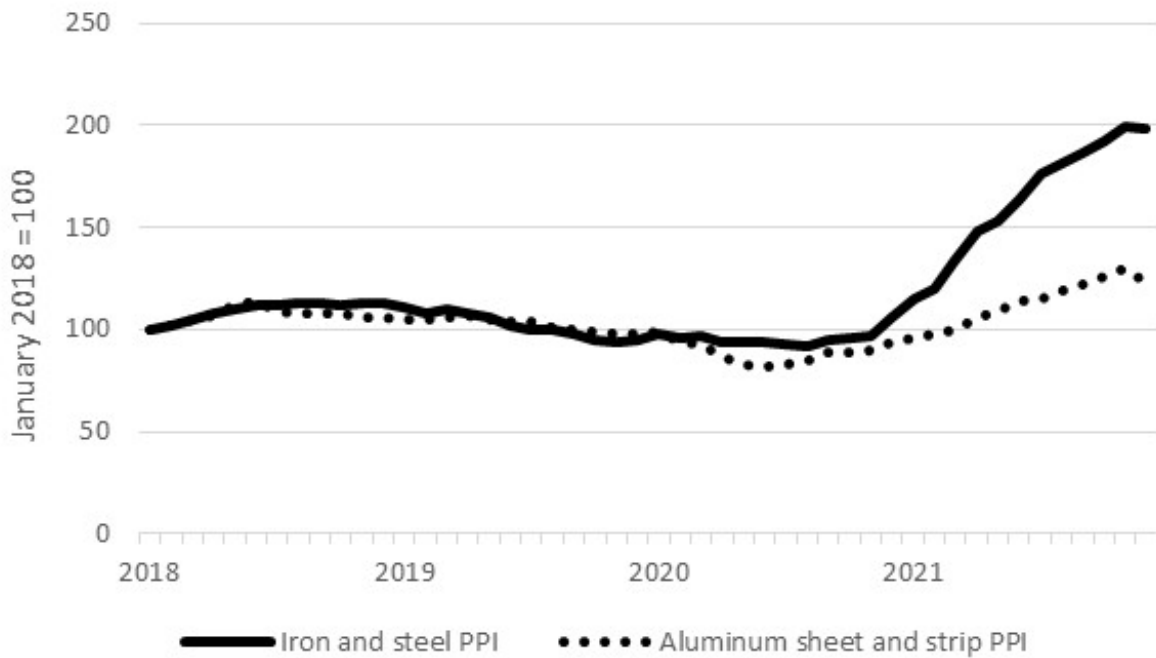
PPIs are indexed to January 2018 = 100.0

Year	Month	Aluminum sheet and strip PPI	Iron and steel PPI
2021	January	96.0	115.3
2021	February	97.8	119.7
2021	March	99.5	134.3
2021	April	106.1	147.7
2021	May	109.4	152.8
2021	June	114.4	163.1
2021	July	114.9	175.9
2021	August	119.2	181.6
2021	September	121.9	186.4
2021	October	126.3	191.9
2021	November	130.1	198.9
2021	December	123.2	198.4

Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org>, accessed February 4, 2022, and staff calculations.

**Figure V-1**

**Raw materials: Producer price indexes (PPI) for aluminum sheet and strip and iron and steel, January 2018-December 2021, by month**



Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org>, accessed February 4, 2022, and staff calculations.

U.S. producers and importers generally described raw material costs as having risen since January 1, 2018. Three U.S. producers and four importers (\*\*\*) stated that the costs of raw materials used in producing snow throwers had increased since January 1, 2018, while two U.S. producers and three importers stated that such costs had fluctuated. U.S. producer \*\*\* stated that costs had increased 5-200 percent, as had freight costs, leading to increased prices of snow throwers. U.S. producer \*\*\* stated that raw material costs had increased in 2018, leading to its prices of snow throwers increasing. It attributed the increased costs to the section 232 tariffs on steel, the section 301 tariffs on components, and an increase in the value of the Chinese yuan in 2018. Importer \*\*\* stated that cost increases have meant that new snow thrower products have been cancelled. Importer \*\*\* stated that component costs increased over the period increasing prices of snow throwers, particularly in 2021.

Among purchasers, six (including \*\*\*) stated that they are familiar with the prices for raw materials used in the production of snow throwers, while five (including \*\*\*) stated that they were not. The six purchasers that stated they were familiar with raw material prices also indicated that information on raw material prices affected their negotiations or contracts to purchase snow throwers since 2018. Four described raw material costs as having increased, with \*\*\* adding that the cost increases led to increases in the retail prices of snow throwers, and in turn to lower demand for snow throwers. \*\*\* stated that steel costs in particular have had an impact on snow thrower prices. \*\*\* described undergoing a \*\*\*.

U.S. producers and importers were also asked how the imposition of tariffs under section 232 on imported steel/aluminum products impacted the raw material costs for snow throwers. (The section 232 tariffs went into effect in March 2018.) Four U.S. producers and four importers (\*\*\*) indicated that the section 232 tariffs had increased raw material costs for snow throwers. One U.S. producer and two importers described the section 232 tariffs as having caused fluctuating raw material costs.

Additionally, U.S. producers and importers were asked how the imposition of tariffs under section 232 on imported steel/aluminum products impacted their firm's sales price for snow throwers. Three U.S. producers and four importers (\*\*\*) indicated that the section 232 tariffs had caused their prices of their snow throwers to rise. One U.S. producer and one importer stated that the



section 232 tariffs had caused their prices for snow throwers to fluctuate, and one importer stated that the section 232 tariffs had not affected their prices for snow throwers.

As noted in part II, the section 301 tariffs affect not only snow throwers themselves, but also their components. \*\*\*.<sup>5</sup> \*\*\*.<sup>6</sup> \*\*\*.<sup>7</sup>

## **Transportation costs to the U.S. market**

Transportation costs for snow throwers shipped from China to the United States averaged 9.2 percent during 2020. These estimates were derived from official import data and represent the transportation and other charges on imports.<sup>8</sup>

## **U.S. inland transportation costs**

Most responding U.S. producers (3 of 5) reported that they typically arrange transportation to their customers, while most importers (5 of 7 responding) reported that purchasers typically arrange transportation.<sup>9</sup> Most U.S. producers reported that their U.S. inland transportation costs ranged from 0.5 percent to 4.5 percent while responding importers reported costs of 3.0 percent to 13.2 percent.

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<sup>5</sup> Petitioner's posthearing brief, exh. 1, p. 16.

<sup>6</sup> Email from \*\*\*.

<sup>7</sup> Email from \*\*\*.

<sup>8</sup> The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2020 and then dividing by the customs value based on HTS statistical reporting number 8430.20.0060.

<sup>9</sup> Five importers reported that when they sell snow throwers imported from China, they ship it from a point of storage, while one reported it did so from its point of importation.

## Pricing practices

### Pricing methods

U.S. producers and importers reported setting prices mostly using contracts and price lists (table V-2). Importer \*\*\* indicated that it set prices based on the competitive landscape, \*\*\*. U.S. producer MTD described typically beginning its negotiations with retailers in early January, usually wrapping up by mid-April. Those negotiations establish what products will be purchased, what prices will be, and what volumes are forecast for the upcoming season.<sup>10</sup> It also described annual line reviews as a time when some retailers provide feedback on how suppliers' prices compare with competitors.<sup>11</sup>

**Table V-2**  
**Snow throwers: U.S. producers' and importers' reported price setting methods, by number of responding firms**

Method	U.S. producers	Importers
Transaction-by-transaction	0	1
Contract	3	3
Set price list	4	4
Other	0	1
Responding firms	5	7

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

Note: The sum of responses down may not add up to the total number of responding firms as each firm was instructed to check all applicable price setting methods employed.

U.S. producers and importers reported selling the majority of their snow throwers under annual contracts, although importers also reported some \*\*\*. U.S. producers sold a small share under \*\*\* (table V-3).

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<sup>10</sup> Hearing transcript, pp. 16 and 64 (Mattern). MTD also described U.S. supply as somewhat more flexible than Chinese supply because Chinese supply has more difficulty meeting last-minute supply shortfalls. Hearing transcript, pp. 64-67.

<sup>11</sup> Hearing transcript, pp. 56-57 (Mattern and Lobaza).

**Table V-3**  
**Snow throwers: U.S. producers' and importers' shares of U.S. commercial shipments by type of sale, 2020**

Share in percent

Type of sale	U.S. producers	Importers
Long-term contracts	***	***
Annual contracts	***	***
Short-term contracts	***	***
Spot sales	***	***
Total	100.0	100.0

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

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

For U.S. producers, annual contracts allowed price renegotiation (for three of four responding U.S. producers), fixed prices, and were not indexed to raw material costs. For the two importers describing short-term contracts, these contracts were 30-180 days, did not allow price renegotiation, fixed price or price and quantity, and were not indexed to raw material costs. The two importers describing annual contracts split on whether contracts allowed price renegotiation. One of the two described contracts as fixing price, and both stated that contracts were not indexed to raw material costs.

Five purchasers (including \*\*\*) stated that their purchases of snow throwers did not involve negotiations with their suppliers, but six (including \*\*\*) stated that they did. These six purchasers indicated that negotiations involve numerous factors including cost, terms, quality, volume, and marketing support. Four purchasers indicated that they did not share supplier quotes with other suppliers.

Six purchasers reported that they purchase product annually, two purchasers reported purchasing weekly, and two purchasers reported purchasing daily. \*\*\* reported annual purchases with additional purchases as needed. Similarly, \*\*\* reported forecasting annual purchases and then making actual purchases as needed.

Nine of 11 responding purchasers reported that their purchasing frequency had not changed since 2018. \*\*\* indicated that its purchases had been placed on allocation, and \*\*\* indicated that it ended its \*\*\* due to supply issues. Responding purchasers contact 1 to 10 suppliers before making a purchase, with a great variety within that range. \*\*\*.

## Sales terms and discounts

Three U.S. producers and five importers typically quote prices on an f.o.b. basis, while two U.S. producers typically quote on a delivered basis. Four U.S. producers and three importers indicated that they offered total or annual volume discounts. Three importers indicated that they had no discount policy.<sup>12</sup>

## Price leadership

Purchasers were asked to describe any price leaders in the U.S. snow throwers market. Six purchasers described price leaders, with four purchasers indicating MTD was a price leader, two indicating Husqvarna, two indicating Toro, and two indicating Ariens. (Purchasers usually listed more than one price leader.) \*\*\* listed \*\*\*, as price leaders. \*\*\* listed retailers \*\*\* as price leaders that follow one another with regard to price.

## Price and purchase cost data

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of the following snow throwers products shipped to unrelated U.S. customers during January 2018-September 2021. Firms that imported these products from China for retail sale were requested to provide import purchase cost data.

**Product 1.**-- Single-stage walk-behind snow thrower with between 18" and 22" clearing width, without small vertical shaft engines.

**Product 2.**-- Single-stage walk-behind snow thrower with between 23" and 26" clearing width, without small vertical shaft engines.

**Product 3.**-- Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines.

**Product 4.**-- Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines.

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<sup>12</sup> Regarding retail sales of snow throwers, importer \*\*\*.

## Price data

Five U.S. producers and three importers (\*\*\*) provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.<sup>13</sup> Additionally, two importers (\*\*\*) provided import purchase cost data (discussed in more detail in the next section).<sup>14</sup> Pricing data reported by these firms accounted for approximately 87.5 percent of U.S. producers' commercial shipments of snow throwers and 45.1 percent of U.S. imports from China in 2020. Import purchase cost data represented 13.0 percent of U.S. imports from China in 2020.

Price data and purchase cost data for products 1, 3, and 4 are presented in tables V-4 to V-7 and figures V-2 to V-5. No price data were received for product 2. Prices excluding data from \*\*\* are presented in appendix F.

For product 3, there is substantial pricing variation among suppliers.<sup>15</sup> \*\*\*.

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<sup>13</sup> Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates. \*\*\*.

<sup>14</sup> \*\*\*.

<sup>15</sup> Petitioner stated that snow thrower prices can vary based not only on features but also different backend support plans, rebates, promotional programs, field support, and freight terms, all of which can vary based on retailer. Petitioner's posthearing brief, exh. 1, p. 20.

**Table V-4**

**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 1, margins of underselling/(overselling), and price-cost differentials, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent.

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 1: Single-stage walk-behind snow thrower with between 18” and 22” clearing width, without small vertical shaft engines.

**Table V-5**

**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 3, margins of underselling/(overselling), and price-cost differentials, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent.

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 3: Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines.

**Table V-6**

**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 4, margins of underselling/(overselling), and price-cost differentials, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent.

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 4: Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines.



**Figure V-2**  
**Snow throwers: Weighted-average prices and quantities of domestic and imported product 1, by quarter**

**Price of product 1**

\* \* \* \* \*

**Volume of product 1**

\* \* \* \* \*

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

Note: Product 1: Single-stage walk-behind snow thrower with between 18" and 22" clearing width, without small vertical shaft engines.

**Figure V-3**

**Snow throwers: Weighted-average prices, import purchase costs, and quantities of domestic and imported product 3, by quarter**

**Price and import purchase cost of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines.

**Figure V-4**

**Snow throwers: Weighted-average prices, import purchase costs, and quantities of domestic and imported product 4, by quarter**

**Price and import purchase cost of product 4**

\* \* \* \* \*

**Volume of product 4**

\* \* \* \* \*

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

Note: Product 4: Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines.

## Import purchase cost data

As noted above, two importers (\*\*\*) reported useable import purchase cost data for products \*\*. Purchase cost data reported by these firms accounted for 13.0 percent of imports from China in 2020. Landed duty-paid purchase cost data for imports from China are presented in tables V-5 and V-6.<sup>16</sup>

Importers reporting import purchase cost data were asked to provide additional information regarding the costs and benefits of directly importing snow throwers.

Both importers with import purchase cost data reported that they incurred additional costs beyond landed duty-paid costs by importing snow throwers themselves rather than purchasing from a U.S. producer or U.S. importer. \*\*. Firms were also asked to identify specific additional costs they incurred as a result of importing snow throwers. Reported costs include \*\*.

Firms were also asked to describe how these additional costs incurred by importing snow throwers themselves compare with additional costs incurred when purchasing from a U.S. producer or U.S. importer. \*\*.”

Both importers with import purchase cost data reported that they compare costs of importing to \*\*.

\*\* described the benefits of importing snow throwers itself instead of purchasing from U.S. producers or importers as \*\*. \*\* identified such benefits as \*\*.

Firms were also asked whether the import cost (both excluding and including additional costs) of snow throwers they imported are lower than the price of purchasing snow throwers

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<sup>16</sup> LDP import value does not include any potential additional costs that a purchaser may incur by importing rather than purchasing from another importer or U.S. producer. Price-cost differences are based on LDP import values whereas margins of underselling/overselling are based on importer sales prices.

from a U.S. producer or importer. \*\*\*.

Importers estimated that they saved between \*\*\* percent of the purchase price by importing snow throwers rather than purchasing from a U.S. producer. Importer \*\*\* reported saving \*\*\* percent compared to purchasing the product from a U.S. importer.<sup>17</sup>

## **Price and purchase cost trends**

In general, U.S. prices increased during January 2018-December 2021, while Chinese prices showed mixed trends, depending on product. (There were not enough data to calculate trends for Chinese purchase cost data.) Table V-7 summarizes the price trends, by country and by product. As shown in the table, domestic price increases ranged from \*\*\* to \*\*\* percent during January 2018-December 2021 while import price decreases ranged from \*\*\* to \*\*\* percent. Import prices for product \*\*\* rose \*\*\* percent.

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<sup>17</sup> \*\*\* that they based \*\*\* estimates on previous company transactions, \*\*\* reported basing \*\*\* estimates on market research, and \*\*\*.

**Table V-7**  
**Snow throwers: Summary of price and import purchase cost data, by product and source**

Volume in units, price and cost in dollars per unit

Product	Source	Number of quarters	Volume of shipments	Low price/cost	High price/cost	First quarter price/cost	Last quarter price/cost	Percent change in price/cost over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	China price	***	***	***	***	***	***	***
Product 3	United States	***	***	***	***	***	***	***
Product 3	China price	***	***	***	***	***	***	***
Product 3	China cost	***	***	***	***	***	***	***
Product 4	United States	***	***	***	***	***	***	***
Product 4	China price	***	***	***	***	***	***	***
Product 4	China cost	***	***	***	***	***	***	***

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

Note: Percentage change from the first quarter in which data were available in 2018 to the last quarter in which data were available in 2021.

## Price and purchase cost comparisons

### Price and price-cost comparisons

U.S. prices were usually higher than Chinese prices and always higher than Chinese import purchase costs. As shown in table V-8, prices for product imported from China were below those for U.S.-produced product in 35 of 38 instances (155,283 units); margins of underselling averaged 27.7 percent and ranged from 1.8 to 56.6 percent. In the remaining 3 instances (9,299 units), prices for product from China averaged 7.3 percent (ranging between 0.7 and 16.9 percent) above prices for the domestic product.

As shown in table V-9, import purchase costs for product imported from China were below prices for U.S.-produced product in 7 instances (\*\*\*) units). In those 7 instances, the average price-cost differential was \*\*\* percent and ranged from \*\*\* to \*\*\* percent. Import purchase costs were never above prices for U.S.-produced products.

Additionally, in its posthearing brief, \*\*\*.<sup>18</sup>

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<sup>18</sup> Petitioner’s posthearing brief, exhibit 2.

**Table V-8**  
**Snow throwers: Instances of underselling and overselling and the range and average of margins, by product**

Quantity in units; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	***	***	***	***	***
Product 2	Underselling	***	***	***	***	***
Product 3	Underselling	***	***	***	***	***
Product 4	Underselling	***	***	***	***	***
Total	Underselling	35	155,283	27.7	1.8	56.6
Product 1	Overselling	***	***	***	***	***
Product 2	Overselling	***	***	***	***	***
Product 3	Overselling	***	***	***	***	***
Product 4	Overselling	***	***	***	***	***
Total	Overselling	3	9,299	(7.3)	(0.7)	(16.9)

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

**Table V-9**  
**Snow throwers: Instances of lower and higher import purchase costs and the range and average of price-cost differentials, by product**

Quantity in units; price-cost differential in percent

Product	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
Product 1	Lower than U.S. price	***	***	***	***	***
Product 2	Lower than U.S. price	***	***	***	***	***
Product 3	Lower than U.S. price	***	***	***	***	***
Product 4	Lower than U.S. price	***	***	***	***	***
Total	Lower than U.S. price	7	***	***	***	***
Product 1	Higher than U.S. price	***	***	***	***	***
Product 2	Higher than U.S. price	***	***	***	***	***
Product 3	Higher than U.S. price	***	***	***	***	***
Product 4	Higher than U.S. price	***	***	***	***	***
Total	Higher than U.S. price	---	---	---	---	---

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

## Lost sales and lost revenue

In the preliminary phase of the investigation, the Commission requested that U.S. producers of snow throwers report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of snow throwers from China during January 2018-December 2020. Two U.S. producers (\*\*\*) submitted lost sales and lost revenue allegations. The two responding U.S. producers identified five firms with which they lost sales or revenue (four consisting of lost sales allegations and one consisting of lost revenue allegations). The petitioner reported that the lost sales and lost revenues occurred in \*\*\*, \*\*\*,

At the hearing, U.S. producer MTD described being quoted lower Chinese prices when it lost placements at retailers Menards and Home Depot. It described losing all share of its previous sales at Menards in Fall 2019, when Menards chose to purchase Chinese product (produced by Z Monday) under the Briggs & Stratton brand. MTD noted that Menards did not purchase from MTD in 2020, but that MTD had won back “only some” of the Menards placements in 2021. Additionally, MTD described losing placements at Home Depot in Fall 2019 and Fall 2020 to Chinese product produced by Powercare and Trade Peak.<sup>19</sup>

In the final phase of the investigation, of the five responding U.S. producers, \*\*\* had to reduce prices and roll back announced price increases, and \*\*\* reported that \*\*\* had lost sales.<sup>20</sup>

Staff contacted 23 purchasers and received responses from 11 purchasers.<sup>21</sup> Responding purchasers reported purchasing \*\*\* units of snow throwers during January 2018-December 2020 (table V-10).

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<sup>19</sup> Hearing transcript, pp. 19-20 (Mattern). \*\*\*. Petitioner’s posthearing brief, exh. 1, p. 22. Additionally, \*\*\*. Petitioner’s posthearing brief, exh. 8.

<sup>20</sup> \*\*\*,

<sup>21</sup> Four purchasers submitted lost sales lost revenue survey responses in the preliminary phase. In this final phase, one of those (\*\*\*) did not submit a purchasers’ questionnaire response. \*\*\*.



Of the 11 responding purchasers and \*\*\*, \*\*\* reported that they had purchased imported snow throwers from China instead of U.S.-produced product since 2018 (table V-11). \*\*\* of these purchasers reported that subject import prices were lower than U.S.-produced product, and one (\*\*\*) of these purchasers reported that price was a primary reason for the decision to purchase \*\*\* Chinese snow throwers rather than U.S.-produced product. Purchasers identified availability, supplier diversification, and quality as non-price reasons for purchasing imported rather than U.S.-produced product.

Of the 11 responding purchasers and \*\*\*, eight (including \*\*\*) reported that U.S. producers had not reduced prices in order to compete with lower-priced imports from China; four (including \*\*\*) reported that they did not know whether U.S. producers had done so.

**Table V-10**  
**Snow throwers: Purchasers' reported purchases and imports, 2018-2020**

Quantity in units, change in shares in percentage points

Purchaser	Domestic quantity	Subject quantity	All other quantity	Sources unknown quantity	Change in domestic share	Change in subject country share
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
***	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

Note: Change is the percentage point change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years. \*\*\*.

Note: \*\*\*.

**Table V-11**  
**Snow throwers: Purchasers' responses to purchasing subject imports instead of domestic product**

Quantity in units

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	***	***	***	***	

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

Note: \*\*\*.

## Part VI: Financial experience of U.S. producers

### Background<sup>1</sup>

American Honda, Ariens, Briggs & Stratton, MTD, and Toro provided usable financial results on their snow throwers operations. Each reported financial data on a calendar year basis. Ariens, Briggs & Stratton, MTD, and Toro provided their financial data on the basis of GAAP while American Honda reported on the basis of IFRS.<sup>2 3</sup>

Figure VI-1 presents each responding firm's share of the total reported net sales quantity in 2020.

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<sup>1</sup> The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), international financial reporting standards ("IFRS"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

<sup>2</sup> A sixth firm, \*\*\*, produces snow throwers in the United States but did not provide usable financial results.

<sup>3</sup> Staff conducted a verification of \*\*\* U.S. producer questionnaire data, and changes from the verification are incorporated within the report.

**Figure VI-1**  
**Snow throwers: Share of net sales quantity in 2020, by firm**

\* \* \* \* \*

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

## **Operations on snow throwers**

Table VI-1 presents aggregated data on U.S. producers' operations in relation to snow throwers, while table VI-2 presents corresponding changes in AUVs. Table VI-3 presents selected company-specific financial data.

**Table VI-1**  
**Snow throwers: Results of operations of U.S. producers, by item and period**

Quantity in units; value in 1,000 dollars; ratios in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Quantity	488,949	494,784	379,276	171,521	249,419
Total net sales	Value	384,503	406,375	334,586	160,129	230,036
Raw material costs	Value	213,703	212,930	172,993	70,712	***
Direct labor costs	Value	23,311	28,085	26,031	11,697	***
Other factory costs	Value	44,939	50,808	48,333	25,011	***
COGS	Value	281,953	291,823	247,357	107,420	164,766
Gross profit or (loss)	Value	102,550	114,552	87,229	52,709	65,270
SG&A expenses	Value	51,175	65,500	48,399	24,319	30,191
Operating income or (loss)	Value	51,375	49,052	38,830	28,390	35,079
Other expense /(income) net	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw material costs	Ratio to NS	55.6	52.4	51.7	44.2	***
Direct labor costs	Ratio to NS	6.1	6.9	7.8	7.3	***
Other factory costs	Ratio to NS	11.7	12.5	14.4	15.6	***
COGS	Ratio to NS	73.3	71.8	73.9	67.1	71.6
Gross profit	Ratio to NS	26.7	28.2	26.1	32.9	28.4
SG&A expense	Ratio to NS	13.3	16.1	14.5	15.2	13.1
Operating income or (loss)	Ratio to NS	13.4	12.1	11.6	17.7	15.2
Net income or (loss)	Ratio to NS	***	***	***	***	***

Table continued on next page.

**Table VI-1 Continued**  
**Snow throwers: Results of operations of U.S. producers, by item and period**

Shares in percent; unit values in dollars per unit; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Raw material costs	Share	75.8	73.0	69.9	65.8	***
Direct labor costs	Share	8.3	9.6	10.5	10.9	***
Other factory costs	Share	15.9	17.4	19.5	23.3	***
COGS	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	786	821	882	934	922
Raw material costs	Unit value	437	430	456	412	***
Direct labor costs	Unit value	48	57	69	68	***
Other factory costs	Unit value	92	103	127	146	***
Cost of goods sold	Unit value	577	590	652	626	661
Gross profit or (loss)	Unit value	210	232	230	307	262
SG&A expenses	Unit value	105	132	128	142	121
Operating income or (loss)	Unit value	105	99	102	166	141
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	1	---	---	1	---
Net losses	Count	1	---	---	1	---
Data	Count	5	5	5	5	5

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

Note: Shares represent the share of COGS.

**Table VI-2**  
**Snow throwers: Changes in AUVs between comparison periods**

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▲ 12.2	▲ 4.4	▲ 7.4	▼ (1.2)
Raw material costs	▲ 4.4	▼ (1.5)	▲ 6.0	▲ ***
Direct labor costs	▲ 44.0	▲ 19.1	▲ 20.9	▲ ***
Other factory costs	▲ 38.7	▲ 11.7	▲ 24.1	▼ ***
COGS	▲ 13.1	▲ 2.3	▲ 10.6	▲ 5.5

Table continued.

**Table VI-2 Continued**  
**Snow throwers: Changes in AUVs between comparison periods**

Changes in dollars per unit

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▲ 96	▲ 35	▲ 61	▼ (11)
Raw material costs	▲ 19	▼ (7)	▲ 26	▲ ***
Direct labor costs	▲ 21	▲ 9	▲ 12	▲ ***
Other factory costs	▲ 36	▲ 11	▲ 25	▼ ***
COGS	▲ 76	▲ 13	▲ 62	▲ 34
Gross profit or (loss)	▲ 20	▲ 22	▼ (2)	▼ (46)
SG&A expense	▲ 23	▲ 28	▼ (5)	▼ (21)
Operating income or (loss)	▼ (3)	▼ (6)	▲ 3	▼ (25)
Net income or (loss)	▼ ***	▼ ***	▲ ***	▼ ***

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

**Table VI-3**  
**Snow throwers: Firm-by-firm total net sales quantity, by period**

**Net sales quantity**

Quantity in units

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	488,949	494,784	379,276	171,521	249,419

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm total net sales value, by period**

**Net sales value**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	384,503	406,375	334,586	160,129	230,036

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm COGS, by period**

**COGS**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	281,953	291,823	247,357	107,420	164,766

Table continued on next page.



**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm gross profit or (loss), by period**

**Gross profit or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	102,550	114,552	87,229	52,709	65,270

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm SG&A expenses, by period**

**SG&A expenses**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	51,175	65,500	48,399	24,319	30,191

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm operating income or (loss), by period**

**Operating income or (loss)**

Value in 1,000 dollars

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	51,375	49,052	38,830	28,390	35,079

Table continued next page.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm net income or (loss), by period**  
**Net income or (loss)**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	***	***	***	***	***

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm ratio of COGS to net sales value, by period**  
**COGS to net sales ratio**

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	73.3	71.8	73.9	67.1	71.6

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period**  
**Gross profit or (loss) to net sales ratio**

Ratios in percent

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	26.7	28.2	26.1	32.9	28.4

Table continued on next page.

**Table VI-3 Continued****Snow throwers: Firm-by-firm ratio of SG&A expenses to net sales value, by period****SG&A expenses to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	13.3	16.1	14.5	15.2	13.1

Table continued.

**Table VI-3 Continued****Snow throwers: Firm-by-firm ratio of operating income or (loss) to net sales value, by period****Operating income or (loss) to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	13.4	12.1	11.6	17.7	15.2

Table continued.

**Table VI-3 Continued****Snow throwers: Firm-by-firm ratio of net income or (loss) to net sales value, by period****Net income or (loss) to net sales ratio**

Ratios in percent

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	***	***	***	***	***

Table continued on next page.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit net sales value, by period**

**Unit net sales value**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	786	821	882	934	922

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit raw material cost, by period**

**Unit raw material costs**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	437	430	456	412	***

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit direct labor cost, by period**

**Unit direct labor costs**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	48	57	69	68	***

Table continued on next page.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit other factory costs, by period**

**Unit other factory costs**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	92	103	127	146	***

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit COGS, by period**

**Unit COGS**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	577	590	652	626	661

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit gross profit or (loss), by period**

**Unit gross profit or (loss)**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	210	232	230	307	262

Table continued on next page.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit SG&A expenses, by period**

**Unit SG&A expenses**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	105	132	128	142	121

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit operating income or (loss), by period**

**Unit operating income or (loss)**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	105	99	102	166	141

Table continued.

**Table VI-3 Continued**  
**Snow throwers: Firm-by-firm unit net income or (loss), by period**

**Unit net income or (loss)**

Unit values in dollars per unit

<b>Firm</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	***	***	***	***	***

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

## Net sales

Total revenue primarily reflects commercial sales, but also includes a small amount of transfers to related firms. In 2020, transfers to related firms accounted for \*\*\* percent of total revenue.<sup>4</sup> Transfers to related firms are included in the financial data, but not shown separately in this section of the report.

As shown in table VI-1, total net sales quantity increased by 1.2 percent from 2018 to 2019 but decreased by 23.3 percent from 2019 to 2020 with an overall decline of 22.4 percent from 2018 to 2020. Total net sales quantity was 45.4 percent higher in interim 2021 compared with interim 2020. Total sales value also increased by 5.7 percent from 2018 to 2019 and declined by 17.7 percent from 2019 to 2020 with an overall 13.0 percent decline between 2018 and 2020. Total net sales value was 43.7 percent higher in interim 2021 compared with interim 2020.<sup>5</sup> As shown in table VI-3, \*\*\* was the \*\*\* U.S. producer to report an overall increase in sales quantity and value during 2018-20. \*\*\* reported a decrease in sales quantity and value, between 2018 and 2020, with most of the decrease occurring in 2020. \*\*\* U.S. producers reported higher sales quantities in interim 2021 compared with interim 2020, while \*\*\* reported higher sales values in interim 2021 compared with interim

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<sup>4</sup> \*\*\*. \*\*\*, Email from \*\*\*, April 26, 2021, U.S. producers' questionnaire, responses, II-7 and II-13.

<sup>5</sup> Based on the limited data provided by \*\*\*, if the firm were included in the data, total U.S. producers' sales would be \*\*\* units in 2018, \*\*\* units in 2019, \*\*\* units in 2020, \*\*\* and \*\*\* units in interim 2020 and interim 2021, respectively. Total sales values would be \$\*\*\* in 2018, \$\*\*\* in 2019, \$\*\*\* in 2020, and \$\*\*\* and \$\*\*\* in interim 2020 and interim 2021, respectively.

2020.<sup>6 7 8 9</sup> On an average per unit basis, net sales value increased from \$786 in 2018 to \$821 and \$882 in 2019 and 2020, respectively, and was lower in interim 2021 at \$922 compared with interim 2020 at \$934. However, unit sales values also varied widely between U.S. producers due the differences in product mix.<sup>10</sup> Unit values of \*\*\* overall increased between 2018 and 2020 while those of \*\*\* decreased during the same

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<sup>6</sup> \*\*\*. Email from \*\*\*, February 9, 2022.

<sup>7</sup> \*\*\*. Email from \*\*\*, February 8, 2022.

<sup>8</sup> \*\*\*. Email from \*\*\* April 26, 2021.

<sup>9</sup> \*\*\*. \*\*\*'s U.S. producers' questionnaire response, section II-12.

<sup>10</sup> Differences in product mix were attributable to firms' reporting of one-, two- or three-stage snow throwers, with or without self-propulsion, and with the capacity for a relatively narrow or wide collection of snow. U.S. producers' questionnaire response, section II-11.



period. \*\*\* reported higher unit sales values in interim 2021 compared with interim 2020.<sup>11 12</sup>  
13

## Cost of goods sold and gross profit or loss

Raw material costs, direct labor and other factory costs accounted for 69.9, 10.5 and 19.5 percent of COGS, respectively, in 2020.

Raw material costs, the largest component of COGS, decreased by 19.0 percent from 2018 to 2020, and were \*\*\* percent higher in interim 2021 compared with interim 2020. On an average per unit basis, raw material costs fluctuated during 2018-20, but showed an overall increase from \$437 in 2018 to \$456 in 2020, and were higher in interim 2021 at \$\*\*\* compared with interim 2020 at \$412. As shown in table VI-3, data reported by \*\*\* U.S. producers showed an overall increase in unit values from 2018 to 2020, while data of \*\*\*. \*\*\* reported higher unit values in interim 2021 compared with interim 2020, while \*\*\* unit values were lower.<sup>14 15</sup> As a ratio to net sales, raw material costs decreased

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<sup>11</sup> \*\*\*. Email from \*\*\*, April 28, 2021.

<sup>12</sup> \*\*\*. Email from \*\*\*, May 4, 2021.

<sup>13</sup> \*\*\*. \*\*\*.

<sup>14</sup> The average unit value of raw material costs varied between U.S. producers due to the difference in product mix and in methods of procurement of raw materials. \*\*\*. U.S. producers' questionnaire response, sections III-9d and III-9f.

<sup>15</sup> \*\*\*. U.S. producers' questionnaire response, sections III-9g, III-9h, and email from \*\*\*, February 8, 2022.

from 55.6 percent in 2018 to 51.7 percent in 2020, but were higher in interim 2021 at \*\*\* percent compared with interim 2020 at 44.2 percent.

Table VI-4 presents raw materials, by type.

**Table VI-4  
Snow throwers: Raw material costs breakout for engines, aluminum, steel, and other inputs by period**

Value in 1,000 dollars; unit values in dollars per unit of sales; share of value in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Engines	Value	***	***	***	***	***
Aluminum	Value	***	***	***	***	***
Steel	Value	***	***	***	***	***
Other material inputs	Value	***	***	***	***	***
Total, raw materials	Value	213,703	212,930	172,992	70,712	***
Engines	Share of value	***	***	***	***	***
Aluminum	Share of value	***	***	***	***	***
Steel	Share of value	***	***	***	***	***
Other material inputs	Share of value	***	***	***	***	***
Total, raw materials	Share of value	100.0	100.0	100.0	100.0	100.0
Engines	Unit value	***	***	***	***	***
Aluminum	Unit value	***	***	***	***	***
Steel	Unit value	***	***	***	***	***
Other material inputs	Unit value	***	***	***	***	***
Total, raw materials	Unit value	437	430	456	412	***

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

Note: Unit values represent the contribution of raw materials to a single finished snow thrower. Other material inputs include: transmission, labels, packaging, harnesses, impeller shafts and gears.

Direct labor costs, which represented the smallest share of COGS, increased by 20.5 percent from 2018 to 2019 before decreasing by 7.3 percent between 2019 and 2020, and overall increased by 11.7 percent from 2018 to 2020. Direct labor costs were \*\*\* percent higher in interim 2021 compared with interim 2020. On an average per unit basis, direct labor costs increased from \$48 in 2018 to \$69 in 2020, and were higher in interim 2021 at \$\*\*\* compared with interim 2020 at \$68.<sup>16</sup> As a ratio to net sales, direct labor costs increased during 2018-20 from 6.1 percent to 7.8 percent, and were slightly higher in interim 2021 compared with interim 2020.

Other factory costs, which represented the second largest share of COGS, increased by 13.1 percent from 2018 to 2019 before decreasing by 4.9 percent from 2019 to 2020, and overall increased by 7.6 percent from 2018 to 2020. Other factory costs were \*\*\* percent higher in interim 2021 compared with interim 2020.<sup>17 18 19</sup> On an average per unit basis, other factory costs increased from \$92 in 2018 to \$127 in 2020, and were lower in interim 2021 at \$\*\*\* compared with interim 2020 at \$146. As shown in table VI-3, \*\*\* reported an overall increase in their unit other factory costs from 2018 to 2020, and \*\*\* reported lower unit values in interim 2021 compared with interim 2020. As a ratio to net sales, other factory costs increased from 11.7 percent in 2018 to 14.4 percent in 2020, and were lower in interim 2021 at \*\*\* percent compared with interim 2020 at 15.6 percent.

Total COGS increased by 3.5 percent between 2018 and 2019 before declining by 15.2 percent between 2019 and 2020, and overall declined by 12.3 percent from 2018 to 2020. Total COGS was 53.4 percent higher in interim 2021 compared with interim 2020. On an average per unit basis, COGS increased from \$577 to \$652 during 2018-20, and was higher in interim 2021 at \$661 compared with interim 2020 at \$626. As a ratio to net sales, COGS fluctuated within a range of 71.8 and 73.9 percent between 2018 and 2020, and was higher in interim 2021 at 71.6 percent compared with interim 2020 at 67.1 percent.

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<sup>16</sup> \*\*\*. \*\*\*'s U.S. producer questionnaire response, section II-2b.

<sup>17</sup> \*\*\*'s other factory costs increased by \*\*\* percent from 2018 to 2019, which the firm attributed to the \*\*\*. Email from \*\*\*, April 26, 2021.

<sup>18</sup> \*\*\* reported a shift in \*\*\*. \*\*\*'s U.S. producers' questionnaire response, section II-12.

<sup>19</sup> \*\*\*. \*\*\* U.S. producer questionnaire response, sections III-10 and III-11.

As shown in table VI-1, gross profit increased by 11.7 percent from \$102.6 million in 2018 to \$114.6 million in 2019 before decreasing by 23.9 percent to \$87.2 million in 2020, and was higher in interim 2021 at \$65.3 million compared with interim 2020 at \$52.7 million. As a ratio to net sales, gross profit also increased from 26.7 percent to 28.2 percent between 2018 and 2019 before declining to 26.1 percent in 2020, and was lower in interim 2021 at 28.4 percent compared with interim 2020 at 32.9 percent. As shown in table VI-3, results varied on a firm-by-firm basis: \*\*\* U.S. producers reported an increase in their gross profits from 2018 to 2019, while \*\*\* but \*\*\* reported a decline in their gross profit from 2019 to 2020. \*\*\* reported higher gross profits in interim 2021 compared with interim 2020.

### **SG&A expenses and operating income or loss**

U.S. producers' SG&A expenses increased by 28.0 percent from 2018 to 2019 before decreasing by 26.1 percent from 2019 to 2020, and overall declined by 5.4 percent during 2018-20. SG&A expenses were 24.1 percent higher in interim 2021 compared with interim 2020. \*\*\* U.S. producers reported an increase in their SG&A expenses from 2018 to 2019. In 2020, however, \*\*\* was the only U.S. producer to report an increase in its SG&A expenses. The corresponding SG&A expense ratio (total SG&A expenses divided by total sales value) overall increased from 13.3 percent in 2018 to 14.5 percent in 2020; it was lower in interim 2021 at 13.1 percent compared to interim 2020 at 15.2 percent.

U.S. producers' operating income decreased from \$51.4 million in 2018 to \$49.1 million in 2019 and \$38.8 million in 2020. Operating income was higher in interim 2021 at \$35.1 million compared with interim 2020 at \$28.4 million. As a ratio to net sales, operating income declined from 13.4 percent in 2018 to 11.6 percent in 2020, and was lower at 15.2 percent in interim 2021 than in interim 2020 when it was 17.7 percent. As shown in table VI-3, \*\*\* reported decreased operating income between 2018 and 2020. \*\*\* were the only U.S. producers to report lower operating income in interim 2021 compared with interim 2020.

## All other expenses and net income or loss

Classified below the operating income level are interest expenses, other expenses, and other income. In table VI-1, these items are aggregated with only the net amount shown. The majority of the amount shown was interest expense. \*\*\* and \*\*\* accounted for the totality of other expenses reported and \*\*\* was the \*\*\* U.S. producer to report other income.<sup>20</sup> The total amount shown declined overall between 2018 and 2020, while net other expense was reported in interim 2020 net other income was reported in interim 2021, which offset interest expense and increased net income.

Net income decreased from \$\*\*\* in 2018 to \$\*\*\* in 2019 and \$\*\*\* in 2020, and was higher in interim 2021 at \$\*\*\* compared with interim 2020 at \$\*\*\*. As a ratio to net sales, net income decreased from \*\*\* percent in 2018 to \*\*\* percent in 2020, and was lower in interim 2021 at \*\*\* percent compared with interim 2020 at \*\*\* percent. As shown in table VI-3, \*\*\* reported a substantial decrease in net income in 2020 (after reporting an \*\*\*). \*\*\* reported a decline in net income from 2019 to 2020. \*\*\* was the \*\*\* U.S. producer to report lower net income in interim 2021 compared with interim 2020.<sup>21</sup>

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<sup>20</sup> Other expenses and income reported by \*\*\* are attributable to \*\*\*. Email from \*\*\*, May 4, 2021. Other expenses reported by \*\*\* are attributable to \*\*\*. Email from \*\*\*, April 26, 2021.

<sup>21</sup> A variance analysis is not shown due to differences in product mix and cost structures among the reporting firms as well as changes in cost structures during the period investigated.

## Capital expenditures and research and development expenses

Table VI-5 presents capital expenditures, by firm, and table VI-7 presents R&D expenses, by firm. Tables VI-6 and VI-8 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively. Total capital expenditures decreased by 48.2 percent from 2018 to 2020, and were \*\*\* percent lower in interim 2021 compared with interim 2020. R&D expenses declined by \*\*\* percent from 2018 to 2020, but were \*\*\* percent higher in interim 2021 compared with interim 2020.<sup>22</sup>

**Table VI-5**  
**Snow throwers: U.S. producers' capital expenditures, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	13,577	11,972	7,035	4,870	***

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

**Table VI-6**  
**Snow throwers: Narrative descriptions of U.S. producers' capital expenditures, by firm**

Firm	Narrative on capital expenditures
American Honda	***
Ariens	***
Briggs & Stratton	***
MTD	***
Toro	***

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

<sup>22</sup> \*\*\*. Email from \*\*\*, April 26, 2021.

**Table VI-7**  
**Snow throwers: U.S. producers' R&D expenses, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
American Honda	***	***	***	***	***
Ariens	***	***	***	***	***
Briggs & Stratton	***	***	***	***	***
MTD	***	***	***	***	***
Toro	***	***	***	***	***
All firms	4,843	***	***	***	***

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

**Table VI-8**  
**Snow throwers: Narrative descriptions of U.S. producers' R&D expenses, by firm**

Firm	Narrative on R&D expenses
American Honda	***
Ariens	***
Briggs & Stratton	***
MTD	***
Toro	***

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

## Assets and return on assets

Table VI-9 presents data on the U.S. producers' total assets while table VI-10 presents their operating ROA.<sup>23</sup> Table VI-11 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. The U.S. producers' total net assets increased overall from 2018 to 2020.<sup>24</sup> The calculated ROA increased from 32.0 percent in 2018 to 34.0 percent in 2019 and declined to 23.4 percent in 2020.

**Table VI-9**  
**Snow throwers: U.S. producers' total net assets, by firm and period**

Value in 1,000 dollars

Firm	2018	2019	2020
American Honda	***	***	***
Ariens	***	***	***
Briggs & Stratton	***	***	***
MTD	***	***	***
Toro	***	***	***
All firms	160,789	144,314	165,750

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

**Table VI-10**  
**Snow throwers: U.S. producers' ROA, by firm and period**

Ratio in percent

Firm	2018	2019	2020
American Honda	***	***	***
Ariens	***	***	***
Briggs & Stratton	***	***	***
MTD	***	***	***
Toro	***	***	***
All firms	32.0	34.0	23.4

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

<sup>23</sup> The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value for snow throwers.

<sup>24</sup> \*\*\*: \*\*\*'s U.S. producers' questionnaire response, section III-12b.



**Table VI-11**

**Snow throwers: Narrative descriptions of U.S. producers' total net assets, by firm**

<b>Firm</b>	<b>Narrative on assets</b>
American Honda	***
Ariens	***
Briggs & Stratton	***
MTD	***
Toro	***

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

## Capital and investment

The Commission requested U.S. producers of snow throwers to describe any actual or potential negative effects of imports of snow throwers from China on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-12 presents the number of firms reporting an impact in each category and table VI-13 provides the U.S. producers' narrative responses.

**Table VI-12**  
**Snow throwers: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2018, by effect**

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	1
Denial or rejection of investment proposal	Investment	0
Reduction in the size of capital investments	Investment	1
Return on specific investments negatively impacted	Investment	1
Other investment effects	Investment	2
Any negative effects on investment	Investment	2
Rejection of bank loans	Growth	0
Lowering of credit rating	Growth	0
Problem related to the issue of stocks or bonds	Growth	0
Ability to service debt	Growth	0
Other growth and development effects	Growth	1
Any negative effects on growth and development	Growth	1
Anticipated negative effects of imports	Future	3

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

Note: \*\*\*.

**Table VI-13****Snow throwers: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2018**

<b>Item</b>	<b>Firm name and narrative on impact of imports</b>
Cancellation, postponement, or rejection of expansion projects	***
Reduction in the size of capital investments	***
Return on specific investments negatively impacted	***
Other negative effects on investments	***
Other negative effects on investments	***
Other effects on growth and development	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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



## Part VII: Threat considerations and information on nonsubject countries

Section 771(7)(F)(i) of the Act (19 U.S.C. § 1677(7)(F)(i)) provides that—

*In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors<sup>1</sup>--*

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
- (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
- (III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
- (IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
- (V) inventories of the subject merchandise,*

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<sup>1</sup> Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that “The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition.”

- (VI) *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,*
- (VII) *in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),*
- (VIII) *the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and*
- (IX) *any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).<sup>2</sup>*

Information on the nature of the subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in *Parts IV and V*; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in *Part VI*. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

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<sup>2</sup> Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

## The industry in China

According to the Global Trade Atlas (“GTA”) HS subheading 8430.20 (a broad category that in addition to snow throwers includes snowplows and out-of-scope snowblowers), China leads the world in such exports of snowplows and snowblowers, accounting for 64.0 percent of exports in 2020 – up from 46.4 percent in 2018.<sup>3</sup>

The Commission issued foreign producers’ or exporters’ questionnaires to 31 firms believed to produce and/or export snow throwers from China.<sup>4</sup> No usable responses to the Commission’s questionnaire were received from any of the firms that the Commission solicited responses from. The Commission received responses from seven firms,<sup>5</sup> \*\*\*, certifying that they had not produced or exported snow throwers to the U.S. since January 2018.

## Exports

According to GTA, the leading export markets for snowplows and snow blowers from China are the United States, Canada, and Russia (table VII-1). During 2020, the United States was the top export market for snowplows and snowblowers from China, accounting for 61.5 percent, followed by Canada, accounting for 20.5 percent, and Russia, accounting for 10.2 percent.

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<sup>3</sup> Official export statistics under HS subheading 8430.20 as reported in the Global Trade Atlas database, accessed December 21, 2021. HS subheading 8430.20 includes snowplows, in-scope snow throwers, and out-of-scope snow throwers, such as electric-powered snow throwers.

<sup>4</sup> These firms were identified through a review of information submitted in the petitions and presented in third-party sources, as well as preliminary phase questionnaire responses.

<sup>5</sup> \*\*\* certified that they had not produced or exported snow throwers to the U.S. since January 2018 in the preliminary phase of these investigation but did not provide a response in this final phase.

**Table VII-1**  
**Snowplows and snowblowers: Exports from China, by destination market and by period**

Quantity in units; Value in 1,000 dollars

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Quantity	331,454	708,779	594,720
Canada	Quantity	86,494	112,561	197,780
Russia	Quantity	110,938	125,721	98,205
Sweden	Quantity	25,960	42,873	17,308
Germany	Quantity	10,527	14,780	8,837
Denmark	Quantity	4,604	5,151	7,070
Italy	Quantity	4,172	4,551	6,116
Ukraine	Quantity	3,586	7,153	5,138
Czech Republic	Quantity	4,508	4,175	3,734
All other destination markets	Quantity	39,006	37,948	27,949
All destination markets	Quantity	621,249	1,063,692	966,857
United States	Value	47,731	87,400	105,017
Canada	Value	20,713	22,726	32,684
Russia	Value	22,849	24,347	19,887
Sweden	Value	6,113	9,228	4,198
Germany	Value	2,902	3,103	2,152
Denmark	Value	1,205	1,304	1,656
Italy	Value	1,816	1,900	2,593
Ukraine	Value	737	1,180	843
Czech Republic	Value	1,201	1,238	1,460
All other destination markets	Value	11,249	8,515	6,990
All destination markets	Value	116,516	160,942	177,481

Table continued.



**Table VII-1--Continued**  
**Snowplows and snowblowers: Exports from China, by destination market and by period**

Unit values in dollars per unit; Shares in percent

<b>Destination market</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Unit value	144	123	177
Canada	Unit value	239	202	165
Russia	Unit value	206	194	203
Sweden	Unit value	235	215	243
Germany	Unit value	276	210	244
Denmark	Unit value	262	253	234
Italy	Unit value	435	418	424
Ukraine	Unit value	205	165	164
Czech Republic	Unit value	266	297	391
All other destination markets	Unit value	288	224	250
All destination markets	Unit value	188	151	184
United States	Share of quantity	53.4	66.6	61.5
Canada	Share of quantity	13.9	10.6	20.5
Russia	Share of quantity	17.9	11.8	10.2
Sweden	Share of quantity	4.2	4.0	1.8
Germany	Share of quantity	1.7	1.4	0.9
Denmark	Share of quantity	0.7	0.5	0.7
Italy	Share of quantity	0.7	0.4	0.6
Ukraine	Share of quantity	0.6	0.7	0.5
Czech Republic	Share of quantity	0.7	0.4	0.4
All other destination markets	Share of quantity	6.3	3.6	2.9
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 8430.20.0060 as reported by China Customs in the Global Trade Atlas database, accessed December 21, 2021.

Note: United States is shown at the top. All remaining top export destinations are shown in descending order of 2020 data.

## U.S. inventories of imported merchandise

Table VII-2 presents data on U.S. importers' reported inventories of snow throwers. Inventories of snow throwers imports from China increased by \*\*\* percent from 2018 to 2020,<sup>6</sup> but were \*\*\* percent lower in interim 2021 compared to interim 2020. Inventories of snow throwers imports from nonsubject sources decreased by \*\*\* percent and were \*\*\* percent lower in interim 2021 compared to interim 2020. The ratio of importers' inventories to U.S. shipments of imports of snow throwers from China decreased from \*\*\* percent in 2018 to \*\*\* percent in 2019, before increasing to \*\*\* percent in 2020, and were \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021.<sup>7</sup> The ratio of importers' inventories to U.S. shipments of imports of snow throwers from nonsubject sources decreased from \*\*\* percent in 2018 to \*\*\* percent in 2019, before increasing to \*\*\* percent in 2020, and were \*\*\* percent in interim 2020 and \*\*\* percent in interim 2021. These ratios are much higher during the interim periods because, as previously mentioned in part IV, the majority of snow blower sales occur in the winter months while production and imports take place in the summer and fall months.

**Table VII-2**  
**Snow throwers: U.S. importers' inventories and their ratio to select items, by source and period**

Quantity in units; Ratios in percent

Measure	Source	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Inventories quantity	China	***	***	***	***	***
Ratio to imports	China	***	***	***	***	***
Ratio to U.S. shipments of imports	China	***	***	***	***	***
Ratio to total shipments of imports	China	***	***	***	***	***
Inventories quantity	Nonsubject	***	***	***	***	***
Ratio to imports	Nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject	***	***	***	***	***
Inventories quantity	All	***	***	***	***	***
Ratio to imports	All	***	***	***	***	***
Ratio to U.S. shipments of imports	All	***	***	***	***	***
Ratio to total shipments of imports	All	***	***	***	***	***

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

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

<sup>6</sup> \*\*\* accounted for the vast majority of increased inventory of snow throwers from China in 2020.

<sup>7</sup> As mentioned earlier in Part III, total snowfall in the winter of 2018-2019 was \*\*\* and total snowfall in the winter of 2019-2020 was \*\*\*.

## U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of snow throwers from China after January 1, 2021. \*\*\*, indicated they had arranged subject imports. Their reported data is presented in table VII-3.

**Table VII-3**  
**Snow throwers: U.S. importers' arranged imports, by source and period**

Quantity in units

Source	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022	Jul-Sep 2022	Total
China	***	***	***	***	***
Nonsubject sources	***	***	***	***	***
All import sources	***	***	***	***	***

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

## Third-country trade actions

There are no known antidumping or countervailing duty order in third-country markets on snow throwers.<sup>8</sup>

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<sup>8</sup> Global Trade Alert, "Affected product," [https://www.globaltradealert.org/sector/444/period-from\\_20090101/period-to\\_20210419/product\\_8430](https://www.globaltradealert.org/sector/444/period-from_20090101/period-to_20210419/product_8430), retrieved February 23, 2022.

## Information on nonsubject countries

Tables VII-4 and VII-5 present data on exports from Mexico and global exports, by country, of snowplows and snowblowers (which include nonsubject snow throwers). Mexico is the leading source of exports of nonsubject snowplows and snow blowers, followed by Canada as the second leading source of such exports. Mexico accounted for 13.0 percent and Canada accounted for 1.3 percent of such global exports in 2020.<sup>9</sup> All of Mexico's exports from 2018 to 2020 were to the United States, \*\*\*, and 79.3 percent of Canada's exports were to the United States.<sup>10</sup>

**Table VII-4**  
**Snowplows and snowblowers: Exports from Mexico, by destination market and by period**

Quantity in units; Value in 1,000 dollars; Unit values in dollars per unit; Shares in percent

Destination market	Measure	2018	2019	2020
United States	Quantity	144,032	193,023	196,865
All other destination markets	Quantity	---	---	---
All destination markets	Quantity	144,032	193,023	196,865
United States	Value	41,564	51,993	62,975
All other destination markets	Value	---	---	---
All destination markets	Value	41,564	51,993	62,975
United States	Unit value	289	269	320
All other destination markets	Unit value	---	---	---
All destination markets	Unit value	289	269	320
United States	Share of quantity	100.0	100.0	100.0
All other destination markets	Share of quantity	---	---	---
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 8430.20.0060 as reported by INEGI \*\*\*, Secretary of Economy \*\*\* in the Global Trade Atlas database, accessed February 11, 2021.

<sup>9</sup> Official export statistics under HS subheading 8430.20 as reported by National Institute of Statistics and Geography in the Global Trade Atlas database, accessed March 2, 2021.

<sup>10</sup> Official export statistics under HS subheading 8430.20 as reported by Statistics Canada in the Global Trade Atlas database, accessed March 2, 2021; Official export statistics under HS subheading 8430.20 as reported by National Institute of Statistics and Geography in the Global Trade Atlas database, accessed March 2, 2021; Petitioner's post conference brief, exhibit 1, pp.4-5.

**Table VII-5**  
**Snowplows and snowblowers: Global exports, by reporting country and by period**

Quantity in units; Value in 1,000 dollars

<b>Exporter</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
United States	Quantity	213,242	186,993	210,067
China	Quantity	621,249	1,063,692	966,857
Mexico	Quantity	144,032	193,023	196,865
Canada	Quantity	20,123	33,705	19,617
Sri Lanka	Quantity	4	2	17,470
Sweden	Quantity	16,338	21,014	11,482
Japan	Quantity	4,210	6,540	10,208
Poland	Quantity	8,184	9,474	9,663
Germany	Quantity	14,303	12,392	8,846
Belgium	Quantity	7,189	12,558	8,729
All other exporters	Quantity	289,166	92,857	52,000
All reporting exporters	Quantity	1,338,040	1,632,250	1,511,804
United States	Value	165,774	149,507	176,871
China	Value	116,516	160,942	177,481
Mexico	Value	41,564	51,993	62,975
Canada	Value	61,060	61,645	56,353
Sri Lanka	Value	1	0	32
Sweden	Value	10,010	15,013	10,491
Japan	Value	11,297	14,422	26,349
Poland	Value	20,045	27,446	23,679
Germany	Value	30,080	27,938	23,438
Belgium	Value	11,580	21,023	20,157
All other exporters	Value	95,469	110,527	82,647
All reporting exporters	Value	563,397	640,456	660,473

Table continued.

**Table VII-5--Continued**  
**Snowplows and snowblowers: Global exports, by reporting country and by period**

Unit values in dollars per unit; shares in percent

Exporter	Measure	2018	2019	2020
United States	Unit value	777	800	842
China	Unit value	188	151	184
Mexico	Unit value	289	269	320
Canada	Unit value	3,034	1,829	2,873
Sri Lanka	Unit value	265	135	2
Sweden	Unit value	613	714	914
Japan	Unit value	2,683	2,205	2,581
Poland	Unit value	2,449	2,897	2,450
Germany	Unit value	2,103	2,255	2,650
Belgium	Unit value	1,611	1,674	2,309
All other exporters	Unit value	330	1,190	1,589
All reporting exporters	Unit value	421	392	437
United States	Share of quantity	15.9	11.5	13.9
China	Share of quantity	46.4	65.2	64.0
Mexico	Share of quantity	10.8	11.8	13.0
Canada	Share of quantity	1.5	2.1	1.3
Sri Lanka	Share of quantity	0.0	0.0	1.2
Sweden	Share of quantity	1.2	1.3	0.8
Japan	Share of quantity	0.3	0.4	0.7
Poland	Share of quantity	0.6	0.6	0.6
Germany	Share of quantity	1.1	0.8	0.6
Belgium	Share of quantity	0.5	0.8	0.6
All other exporters	Share of quantity	21.6	5.7	3.4
All reporting exporters	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 8430.20 reported by various national statistical authorities in the Global Trade Atlas database, accessed December 21, 2021.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2020 data.

Note: Several countries reported quantities in kilograms rather than units/pieces and are not included in this table, nor are the values. The UAE reported exports of 68,585 kg in 2018 and 11,086 in 2019. Exports from the UAE, Thailand, Namibia, Kuwait and Iceland totaled 68,666 kg in 2018, 11,179 kg in 2019, and 20,765 kg in 2020.

**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 17852, March 30, 2021	<i>Walk-Behind Snow Throwers From China; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-04-06/pdf/2021-07012.pdf">https://www.govinfo.gov/content/pkg/FR-2021-04-06/pdf/2021-07012.pdf</a>
86 FR 22026, April 19, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08629.pdf">https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08629.pdf</a>
86 FR 22022, April 19, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Initiation of Countervailing Duty Investigation</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08633.pdf">https://www.govinfo.gov/content/pkg/FR-2021-04-26/pdf/2021-08633.pdf</a>
86 FR 27107, May 14, 2021	<i>Walk-Behind Snow Throwers From China; Determinations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-05-19/pdf/2021-10570.pdf">https://www.govinfo.gov/content/pkg/FR-2021-05-19/pdf/2021-10570.pdf</a>
86 FR 30405, June 8, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Postponement of Preliminary Determination in the Countervailing Duty Investigation</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-06-08/pdf/2021-11952.pdf">https://www.govinfo.gov/content/pkg/FR-2021-06-08/pdf/2021-11952.pdf</a>
86 FR 46825, August 20, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Postponement of Preliminary Determination in the Less-Than-Fair-Value Investigation</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-08-20/pdf/2021-17866.pdf">https://www.govinfo.gov/content/pkg/FR-2021-08-20/pdf/2021-17866.pdf</a>
86 FR 50696, September 10, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-09-10/pdf/2021-19627.pdf">https://www.govinfo.gov/content/pkg/FR-2021-09-10/pdf/2021-19627.pdf</a>

Citation	Title	Link
86 FR 61135, November 5, 2021	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-11-05/pdf/2021-24226.pdf">https://www.govinfo.gov/content/pkg/FR-2021-11-05/pdf/2021-24226.pdf</a>
86 FR 69294, November 5, 2021	<i>Walk-Behind Snow Throwers From China; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2021-12-07/pdf/2021-26428.pdf">https://www.govinfo.gov/content/pkg/FR-2021-12-07/pdf/2021-26428.pdf</a>
87 FR 17984, March 29, 2022	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-03-29/pdf/2022-06557.pdf">https://www.govinfo.gov/content/pkg/FR-2022-03-29/pdf/2022-06557.pdf</a>
87 FR 17987, March 29, 2022	<i>Certain Walk-Behind Snow Throwers and Parts Thereof From the People's Republic of China: Final Affirmative Countervailing Duty Determination</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-03-29/pdf/2022-06558.pdf">https://www.govinfo.gov/content/pkg/FR-2022-03-29/pdf/2022-06558.pdf</a>

**APPENDIX B**

**LIST OF HEARING WITNESSES**



## CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

**Subject:** Walk-Behind Snow Throwers from China  
**Inv. Nos.:** 701-TA-666 and 731-TA-1558 (Final)  
**Date and Time:** March 23, 2022 - 9:30 a.m.

### **OPENING REMARKS:**

Petitioner (**Alexander Schaefer**, Crowell & Moring, LLP)

### **In Support of the Imposition of Antidumping and Countervailing Duty Orders:**

Crowell & Moring LLP  
Washington, DC  
on behalf of

MTD Products Inc.

**Gary Lobaza**, Outdoor Integration Lead, Stanley Black & Decker, Inc.

**Jason Mattern**, Vice President of Sales, MTD Products

**Jeremy McConoughey**, Vice President, Manufacturing Operations,  
North America, MTD Products Inc

**Geoff Stenroos**, Snow Blower Product Marketing Manager,  
MTD Products Inc.

**Lawrence Muscarella**, Vice President, Outdoor Legal,  
Stanley Black & Decker, Inc.

**Keven Drummond Eiber**, Assistant General Counsel,  
Stanley Black & Decker, Inc.

**In Support of the Imposition of  
Antidumping and Countervailing Duty Orders (continued):**

**Clayton Kaier**, Trade Analyst, Crowell & Moring, LLP

**Alexander Schaefer**                    )  
**Simeon Yerokun**                    ) – OF COUNSEL  
**Michael Bowen**                     )

**CLOSING REMARKS:**

Petitioner (**Alexander Schaefer**, Crowell & Moring, LLP)

**-END-**

**APPENDIX C**  
**SUMMARY DATA**

Table C-1: Snow throwers: Summary data concerning the total U.S. market.....C-3

Table C-2: Snow throwers: Summary data concerning the U.S. market excluding one U.S.  
producer \*\*\* .....C-5



Table C-1

**Snow throwers: Summary data concerning the U.S. market, by period**

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

	Reported data					Period changes			
	Calendar year		2020	Jan-Sep		Comparison years			Jan-Sep 2020-21
	2018	2019		2020	2021	2018-20	2018-19	2019-20	
U.S. consumption quantity:									
Amount.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. consumption value:									
Amount.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Producers' share (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Importers' share (fn1):									
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Nonsubject sources.....	***	***	***	***	***	▲***	▼***	▲***	▼***
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***
U.S. importers' U.S. shipments of imports from:									
China:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▲***
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▼***
Nonsubject sources:									
Quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Value.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***
All import sources:									
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Value.....	***	***	***	***	***	▲***	▲***	▼***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▼***
U.S. producers:									
Average capacity quantity.....	1,196,926	729,562	746,480	527,303	411,437	▼(37.6)	▼(39.0)	▲2.3	▼(22.0)
Production quantity.....	595,939	488,699	427,252	273,904	276,879	▼(28.3)	▼(18.0)	▼(12.6)	▲1.1
Capacity utilization (fn1).....	49.8	67.0	57.2	51.9	67.3	▲7.4	▲17.2	▼(9.7)	▲15.4
U.S. shipments:									
Quantity.....	437,447	444,123	311,380	135,985	204,541	▼(28.8)	▲1.5	▼(29.9)	▲50.4
Value.....	308,020	347,204	253,234	117,897	171,676	▼(17.8)	▲12.7	▼(27.1)	▲45.6
Unit value.....	\$704	\$782	\$813	\$867	\$839	▲15.5	▲11.0	▲4.0	▼(3.2)
Export shipments:									
Quantity.....	108,895	80,899	86,031	45,284	58,575	▼(21.0)	▼(25.7)	▲6.3	▲29.4
Value.....	113,313	83,326	96,607	50,470	69,633	▼(14.7)	▼(26.5)	▲15.9	▲38.0
Unit value.....	\$1,041	\$1,030	\$1,123	\$1,115	\$1,189	▲7.9	▼(1.0)	▲9.0	▲6.7
Ending inventory quantity.....	135,032	***	104,936	165,870	115,625	▼(22.3)	▼***	▲***	▼(30.3)
Inventories/total shipments (fn1).....	24.7	***	26.4	68.6	33.0	▲1.7	▼***	▲***	▼(35.7)
Production workers.....	1,776	***	1,439	1,287	1,331	▼(19.0)	▼***	▼***	▲3.4
Hours worked (1,000s).....	1,930	***	1,771	1,400	1,179	▼(8.2)	▼***	▲***	▼(15.8)
Wages paid (\$1,000).....	37,709	***	38,151	27,303	26,477	▲1.2	▼***	▲***	▼(3.0)
Hourly wages (dollars per hour).....	\$19.54	***	\$21.54	\$19.50	\$22.46	▲10.3	▲***	▲***	▲15.2
Productivity (unit per 1,000 hours).....	277.2	***	225.3	180.1	220.6	▼(18.7)	▼***	▼***	▲22.5
Unit labor costs.....	\$70.49	***	\$95.61	\$108.26	\$101.79	▲35.6	▲***	▲***	▼(6.0)

Table continued.

**Table C-1 Continued**

**Snow throwers: Summary data concerning the U.S. market, by period**

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

	Reported data					Period changes			
	Calendar year		2020	Jan-Sep		Comparison years			Jan-Sep 2020-21
	2018	2019		2020	2021	2018-20	2018-19	2019-20	
U.S. producers' Continued:									
Net sales:									
Quantity.....	488,949	494,784	379,276	171,521	249,419	▼(22.4)	▲1.2	▼(23.3)	▲45.4
Value.....	384,503	406,375	334,586	160,129	230,036	▼(13.0)	▲5.7	▼(17.7)	▲43.7
Unit value.....	\$786	\$821	\$882	\$934	\$922	▲12.2	▲4.4	▲7.4	▼(1.2)
Cost of goods sold (COGS).....	281,953	291,823	247,357	107,420	164,766	▼(12.3)	▲3.5	▼(15.2)	▲53.4
Gross profit or (loss) (fn2).....	102,550	114,552	87,229	52,709	65,270	▼(14.9)	▲11.7	▼(23.9)	▲23.8
SG&A expenses.....	51,175	65,500	48,399	24,319	30,191	▼(5.4)	▲28.0	▼(26.1)	▲24.1
Operating income or (loss) (fn2).....	51,375	49,052	38,830	28,390	35,079	▼(24.4)	▼(4.5)	▼(20.8)	▲23.6
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit COGS.....	\$577	\$590	\$652	\$626	\$661	▲13.1	▲2.3	▲10.6	▲5.5
Unit SG&A expenses.....	\$105	\$132	\$128	\$142	\$121	▲21.9	▲26.5	▼(3.6)	▼(14.6)
Unit operating income or (loss) (fn2).....	\$105	\$99	\$102	\$166	\$141	▼(2.6)	▼(5.6)	▲3.3	▼(15.0)
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***
COGS/sales (fn1).....	73.3	71.8	73.9	67.1	71.6	▲0.6	▼(1.5)	▲2.1	▲4.5
Operating income or (loss)/sales (fn1).....	13.4	12.1	11.6	17.7	15.2	▼(1.8)	▼(1.3)	▼(0.5)	▼(2.5)
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Capital expenditures.....	13,577	11,972	7,035	4,870	***	▼(48.2)	▼(11.8)	▼(41.2)	▼***
Research and development expenses.....	4,843	***	***	***	***	▼***	▼***	▲***	▲***
Net assets.....	160,789	144,314	165,750	NA	NA	▲3.1	▼(10.2)	▲14.9	NA

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

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

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

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

**Table C-2**

**Snow throwers: Summary data concerning the U.S. market excluding one U.S. producer\*\*\*, by period**

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

	Reported data					Period changes				
	Calendar year			Jan-Sep		Comparison years			Jan-Sep	
	2018	2019	2020	2020	2021	2018-20	2018-19	2019-20	2020-21	
U.S. consumption quantity:										
Amount.....	***	***	***	***	***	▼***	▲***	▼***	▲***	
Producers' share (fn1):										
Included producers.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Excluded producers.....	***	***	***	***	***	▼***	▼***	▼***	▼***	
All producers.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Importers' share (fn1):										
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***	
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***	
U.S. consumption value:										
Amount.....	***	***	***	***	***	▼***	▲***	▼***	▲***	
Producers' share (fn1):										
Included producers.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Excluded producers.....	***	***	***	***	***	▼***	▼***	▼***	▼***	
All producers.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Importers' share (fn1):										
China.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Nonsubject sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***	
All import sources.....	***	***	***	***	***	▲***	▲***	▲***	▼***	
U.S. importers' U.S. shipments of imports from:										
China:										
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Value.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Unit value.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▼***	
Nonsubject sources:										
Quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***	
Value.....	***	***	***	***	***	▼***	▲***	▼***	▲***	
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***	
All import sources:										
Quantity.....	***	***	***	***	***	▲***	▲***	▼***	▲***	
Value.....	***	***	***	***	***	▲***	▲***	▼***	▲***	
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▼***	
Included U.S. producers':										
Average capacity quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***	
Production quantity.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Capacity utilization (fn1).....	***	***	***	***	***	▲***	▲***	▼***	▲***	
U.S. shipments:										
Quantity.....	***	***	***	***	***	▼***	▲***	▼***	▲***	
Value.....	***	***	***	***	***	▼***	▲***	▼***	▲***	
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***	
Export shipments:										
Quantity.....	***	***	***	***	***	▼***	▼***	▲***	▲***	
Value.....	***	***	***	***	***	▼***	▼***	▲***	▲***	
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▲***	
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▼***	
Inventories/total shipments (fn1).....	***	***	***	***	***	▲***	▼***	▲***	▼***	
Production workers.....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Hours worked (1,000s).....	***	***	***	***	***	▼***	▼***	▲***	▼***	
Wages paid (\$1,000).....	***	***	***	***	***	▲***	▼***	▲***	▼***	
Hourly wages (dollars per hour).....	***	***	***	***	***	▲***	▲***	▲***	▲***	
Productivity (unit per 1,000 hours).....	***	***	***	***	***	▼***	▼***	▼***	▲***	
Unit labor costs.....	***	***	***	***	***	▲***	▲***	▲***	▼***	

Table continued.

**Table C-2 Continued**

**Snow throwers: Summary data concerning the U.S. market excluding one U.S. producer\*\*\*, by period**

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

	Reported data					Period changes			
	Calendar year		2020	Jan-Sep		Comparison years			Jan-Sep 2020-21
	2018	2019		2020	2021	2018-20	2018-19	2019-20	
Included U.S. producers' Continued:									
Net sales:									
Quantity.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Value.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Unit value.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Cost of goods sold (COGS).....	***	***	***	***	***	▼***	▲***	▼***	▲***
Gross profit or (loss) (fn2).....	***	***	***	***	***	▼***	▲***	▼***	▲***
SG&A expenses.....	***	***	***	***	***	▼***	▲***	▼***	▲***
Operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Unit COGS.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit SG&A expenses.....	***	***	***	***	***	▲***	▲***	▼***	▼***
Unit operating income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***
Unit net income or (loss) (fn2).....	***	***	***	***	***	▼***	▼***	▲***	▼***
COGS/sales (fn1).....	***	***	***	***	***	▲***	▼***	▲***	▲***
Operating income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Net income or (loss)/sales (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▼***
Capital expenditures.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Research and development expenses.....	***	***	***	***	***	▼***	▼***	▲***	▲***
Net assets.....	***	***	***	***	***	▲***	▼***	▲***	***

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

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

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

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

**APPENDIX D**

**U.S. PRODUCERS' AND IMPORTERS' COVID-19 NARRATIVE RESPONSES**



**Table D-1**  
**Snow throwers: U.S. producers' narratives regarding impact of Covid-19 January 2020 through September 2021, by year**

Firm	2020	2021
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

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

**Table D-2**

**Snow throwers: U.S. Importers' narratives regarding impact of Covid-19 January 2020 through September 2021, by year**

<b>Firm</b>	<b>2020</b>	<b>2021</b>
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***
***	***	***

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “---”.



**APPENDIX E**

**U.S. PRODUCERS DATA, APPARENT CONSUMPTION AND MARKET SHARES**

**EXCLUDING \*\*\***



**Table E-1**

**Snow throwers: U.S. producers' capacity, production and capacity utilization excluding one U.S. producer \*\*\*, by period**

Capacity in units; ratios in percent

<b>Firm</b>	<b>Measure</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2021</b>
Capacity	Quantity	***	***	***	***	***
Production	Quantity	***	***	***	***	***
Capacity utilization	Ratio	***	***	***	***	***

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

**Figure E-1**

**Snow throwers: U.S. producers' capacity, production and capacity utilization excluding one U.S. producer \*\*\*, by period**

\* \* \* \* \*

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

**Table E-2****Snow throwers: U.S. producers' total shipments excluding one U.S. producer \*\*\*, by destination and period**

Capacity in units; value in 1,000 dollars; unit values in dollars per unit; shares in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
U.S. shipments	Quantity	***	***	***	***	***
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	***	***	***	***	***
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	***	***	***	***	***
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

**Table E-3****Snow throwers: U.S. producers' inventories and their ratio to select items excluding one U.S. producer \*\*\*, by period**

Quantity in units; inventory ratios in percent

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
End-of-period inventory quantity	***	***	***	***	***
Inventory ratio to U.S. production	***	***	***	***	***
Inventory ratio to U.S. shipments	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***

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

**Table E-4**

**Snow throwers: U.S. producers' employment related information excluding one U.S. producer \*\*\*, by item and period**

Item	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Production and related workers (PRWs) (number)	***	***	***	***	***
Total hours worked (1,000 hours)	***	***	***	***	***
Hours worked per PRW (hours)	***	***	***	***	***
Wages paid (\$1,000)	***	***	***	***	***
Hourly wages (dollars per hour)	***	***	***	***	***
Productivity (units per 1,000 hours)	***	***	***	***	***
Unit labor costs (dollars per unit)	***	***	***	***	***

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

Note: \*\*\* provided an incomplete questionnaire that did not include the data presented above.

**Table E-5**

**Snow throwers: Apparent U.S. consumption and market shares based on quantity excluding one U.S. producer \*\*\*, by source and period**

Quantity in units; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. producers	Quantity	***	***	***	***	***
Excluded U.S. producer	Quantity	***	***	***	***	***
All U.S. producers	Quantity	***	***	***	***	***
China	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
All sources	Quantity	***	***	***	***	***
Included U.S. producers	Share of quantity	***	***	***	***	***
Excluded U.S. producer	Share of quantity	***	***	***	***	***
All U.S. producers	Share of quantity	***	***	***	***	***
China	Share of quantity	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***
All import sources	Share of quantity	***	***	***	***	***
All sources	Share of quantity	100.0	100.0	100.0	100.0	100.0

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

**Table E-6****Snow throwers: Apparent U.S. consumption and market shares based on value excluding one U.S. producer \*\*\*, by source and period**

Value in 1,000 dollars; shares in percent

Source	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Included U.S. producers	Value	***	***	***	***	***
Excluded U.S. producer	Value	***	***	***	***	***
All U.S. producers	Value	***	***	***	***	***
China	Value	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***
All import sources	Value	***	***	***	***	***
All sources	Value	***	***	***	***	***
Included U.S. producers	Share of value	***	***	***	***	***
Excluded U.S. producer	Share of value	***	***	***	***	***
All U.S. producers	Share of value	***	***	***	***	***
China	Share of value	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***
All import sources	Share of value	***	***	***	***	***
All sources	Share of value	100.0	100.0	100.0	100.0	100.0

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

**APPENDIX F**

**PRICING AND PURCHASE COST DATA EXCLUDING \*\*\***





In the preliminary phase of these investigations, the Commission determined that U.S. producer \*\*\* was a related party. This appendix presents tables and figures for the pricing and purchase cost data from part V, excluding the data for U.S. producer \*\*\*. Specifically, tables F-1 to F-3 and figures F-1 to F-3 present data for products 1, 3, and 4, corresponding to tables V-4 to V-6 and figures V-2 to V-4, but excluding the data for U.S. producer \*\*\*.

Exclusion of \*\*\* did not result in many changes to summary data as presented in part V. Table F-4 (corresponding to table V-7) summarizes the price trends, by country and by product. As shown in the table, domestic price increases ranged from \*\*\* to \*\*\* percent during January 2018-December 2021. As shown in table F-5 (corresponding to table V-8), present prices for product imported from China were below those for U.S.-produced product in 35 of 38 instances (155,283 units); margins of underselling averaged 27.3 percent and ranged from 0.9 to 56.6 percent. In the remaining 3 instances (9,299 units), prices for product from China averaged 8.2 percent and ranged between 0.9 and 17.9 percent above prices for the domestic product. As shown in table F-6 (corresponding to table V-9), import purchase costs for product imported from China were below prices for U.S. produced product in 7 instances (\*\*\* units). In those 7 instances, the average price-cost differential was \*\*\* percent and ranged from \*\*\* to \*\*\* percent. Import purchase costs were never above prices for U.S.-produced prices.

**Table F-1**

**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 1, margins of underselling/(overselling), and price-cost differentials, excluding U.S. producer \*\*\*, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent.

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 1: Single-stage walk-behind snow thrower with between 18" and 22" clearing width, without small vertical shaft engines.

**Table F-2**  
**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 3, margins of underselling/(overselling), and price-cost differentials, excluding U.S. producer \*\*\*, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 3: Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines.

**Table F-3**

**Snow throwers: Weighted-average f.o.b. prices, import purchase costs, and quantities of domestic and imported product 4, margins of underselling/(overselling), and price-cost differentials, excluding U.S. producer \*\*\*, by quarter**

Price and landed duty-paid value in dollars per unit, quantity in units, margins and differentials in percent

Period	US price	US quantity	China price	China quantity	China margin	China cost (LDP value)	China import cost quantity	China price-cost differential
2018 Q1	***	***	***	***	***	***	***	***
2018 Q2	***	***	***	***	***	***	***	***
2018 Q3	***	***	***	***	***	***	***	***
2018 Q4	***	***	***	***	***	***	***	***
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***

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

Note: Product 4: Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines.

**Figure F-1**  
**Snow throwers: Weighted-average prices and quantities of domestic and imported product 1, excluding U.S. producer \*\*\*, by quarter**

**Price of product 1**

\*   \*   \*   \*   \*   \*   \*

**Volume of product 1**

\*   \*   \*   \*   \*   \*   \*

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

Note: Product 1: Single-stage walk-behind snow thrower with between 18" and 22" clearing width, without small vertical shaft engines.

**Figure F-2**  
**Snow throwers: Weighted-average prices, import purchase costs, and quantities of domestic and imported product 3, excluding U.S. producer \*\*\*, by quarter**

**Price and import purchase cost of product 3**

\* \* \* \* \*

**Volume of product 3**

\* \* \* \* \*

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

Note: Product 3: Dual-stage walk-behind snow thrower with between 22" and 26" clearing width, without small vertical shaft engines.

**Figure F-3**  
**Snow throwers: Weighted-average prices, import purchase costs, and quantities of domestic and imported product 4, excluding U.S. producer \*\*\*, by quarter**

**Price and import purchase cost of product 4**

\* \* \* \* \*

**Volume of product 4**

\* \* \* \* \*

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

Note: Product 4: Dual-stage walk-behind snow thrower with between 27" and 32" clearing width, without small vertical shaft engines.

**Table F-4**  
**Snow throwers: Summary of price and import purchase cost data, excluding U.S. producer \*\*\*, by product and source**

Volume in units, price and cost in dollars per unit

Product	Source	Number of quarters	Volume of shipments	Low price/cost	High price/cost	First quarter price/cost	Last quarter price/cost	Percent change in price/cost over period
Product 1	United States	***	***	***	***	***	***	***
Product 1	China price	***	***	***	***	***	***	***
Product 3	United States	***	***	***	***	***	***	***
Product 3	China price	***	***	***	***	***	***	***
Product 3	China cost	***	***	***	***	***	***	***
Product 4	United States	***	***	***	***	***	***	***
Product 4	China price	***	***	***	***	***	***	***
Product 4	China cost	***	***	***	***	***	***	***

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

Note: Percentage change from the first quarter in which data were available in 2018 to the last quarter in which data were available in 2021.

**Table F-5**  
**Snow throwers: Instances of underselling and overselling and the range and average of margins, excluding U.S. producer \*\*\*, by product**  
 Quantity in units; margin in percent

Product	Type	Number of quarters	Quantity	Average margin	Min margin	Max margin
Product 1	Underselling	***	***	***	***	***
Product 2	Underselling	***	***	***	***	***
Product 3	Underselling	***	***	***	***	***
Product 4	Underselling	***	***	***	***	***
Total	Underselling	35	155,283	27.3	0.9	56.6
Product 1	Overselling	---	---	---	---	---
Product 2	Overselling	---	---	---	---	---
Product 3	Overselling	***	***	***	***	***
Product 4	Overselling	***	***	***	***	***
Total	Overselling	3	9,299	(8.2)	(0.9)	(17.9)

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.



**Table F-6**  
**Snow throwers: Instances of lower and higher import purchase costs and the range and average of price-cost differentials, excluding U.S. producer \*\*\*, by product**

Quantity in units; price-cost differential in percent

Product	Type	Number of quarters	Quantity	Average price-cost differential	Min price-cost differential	Max price-cost differential
Product 1	Lower than U.S. price	***	***	***	***	***
Product 2	Lower than U.S. price	***	***	***	***	***
Product 3	Lower than U.S. price	***	***	***	***	***
Product 4	Lower than U.S. price	***	***	***	***	***
Total	Lower than U.S. price	7	***	***	***	***
Product 1	Higher than U.S. price	***	***	***	***	***
Product 2	Higher than U.S. price	***	***	***	***	***
Product 3	Higher than U.S. price	***	***	***	***	***
Product 4	Higher than U.S. price	***	***	***	***	***
Total	Higher than U.S. price	---	---	---	---	---

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.



**APPENDIX G**

**FINANCIAL RESULTS OF U.S. PRODUCERS EXCLUDING \*\*\***



**Table G-1**  
**Snow throwers: Results of operations of U.S. producers excluding one U.S. producer \*\*\*, by item and period**

Quantity in units; value in 1,000 dollars; ratios in percent

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Total net sales	Quantity	***	***	***	***	***
Total net sales	Value	***	***	***	***	***
Raw material costs	Value	***	***	***	***	***
Direct labor costs	Value	***	***	***	***	***
Other factory costs	Value	***	***	***	***	***
COGS	Value	***	***	***	***	***
Gross profit or (loss)	Value	***	***	***	***	***
SG&A expenses	Value	***	***	***	***	***
Operating income or (loss)	Value	***	***	***	***	***
Interest expense	Value	***	***	***	***	***
All other expenses	Value	***	***	***	***	***
All other income	Value	***	***	***	***	***
Net income or (loss)	Value	***	***	***	***	***
Depreciation/amortization	Value	***	***	***	***	***
Cash flow	Value	***	***	***	***	***
Raw material costs	Ratio to NS	***	***	***	***	***
Direct labor costs	Ratio to NS	***	***	***	***	***
Other factory costs	Ratio to NS	***	***	***	***	***
COGS	Ratio to NS	***	***	***	***	***
Gross profit	Ratio to NS	***	***	***	***	***
SG&A expense	Ratio to NS	***	***	***	***	***
Operating income or (loss)	Ratio to NS	***	***	***	***	***
Net income or (loss)	Ratio to NS	***	***	***	***	***

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**Table G-1 Continued****Snow throwers: Results of operations of U.S. producers excluding one U.S. producer \*\*\*, by item and period**

Shares in percent; unit values in dollars per unit; count in number of firms reporting

Item	Measure	2018	2019	2020	Jan-Sep 2020	Jan-Sep 2021
Raw material costs	Share	***	***	***	***	***
Direct labor costs	Share	***	***	***	***	***
Other factory costs	Share	***	***	***	***	***
COGS	Share	***	***	***	***	***
Total net sales	Unit value	***	***	***	***	***
Raw material costs	Unit value	***	***	***	***	***
Direct labor costs	Unit value	***	***	***	***	***
Other factory costs	Unit value	***	***	***	***	***
Cost of goods sold	Unit value	***	***	***	***	***
Gross profit or (loss)	Unit value	***	***	***	***	***
SG&A expenses	Unit value	***	***	***	***	***
Operating income or (loss)	Unit value	***	***	***	***	***
Net income or (loss)	Unit value	***	***	***	***	***
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	***	***	***	***	***

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

Note: Shares represent the share of COGS.

**Table G-2****Snow throwers: Changes in AUVs between comparison periods excluding one U.S. producer \*\*\***

Changes in percent

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▲ ***	▲ ***	▲ ***	▼ ***
Raw material costs	▲ ***	▼ ***	▲ ***	▲ ***
Direct labor costs	▲ ***	▲ ***	▲ ***	▲ ***
Other factory costs	▲ ***	▲ ***	▲ ***	▼ ***
COGS	▲ ***	▲ ***	▲ ***	▲ ***

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**Table G-2 Continued****Snow throwers: Changes in AUVs between comparison periods excluding one U.S. producer \*\*\***

Changes in dollars per unit

Item	2018-20	2018-19	2019-20	Jan-Sep 2020-21
Total net sales	▲ ***	▲ ***	▲ ***	▼ ***
Raw material costs	▲ ***	▼ ***	▲ ***	▲ ***
Direct labor costs	▲ ***	▲ ***	▲ ***	▲ ***
Other factory costs	▲ ***	▲ ***	▲ ***	▼ ***
COGS	▲ ***	▲ ***	▲ ***	▲ ***
Gross profit or (loss)	▲ ***	▲ ***	▼ ***	▼ ***
SG&A expense	▲ ***	▲ ***	▼ ***	▼ ***
Operating income or (loss)	▼ ***	▼ ***	▲ ***	▼ ***
Net income or (loss)	▼ ***	▼ ***	▲ ***	▼ ***

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

