

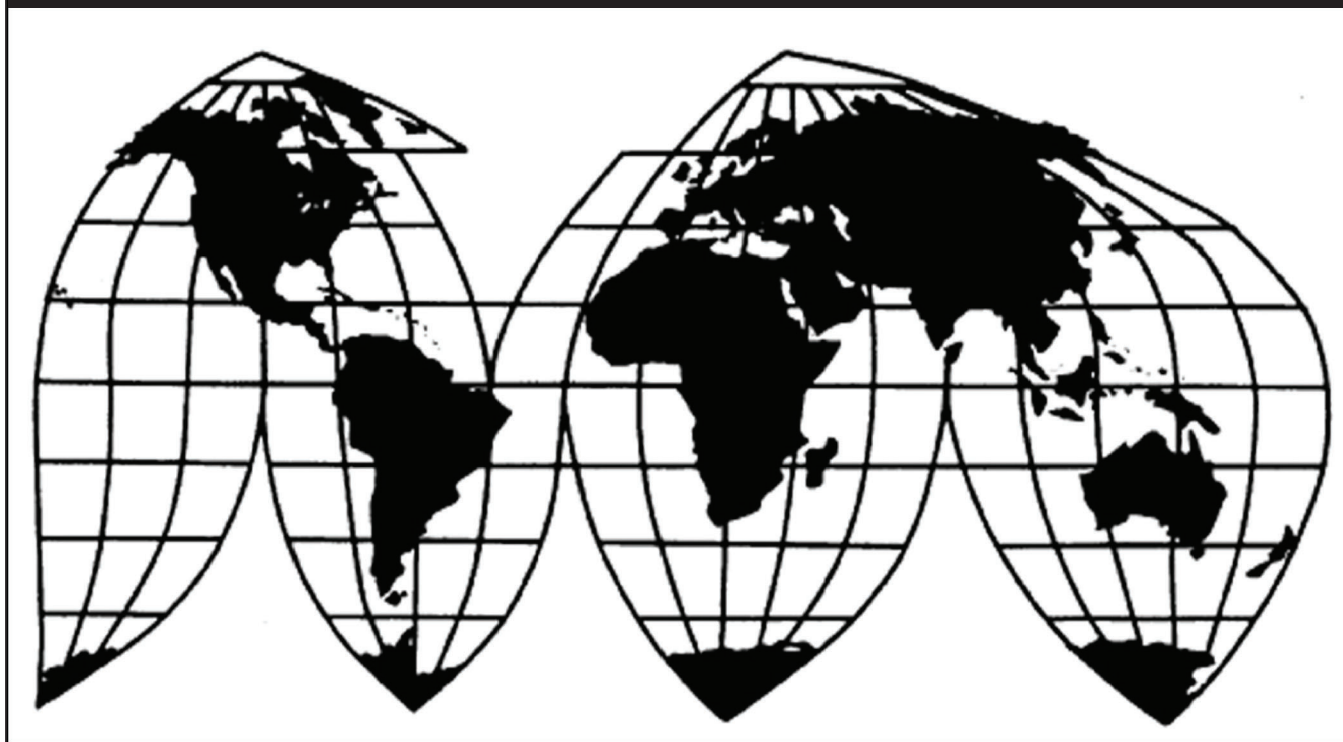
Heavy Forged Hand Tools from China

Investigation No. 731-TA-457 (A-D) (Fifth Review)

Publication 5326

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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. 731-TA-457 A-D (Fifth Review)

Heavy Forged Hand Tools from China

DETERMINATIONS

On the basis of the record¹ developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of each of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted these reviews on December 1, 2021 (86 FR 68265) and determined on March 7, 2022 that it would conduct expedited reviews (87 FR 22577, April 15, 2022).

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

Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty orders on heavy forged hand tools (“hand tools”) from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. Background

The Commission instituted the original investigations on April 4, 1990, based on petitions filed by Woodings-Verona Tool Works (“Woodings-Verona”), a U.S. producer of hand tools. In January 1991, the Commission determined that industries in the United States were threatened with material injury by reason of less than fair value (“LTFV”) imports of hand tools from China,¹ and the U.S. Department of Commerce (“Commerce”) issued antidumping duty orders on the subject merchandise on February 19, 1991.² Commerce issued a separate antidumping duty order for each of the four domestic like products defined by the Commission: (1) axes, adzes, and hewing tools, other than machetes, with or without handles (“axes and adzes”); (2) bar tools, track tools, and wedges (“bars and wedges”); (3) hammers and sledges, with heads weighing two pounds or more, with or without handles (“hammers and sledges”); and (4) picks and mattocks, with or without handles (“picks and mattocks”).

On October 1, 1999, the Commission determined to conduct full five-year reviews of the antidumping duty orders on heavy forged hand tools from China. In June 2000, the Commission determined that revocation of each order would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.³

¹ *Heavy Forged Hand Tools from China*, Inv. No. 731-TA-457 (Final), USITC Pub. 2357 (Feb. 1991) at 3 (“Original Determinations”).

² 56 Fed. Reg. 6622 (Feb. 19, 1991).

³ *Heavy Forged Hand Tools from China*, Inv. No. 731-TA-457 (A-D) (First Review), USITC Pub. 3322 (July 2000) at 3 (“First Five-Year Reviews”). In the first five-year reviews, the Commission assigned the letter designators to the individual reviews of the four domestic like products in the following manner: (A) hammers and sledges (“striking tools”); (B) bars and wedges (“bar tools”); (C) picks and mattocks (“digging tools”); and (D) axes and adzes (“hewing tools”). See *First Five-Year Reviews*, USITC Pub. 3322 at I-1 n.1. Letter designators were not employed in the original investigations and were not used in any of the subsequent five-year reviews. In these reviews, however, due to the notional voting procedures now in place, letter designators were used on the Commissioners’ vote sheets. See EDIS Doc. 764696. Those letter designators differed from the designators previously used in the first five-year reviews (e.g., “hewing tools” was assigned letter A); as all of the votes were unanimous, however, (Continued...)

Subsequently, Commerce issued continuations of the antidumping duty orders for all of the orders effective August 10, 2000.⁴

The Commission instituted the second five-year reviews of these orders on July 1, 2005, and determined to conduct expedited reviews.⁵ At the conclusion of its expedited reviews, the Commission determined that revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.⁶ Commerce issued continuations of the antidumping duty orders on February 16, 2006.⁷

The Commission instituted the third five-year reviews of these orders on January 3, 2011,⁸ and determined to conduct expedited reviews.⁹ At the conclusion of its expedited reviews, the Commission determined that revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.¹⁰ Commerce issued continuations of the antidumping duty orders on August 22, 2011.¹¹

The Commission instituted the fourth reviews of these orders on July 1, 2016,¹² and determined to conduct expedited reviews. At the conclusion of its expedited reviews, the Commission determined that revocation of the antidumping duty orders on heavy forged hand tools from China would be likely to lead to continuation or recurrence of material injury to industries in the United States within a reasonably foreseeable time.¹³ Commerce issued continuations of the antidumping duty orders on January 6, 2017.¹⁴

(...Continued)

there is no legal consequence from these clerical errors. In any future reviews, it would be preferable to maintain the letter designations specified in the first five-year reviews.

⁴ 65 Fed. Reg. 48962 (Aug. 10, 2000).

⁵ *Heavy Forged Hand Tools from China*, Inv. No. 731-TA-457 (A-D) (Second Review), USITC Pub. 3836 (Jan. 2006), at 3 (“Second Five-Year Reviews”).

⁶ Second Five-Year Reviews, USITC Pub. 3836, at 3.

⁷ 72 Fed. Reg. 8276 (Feb. 16, 2006).

⁸ 76 Fed. Reg. 168 (Jan. 3, 2011).

⁹ *Heavy Forged Hand Tools from China*, Inv. No. 731-TA-457 (A-D) (Third Review), USITC Pub. 4250 (Aug. 2011) at 3 (“Third Five-Year Reviews”).

¹⁰ Third Five-Year Reviews, USITC Pub. 4250 at 3.

¹¹ 76 Fed. Reg. 52313 (Aug. 22, 2011).

¹² 81 Fed. Reg. 43235 (July 1, 2016).

¹³ *Heavy Forged Hand Tools from China*, Inv. No. 731-TA-457 (A-D) (Fourth Review), USITC Pub. 4654 (Dec. 2016) (“Fourth Five-Year Reviews”).

¹⁴ 82 Fed. Reg. 1695 (Jan. 6, 2017).

The Commission instituted these fifth reviews of the orders on December 1, 2021.¹⁵ It received a response to its notice of institution on behalf of the Estwing Manufacturing Company, Inc. (“Estwing” or “Domestic Producer”), a domestic producer of all four hand tools.¹⁶ The Commission received no respondent interested party responses to the notice of institution regarding any of the orders. On March 7, 2022, the Commission determined that the domestic interested party group response to its notice of institution was adequate, and that the respondent interested party group response was inadequate. In the absence of any other circumstances that would warrant full reviews, the Commission determined to conduct expedited reviews.¹⁷ On February 10, 2022, Estwing filed final comments in these reviews pursuant to 19 C.F.R. § 207.62(d).¹⁸

U.S. industry data for these reviews are based on the information that the Domestic Producer, which is estimated to have accounted for *** to *** percent of domestic production of hand tools in 2020, depending on the product, furnished in its response to the notice of institution.¹⁹ U.S. import data and related information are based on Commerce’s official import statistics.²⁰ Foreign industry data and related information are based on information furnished by the Domestic Producer, information from the prior proceedings, and publicly available information gathered by the Commission staff.²¹ Two U.S. purchasers responded to the Commission’s adequacy phase questionnaire.²²

¹⁵ Heavy Forged Hand Tools from China; Institution of Five-Year Reviews, 86 Fed. Reg. 68275 (Dec. 1, 2021).

¹⁶ See INV-UU-021, Confidential Record (“CR”) at I-2 and Table I-1; Public Record (“PR”) at I-2 and Table I-1; Estwing Response to the Commission’s Notice of Institution, EDIS Doc. 759548 (Jan. 3, 2022) (“Estwing Response”); see also Estwing Supplemental Response to the Commission’s Notice of Institution, EDIS Doc. 761636 at 6 (Jan. 28, 2022) (explaining Estwing did not produce picks and mattocks over 3.3 pounds during the period of review as it had reported erroneously in its response). As discussed below, in the original investigation and subsequent reviews, the Commission defined four domestic like products; Estwing is a domestic producer of each of the four hand tool domestic like products, including axes and adzes (hewing tools), bars and wedges (bar tools), hammers and sledges (striking tools), and picks and mattocks (digging tools).

¹⁷ 87 Fed. Reg. at 22578. Commissioner David S. Johanson voted to conduct full reviews for all four orders. See EDIS Doc. 764696. Commerce published its final affirmative results of expedited reviews for each of the orders on April 1, 2022. See 87 Fed. Reg. 19073 (Apr. 1, 2022).

¹⁸ See Estwing Final Comments, EDIS Doc. 762946 (Feb. 10, 2022).

¹⁹ See CR/PR at Table I-1. Specifically, in 2020, the Domestic Producer accounted for *** percent of domestic production of axes/adzes (hewing tools), *** percent of domestic production of bars/wedges (bar tools), *** percent of domestic production of hammers/sledges (striking tools), and *** percent of domestic production of picks/mattocks (digging tools). *Id.*

²⁰ See CR/PR at Table I-3.

²¹ See CR/PR at I-28, I-31.

²² CR/PR at D-3.

II. Domestic Like Product and Industry

A. Domestic Like Product

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”²³ The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”²⁴ The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.²⁵

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

The merchandise covered by these orders are hand tools comprising the following classes or kinds of merchandise: (1) Hammers and sledges with head over 1.5kg (3.33 pounds); (2) bars over 18 inches in length, track tools and wedges; (3) picks and mattocks; and (4) axes, adzes and similar hewing tools. Subject hand tools are manufactured through a hot forge operation in which steel is sheered to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending on the product, finishing operations may include shot blasting, grinding, polishing and painting and the insertion of wooden handles for handled products. . . . Specifically excluded from the scope are hammers and sledges with heads 1.5 kg. (3.33 pounds) in weight and under, hoes and rakes, and bars 18 inches in length and under.²⁶

²³ 19 U.S.C. § 1677(4)(A).

²⁴ 19 U.S.C. § 1677(10); *see, e.g., Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep’t of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); *see also* S. Rep. No. 249, 96th Cong., 1st Sess. 90-91 (1979).

²⁵ *See, e.g., Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

²⁶ Heavy Forged Hand Tools, Finished or Unfinished, With or Without Handles, from the People’s Republic of China; Final Results of the Expedited Fifth Sunset Review of the Antidumping Duty Orders, 87 Fed. Reg. 19073 (Apr. 1, 2022) (Commerce final results of expedited sunset review) and accompanying Notice and Decision Memorandum at 2. Commerce has issued various scope determinations with respect to the orders. CR/PR at I-6; *see also* 73 Fed. Reg. 9293 (Feb. 20, 2008); 73 Fed. Reg. 72771 (Dec. 1, 2008); 76 Fed. Reg. 10558 (Feb. 25, 2011); and Memorandum regarding Antidumping Duty Order on (Continued...)

The scope description has remained unchanged since the original investigations.²⁷

Axes and adzes are hewing tools. Axes are generally grouped into two categories: large axes and special purpose axes. Large axes are intended primarily for chopping wood and are manufactured with either two cutting edges (double-bit) or a single cutting edge (single-bit). The single-bit axe has on the opposite side of the axe head a hammer face that can be used for pounding. Special purpose axes are designed to function as two tools – the mattock axe is a single-bit axe with an adze-shaped grubbing blade on the back designed for digging, prying, or chopping. Adzes may have either a flat or curved blade at a right angle to the handle and are used for shaping wood.²⁸

The principal product covered by the antidumping duty order on bars and wedges is the crowbar. This tool typically has a gooseneck shape to the bar at the claw end for pulling nails and spikes and a chisel blade at the other end for prying. Various curve configurations allow for degrees of leverage in prying operations. Other bars, such as wrecking bars, may be flattened. Also included in the bars and wedges group are digging bars and tampers. Bars are used for demolition, scraping, lifting, or prying apart floor tile, wood paneling, nailed wood items, wood molding, or removing nails and spikes from wood. Digging bars are used to break up hardened soil, and tampers are used to compact loose soil or asphalt. Wedges are used for splitting wood.²⁹

Hammers and sledges with heads over 1.5 kg (3.33 pounds) are heavier than claw hammers or ball peen hammers. Heavy hammer and sledge heads included in the scope are over 1.5 kg (3.33 pounds) in weight and may weigh as much as 9.1 kg (20 pounds). Sledge hammers are heavy hammers used for driving stakes, wedges, or other objects. Woodsplitting mauls resemble sledge hammers except for one axe-like edge. Mauls are intended primarily for use in splitting wood without the use of wedges, but the blunt end may be used for striking stakes, wedges, or other objects. Hammers and sledges, including mauls, typically have a handle made of wood or fiberglass.³⁰

Picks and mattocks are produced in a number of styles and sizes, but principally differ in the weight of the head, the angle and size of the prongs, and the shape of the pick points. Picks are generally used for digging in hard soil. Mattocks have a broad blade on one side of the

(...Continued)

Heavy Forged Hand Tools From the People's Republic of China: Final Scope Ruling for the Scope Request from W.E. Lott Company, dated May 9, 2016, at 5.

²⁷ See Original Determination, USITC Pub. 4180 at 5-6.

²⁸ CR/PR at I-8.

²⁹ CR/PR at I-9.

³⁰ CR/PR at I-9.

head and are used for digging in soft soil. Picks and mattocks are produced with either a wood or fiberglass handle.³¹

1. Original Investigations and Prior Reviews

In the original investigations, the Commission determined that there were four like products: (1) axes, adzes and hewing tools, other than machetes, with or without handles (hewing tools); (2) all bar tools, track tools and wedges (bar tools); (3) hammers and sledges, with heads weighing two pounds or more, with or without handles (striking tools); and (4) picks and mattocks, with or without handles (digging tools).³² The Commission defined the same four domestic like products in its prior five-year reviews.³³

2. The Current Reviews

In these reviews, the Domestic Producer has indicated that it agrees with the Commission's definition of the domestic like products in the original investigations and prior reviews.³⁴ There is no new information obtained during these reviews that would suggest any reason to revisit the domestic like product definitions.³⁵ Accordingly, we define four domestic like products consisting of: (1) axes and adzes; (2) bars and wedges; (3) hammers and sledges; and (4) picks and mattocks, coextensive with Commerce's scope definition.³⁶

B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic "producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of

³¹ CR/PR at I-9 to I-10.

³² See Original Determinations, USITC Pub. 2357, at 15.

³³ See First Five-Year Reviews, USITC Pub. 3322 at 6; Second Five-Year Reviews, USITC Pub. 3836 at 7; Third Five-Year Reviews, USITC Pub. 4250 at 4-5; and Fourth Five-Year Reviews, USITC Pub. 4654 at 7.

³⁴ Estwing Response at 16.

³⁵ See *generally* CR/PR at I-7 to I-8.

³⁶ See Original Determinations, USITC Pub. 2357 at 15; First Five-Year Reviews, USITC Pub. 3322 at 6; Second Five-Year Reviews, USITC Pub. 3836 at 7; Third Five Year Reviews, USITC Pub. 4250 at 4-5; and Fourth Five-Year Reviews, USITC Pub. 4654 at 7.

the product.”³⁷ In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

In the prior proceedings, the Commission found four domestic industries consisting of domestic producers of: (1) axes and adzes; (2) bars and wedges; (3) hammers and sledges; and (4) picks and mattocks.³⁸

The Domestic Producer agrees with the domestic industry definitions used in the original investigations and prior five-year reviews.³⁹ There are no related parties issues in these reviews.⁴⁰ We therefore define four domestic industries, as in the prior proceedings, consisting of domestic producers of: (1) axes and adzes; (2) bars and wedges; (3) hammers and sledges; and (4) picks and mattocks.

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

A. Legal Standards

In a five-year review conducted under section 751(c) of the Tariff Act, Commerce will revoke an antidumping or countervailing duty order unless: (1) it makes a determination that dumping or subsidization is likely to continue or recur and (2) the Commission makes a

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

³⁸ Original Determinations, USITC Pub. at 2357 at 19; First Five-Year Reviews, USITC Pub. 3322 at 7; Second Five-Year Reviews, USITC Pub. 3836 at 8-9; Third Five-Year Reviews, USITC Pub. 4250 at 7; and Fourth Five-Year Reviews, USITC Pub. 4654 at 7. In the original investigations, the Commission did not include in the definition of the domestic industries companies that did no more than assemble imported heads with handles purchased from a domestic manufacturer. *See* Original Determinations, USITC Pub. 2357 at 19. The Commission also excluded one domestic producer, Madison Mill, from the domestic industries under the related party provision. In the first five-year reviews, one of the domestic producers imported axes from China during the POR and therefore qualified for possible exclusion pursuant to the related parties provision. The Commission determined that appropriate circumstances did not exist to exclude this producer from the domestic industry manufacturing axes and adzes. *See* First Five-Year Reviews, USITC Pub. at 3322 at 7-8. In the subsequent five-year reviews, the Commission did not exclude any company under the related parties provision. *See* Second Five-Year Reviews, USITC Pub. 3836 at 8-9; Third Five-Year Reviews, USITC Pub. 4250 at 9; and Fourth Five-Year Reviews, USITC Pub. 4654 at 7.

³⁹ Estwing Response at 16.

⁴⁰ CR/PR at Table I-1; Estwing Response at 11.

determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”⁴¹ The Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“SAA”) states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”⁴² Thus, the likelihood standard is prospective in nature.⁴³ The U.S. Court of International Trade (“CIT”) has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.⁴⁴

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”⁴⁵ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”⁴⁶

⁴¹ 19 U.S.C. § 1675a(a).

⁴² SAA, H.R. 103-316, vol. I, at 883-84 (1994). The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

⁴³ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

⁴⁴ See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

⁴⁵ 19 U.S.C. § 1675a(a)(5).

⁴⁶ SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”⁴⁷ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).⁴⁸ The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.⁴⁹

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.⁵⁰ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.⁵¹

In evaluating the likely price effects of subject imports if an order under review is revoked or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.⁵²

⁴⁷ 19 U.S.C. § 1675a(a)(1).

⁴⁸ 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the orders under review. *See generally* Third Five-Year Review, USITC Pub. 4250, at 8 n.35.

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

⁵⁰ 19 U.S.C. § 1675a(a)(2).

⁵¹ 19 U.S.C. § 1675a(a)(2)(A-D).

⁵² *See* 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and (Continued...)

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁵³ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.⁵⁴

B. Conditions of Competition and the Business Cycle

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁵⁵ The following conditions of competition inform our determinations.⁵⁶

Demand Conditions. In the first five-year reviews, the Commission found that demand had been relatively flat since the time of the original investigations and that there had been a shift in demand from the industrial sector to large retail accounts as well as to the do-it-yourself market.⁵⁷ In the second five-year reviews, the Commission found no significant changes in

(...Continued)

termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

⁵³ 19 U.S.C. § 1675a(a)(4).

⁵⁴ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

⁵⁵ 19 U.S.C. § 1675a(a)(4).

⁵⁶ In the original investigations, the Commission did not make explicit findings regarding conditions of competition for each of the domestic industries. See Original Determinations, USITC Pub. 2357.

⁵⁷ First Five-Year Reviews, USITC Pub. 3322, at 11. Based on the record data, the Commission found that the important conditions of competition were similar for each of the industries, as were the likely effects of revocation of the orders. *Id.*

demand conditions since the first five-year reviews.⁵⁸ In the third five-year reviews, the Commission found that demand for hand tools was heavily dependent on construction activity and that this activity was adversely affected by the recession, resulting in declining demand that reduced capacity utilization and placed downward pressure on U.S. prices.⁵⁹ In the fourth five-year reviews, the Commission found that demand for hand tools continued to be heavily dependent on residential and non-residential construction activity. It observed that construction activity had not fully recovered from the recession, resulting in depressed demand. It also found that apparent U.S. consumption for each of the four hand tools products was higher in 2015 than in 2010.⁶⁰

In these current reviews, the Domestic Producer claims that the relevant conditions of competition have changed little since 2016, although it asserts the COVID-19 pandemic had a significant negative effect on its production and sales.⁶¹ The information available indicates that demand for hand tools continues to be determined by residential and non-residential construction activity.⁶² According to a 2020 study regarding axes, adzes, and hatchets submitted by the Domestic Producer, U.S. market demand increased from \$32 million in 2009, to \$41 million in 2014, and \$42 million in 2019, and is expected to increase by approximately 0.5 percent per year in the future, to \$43 million in 2024 and \$47 million in 2029.⁶³

Apparent U.S. consumption for three of the four hand tools product groups was higher in 2020 than in 2015.⁶⁴ Apparent U.S. consumption was 4.8 million units in 2020, compared to 4.6 million units in 2015, with respect to axes and adzes; 12.6 million units in 2020, compared to 12.2 million units in 2015, with respect to bars and wedges; 4.0 million units in 2020, compared to 4.1 million units in 2015, with respect to hammers and sledges; and 2.4 million units in 2020, compared to 1.9 million units in 2015, with respect to picks and mattocks.⁶⁵

Supply conditions. In the first five-year reviews, the Commission found that, since the time of the original investigations, there had been a large increase in nonsubject imports, which accounted for a large percentage of total imports.⁶⁶ In the second five-year reviews, the

⁵⁸ Second Five-Year Reviews, USITC Pub. 3836 at 12.

⁵⁹ Third Five-Year Reviews, USITC Pub. 4250 at 10.

⁶⁰ Fourth Five-Year Reviews, USITC Pub. 4654 at 15.

⁶¹ Estwing Response at 15.

⁶² Estwing Reponse at 15 and Exhibit 4.

⁶³ Estwing Response at 16, Exhibit 4.

⁶⁴ CR/PR at Table I-4. Apparent U.S. consumption for hammers/sledges decreased slightly between 2015 and 2020. *Id.* Because the import data used to compute apparent U.S. consumption for 2015 may include some out-of-scope products, apparent U.S. consumption for 2015 may be overstated. See CR/PR at Table I-4 note.

⁶⁵ CR/PR at Table I-4.

⁶⁶ First Five-Year Reviews, USITC Pub. 3322 at 11.

Commission observed that the domestic industries appeared to have consolidated since the first five-year reviews, declining from five major domestic producers to three major domestic producers of each of the domestic like products.⁶⁷

In the third five-year reviews, the Commission found the domestic industries' share of apparent U.S. consumption in 2010 was *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁶⁸ Subject import market shares were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁶⁹ The record indicated that there were 87 Chinese producers of subject merchandise, 11 importers of subject merchandise from China, and eight Chinese firms that were major exporters of subject merchandise to the United States.⁷⁰ The market shares held by nonsubject imports were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁷¹

In the fourth five-year reviews, the Commission found that the U.S. hand tools market continued to be supplied by domestic producers, subject imports, and nonsubject imports.⁷² The domestic industries' share of apparent U.S. consumption in 2015 was *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks. Subject import market shares were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks. The market shares held by nonsubject imports during the period were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁷³

⁶⁷ Second Five-Year Reviews, USITC Pub. 3836 at 14-15.

⁶⁸ Third Five-Year Reviews, USITC Pub. 4250 at 11; *see Confidential Views (Third Review) Opinion*, EDIS Doc. 456645 at 11. In the third five-year reviews, AMES Companies ("Ames") estimated that in 2010 it accounted for *** percent of U.S. production of axes and adzes, *** percent of U.S. production of bars and wedges, *** percent of U.S. production of hammers and sledges, and *** percent of U.S. production of picks and mattocks. CTC estimated that it accounted for approximately *** percent of U.S. production of all four domestic like products. Third Five-Year Reviews, USITC Pub. 4250 at 11 n.54.

⁶⁹ Confidential Views (Third Review), EDIS Doc. 456645 at 11. The Commission noted that the only data available for 2010 were based on official Commerce import statistics from HTS categories that were broader than the scope for three of the four orders. USITC Pub. 4250 at 10-11.

⁷⁰ Third Five-Year Reviews, USITC Pub. 4250 at 10-11.

⁷¹ Confidential Views (Third Review), EDIS Doc. 456645 at 11.

⁷² Third Five-Year Reviews, USITC Pub. 4250 at 11.

⁷³ Confidential Views (Fourth Review), EDIS Doc. 598433 at 16-17.

In the current reviews, the U.S. hand tools market continues to be supplied by domestic producers,⁷⁴ subject imports,⁷⁵ and nonsubject imports.⁷⁶ The domestic industries' share of apparent U.S. consumption in 2020 was *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁷⁷ Subject import market shares were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁷⁸ The market shares held by nonsubject imports during the period were *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.⁷⁹ The Domestic Producer reports that there have been no significant changes in technology, production methods, development efforts, or the ability to increase or shift production or supply (except for the effects of the COVID-19 pandemic) since the original investigations.⁸⁰

Substitutability and Other Conditions. In the first five-year reviews, the Commission found a moderate-to-high degree of substitution between the domestic products and subject imports. Price was determined to be an important factor in purchasing decisions, particularly for the large retail accounts. The Commission additionally found that the production of hand tools was labor intensive, rather than capital intensive, and there were no significant differences reported in the manufacturing processes of the imported and domestically produced products.⁸¹

In the second five-year reviews, the Commission stated that nothing in the record indicated that its prior findings concerning the labor-intensive nature of the production processes and the degree of substitution between the domestic products and subject imports were no longer applicable. The Commission further stated that subject producers reportedly

⁷⁴ CR/PR at Table I-1. Domestic Producer estimated that it accounted for *** percent of domestic production of axes and adzes, *** percent of domestic production of bars and wedges, *** percent of domestic production of hammers and sledges, and *** percent of domestic production of picks/mattocks in 2020. *Id.* Because data covering all domestic production was obtained in the fourth five-year reviews, the domestic industry's market shares with respect to all four products may be understated in these reviews relative the industry's market shares in the last reviews. CR/PR at I-11.

⁷⁵ Domestic Producer listed 15 firms that it believes produce the subject merchandise in China. CR/PR at I-28 and Table I-3; Estwing Response at Exhibit 3.

⁷⁶ CR/PR at Table I-3.

⁷⁷ CR/PR at Table I-4.

⁷⁸ CR/PR at Table I-4.

⁷⁹ CR/PR at Table I-4.

⁸⁰ Estwing Response at 15.

⁸¹ First Five-Year Reviews, USITC Pub. 3322 at 11.

continued to compete on price. The record also indicated that there had been an increase in sales at internet retail sites.⁸²

In the third five-year reviews, the Commission found, based on the limited record of the expedited reviews, that its prior findings concerning the high degree of substitutability between subject imports and the domestic like products, the importance of price in the U.S. hand tools market, and overlapping channels of distribution continued to be applicable.⁸³

In the fourth five-year reviews, the Commission found that its prior findings concerning substitutability and other conditions remained applicable. The record indicated a continued high degree of substitutability between subject imports and the domestic like products and that price remained an important consideration in purchasing decisions in the U.S. hand tools market.⁸⁴

In these reviews, there is no new information on the record indicating that there has been any change in either the degree of substitutability between subject imports and the domestic like products or the importance of price to purchasing decisions since the last reviews.⁸⁵ According to the Domestic Producer, there have been no significant changes in end uses and applications; the existence and availability of substitute products; the degree of substitutability between and among domestic, subject, and nonsubject hand tools; or the importance of price to purchasers since the original investigations.⁸⁶ We therefore find that there continues to be a moderate to high degree of substitutability between subject imports and the domestic like products, and that price remains an important consideration in purchasing decisions in each of the U.S. hand tools markets.

⁸² Second Five-Year Reviews, USITC Pub. 3836 at 12

⁸³ Third Five-Year Reviews, USITC Doc. 4250 at 10.

⁸⁴ Fourth Five-Year Reviews, USITC Pub. 4654 at 18.

⁸⁵ In the first and five-year second reviews, the Commission found a “moderate to high” degree of substitutability. See First Five-Year Reviews, USITC Pub. 3322 at 11 and Second Five-Year Reviews, USITC Pub. 3836 at 9. In the third five-year reviews, although it correctly restated the earlier findings on substitutability as “moderate to high,” the Commission then went on to incorrectly characterize the prior substitutability findings as “high” when making the substitutability finding for the third reviews. Compare Third Five-Year Reviews, USITC Pub. 4250 at 10 with First Five-Year Reviews, USITC Pub. 3322 at 11, and Second Five-Year Reviews, USITC Pub. 3836 at 9. The Views for the fourth five-year reviews reiterate the “high” substitutability finding from the third reviews and remake the substitutability finding again as “high” for the fourth reviews. See Fourth Five-Year Reviews, USITC Pub. 4654 at 13. The divergence in the substitutability findings of the third and fourth reviews from those made in the prior reviews appears to be a mistake, given that the third and fourth reviews were based on the prior proceedings where findings were “moderate to high” and there has been no new evidence in these reviews or in any of the prior proceedings on the issue.

⁸⁶ See Estwing Response at 15 and Exhibit 4.

Two purchasers, ***, responded to the Commission’s purchaser questionnaire in these reviews.⁸⁷ *** noted significant changes in the supply and demand conditions for hand tools in the United States since 2016. Specifically, *** reported that ***.⁸⁸ Although *** also reported anticipating significant changes in the supply and demand conditions pertaining to the hand tools industry within a reasonably foreseeable time, ***.⁸⁹

Hand tools originating in China that enter the United States under HTS subheadings 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60 currently are subject to additional 25 percent *ad valorem* duties, effective September 24, 2018, pursuant to Section 301 of the Trade Act of 1974.⁹⁰

C. Likely Volume of Subject Imports

1. The Original Investigations and Prior Five-Year Reviews

In the original investigations, the Commission found that the market share of subject imports corresponding to each of the four like products had increased significantly. Between 1987 and 1989, subject imports’ share of total domestic consumption of hammers and sledges rose from *** percent to *** percent, as the volume of subject imports rose by *** percent, from *** units in 1987 to *** units in 1989. Subject imports’ share of total domestic consumption of bars and wedges by quantity rose from *** percent in 1987 to *** percent in 1989, with the volume of subject imports rising by *** percent, from *** units in 1987 to *** units in 1989. Subject imports’ share of total domestic consumption of picks and mattocks rose from *** percent in 1987 to *** percent in 1989, as the volume of subject imports rose by *** percent, rising from *** units in 1987 to *** units in 1989. For axes and adzes, subject imports’ share of total domestic consumption rose from *** percent in 1987 to *** percent in 1989; the volume of subject axe and adze imports rose from *** units in 1987 to *** units in 1989, or by *** percent.⁹¹

⁸⁷ CR/PR at D-3.

⁸⁸ CR/PR at D-3.

⁸⁹ CR/PR at D-3.

⁹⁰ CR/PR at I-8; *see Notice of Modification of Section 301 Action: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 20459 (May 9, 2019); *Notice of Modification of Section 301 Action: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*, 84 Fed. Reg. 47974, 48164-65 (Sept. 21, 2018).

⁹¹ Confidential Report, INV-O-018 (Jan. 18, 1991) and Original Determinations, USITC Pub. 2357 at 25-30; *see also* CR/PR at Appendix C.

In the first five-year reviews, the Commission found that the volume of subject imports would likely be significant if the orders were revoked. The limited information available indicated that the Chinese industries remained very large and had excess capacity. In addition, the United States was the most important export market for the subject producers.⁹²

In the second five-year reviews, the Commission found that the volume of subject imports likely would be significant in the reasonably foreseeable future if the orders were revoked “in light of the large and growing capacity of Chinese producers and the continued and rising presence of subject imports in the market despite the orders, the importance of the U.S. market and the aggressive pursuit of market share by Chinese producers and exporters seeking to evade duties.”⁹³

In the third five-year reviews, the Commission found that the volume of subject imports would likely be significant if the orders were revoked. It emphasized that, even with the orders in place, subject producers continued to supply the United States with large volumes of subject merchandise and that subject import volumes and market share increased for all four products since the first five-year reviews.⁹⁴ The Commission found that there was no information indicating that the total number of producers or capacity in China had decreased since the prior reviews. The industries in China remained export oriented and the United States was the most important export market for each product category except for axes and adzes. In light of the size of the subject industries and the importance of the U.S. market for the subject producers, even with the orders in place, the Commission found that it was likely that, upon revocation of the orders, subject producers and exporters would ship even greater volumes to the United States.⁹⁵

In the fourth five-year reviews, the Commission found that the volume of subject imports would likely be significant if the orders were revoked. It observed that, even with the orders in place, the subject producers continued to supply the U.S. market with appreciable quantities of subject merchandise, and that after an initial decline following the imposition of the orders, subject import volumes for all four product groups had increased for three of the four product groups since the first five-year reviews. The Commission further observed that there was no information indicating that the total number of producers in China or the capacity of those producers to produce hand tools had decreased since the last reviews.⁹⁶

The Commission further found that the subject industries producing hand tools remained export oriented. It based this finding on information indicating that the United States

⁹² First Five-Year Reviews, USITC Pub. 3322 at 13-14.

⁹³ Second Five-Year Reviews, USITC Pub. 3836, at 11-13.

⁹⁴ Third Five-Year Reviews, USITC Pub. 4250, at 11-12.

⁹⁵ Third Five-Year Reviews, USITC Pub. 4250, at 13-14.

⁹⁶ Fourth Five-Year Reviews, USITC Pub. 4654 at 14-15.

was the most important export market for subject producers in all four product groupings in 2015, and that subject producers had increased their exports of hand tools to the United States as a percentage of all their hand tools exports for three of the four product groupings over the period of review. In light of the size of the subject industries and the importance of the U.S. market, the Commission found it likely that subject producers and exporters would use their substantial capacity to ship even greater volumes of hand tools to the United States in the event of revocation. Thus, the Commission found that the likely volume of subject imports, both in absolute terms and as a share of the U.S. market, would be significant if the orders were revoked.⁹⁷

2. The Current Reviews

In these reviews, we find that the volume of subject imports would likely be significant if the antidumping duty orders were revoked. Despite an initial decline in subject import volumes for all four product groups following imposition of the antidumping duty orders,⁹⁸ subject import volumes have increased for three of the four product groups, and subject import market shares have increased for all four product groups since the first five-year reviews, notwithstanding the orders.⁹⁹ During the period of review, the subject producers continue to supply the U.S. market with substantial and generally increasing quantities of all four types of subject merchandise.¹⁰⁰ For three of the four product groups, subject imports from China were

⁹⁷ Fourth Five-Year Reviews, USITC Pub. 4654 at 15-16.

⁹⁸ See CR/PR at Table I-4.

⁹⁹ U.S. shipments of subject imports of axes and adzes were *** units in 1999, and subject imports were 1.4 million units in 2020. U.S. shipments of subject imports of bars and wedges were *** units in 1999, and subject imports were 2.8 million units in 2020. U.S. shipments of subject imports of hammers and sledges were *** units in 1999, and subject imports were 611,000 units in 2020. U.S. shipments of subject imports of picks and mattocks were *** units in 1999, and subject imports were 304,000 units in 2020. CR/PR at I-4. We recognize that the 1999 and 2020 data are not fully comparable, as the former were based on questionnaire responses and the latter on Commerce import statistics.

Subject imports' share of apparent U.S. consumption by quantity for axes and adzes was *** percent in 1999 and *** percent in 2020; for bars and wedges, it was *** percent in 1999 and *** percent in 2020; for hammers and sledges, it was *** percent in 1999 and *** percent in 2020; and for picks and mattocks, it was *** percent in 1999 and *** percent in 2020. CR/PR at Table I-4.

¹⁰⁰ CR/PR at Table I-3. Subject imports of axes and adzes increased steadily over the period of review from 589,000 units in 2016 to 1.4 million units in 2020. Subject imports of bars and wedges also increased steadily over the period of review from 2.3 million units in 2016 to 2.7 million units in 2020. Subject imports of hammers and sledges increased over the period of review from 321,000 units in 2016 to 611,000 units in 2020. Subject imports of picks and mattocks also increased over the period of review from 101,000 units in 2016 to 304,000 units in 2020. *Id.*

higher in 2020 than in 2015, during the prior review, and accounted for between *** percent to *** percent of apparent U.S. consumption in 2020, depending on the product.¹⁰¹

Because of the lack of participation by subject foreign producers and U.S. importers of the subject merchandise, the Commission has limited information in these reviews on the subject industries. There is no new information indicating that the total number of producers in China or the capacity of those producers to produce hand tools has decreased since the fourth five-year reviews. Domestic producer Estwing identified 15 subject producers and firms that it believes exported hand tools to the United States from China since 2015.¹⁰²

The record of these reviews also indicates that the subject industries producing hand tools remain export oriented, and are no less focused on the U.S. market than in the prior reviews. The Global Trade Atlas (“GTA”) data available in these reviews, which may include out-of-scope products, indicate that hand tool exports from China in all four product categories were substantial and increasing throughout the period of review, from \$1.2 billion in 2016 to \$1.4 billion in 2020, in the aggregate, and that the United States was China’s top export market for every product but picks and mattocks in 2020.¹⁰³ GTA data also show that China was the world’s largest exporter of hand tools with respect to three of four product categories.¹⁰⁴ In light of the size of the subject industries and the importance of the U.S. market to the subject producers, even with the orders in place, it is likely that subject producers and exporters would use their substantial capacity to ship even greater volumes of hand tools to the United States if the orders were revoked.¹⁰⁵

Based on the significant increase in subject imports and market share during the original investigations; the substantial and increasing volumes and market shares of subject imports during the period of review, despite the orders; the subject industries’ substantial capacity and exports; and the continuing importance of the U.S. market to subject producers, we find that producers in China are likely to significantly increase their exports to the United States if the antidumping duty orders were revoked. Thus, we find that the likely volume of subject imports for each of the four types of hand tools, both in absolute terms and as a share of the U.S. market, would be significant if the antidumping duty orders were revoked.

¹⁰¹ The shares of apparent U.S. consumption represented by subject imports in 2020 are *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks. CR/PR at Table I-4.

¹⁰² CR/PR at I-28; Estwing Response at Exhibit 3.

¹⁰³ CR/PR at I-28 and Tables I-5 to I-8. We recognize that the available GTA data include out-of-scope merchandise. CR/PR at I-28. Nevertheless, they constitute the information available in these expedited reviews concerning the export patterns of the subject industries.

¹⁰⁴ CR/PR at Tables I-9 to I-12.

¹⁰⁵ Because of the expedited nature of these reviews, the record does not contain information about inventories of the subject merchandise or the subject producers’ potential for product shifting.

D. Likely Price Effects of Subject Imports

1. The Original Investigation and Prior Five-Year Reviews

In the original determinations, the Commission found that persistent or sustained underselling occurred with subject imports of: (1) axes and adzes and (2) picks and mattocks. The Commission also found underselling by subject imports of (1) bars and wedges and (2) hammers and sledges, although the patterns of underselling were less consistent than those exhibited by the two other products. From 1987 through 1989, average unit values (“AUVs”) for subject imports from China were below the AUVs both for the domestic like product and for nonsubject imports for each of the four products.¹⁰⁶

In the first five-year reviews, the Commission obtained only limited pricing data, which showed significant underselling by subject imports ***. Pricing data on hammers and sledges showed mixed patterns of overselling and underselling, with *** on some products and mixed *** for other products. The Commission noted that, despite the imposition of the antidumping duties, the AUVs for two of the four imported product groups, (1) bars and wedges and (2) picks and mattocks, remained *** AUVs for the domestic like products. The AUVs for subject imports of axes and adzes in 1999 was *** to the AUVs of domestic shipments of axes and adzes. In light of this evidence, the Commission found that revocation of the antidumping duty orders would be likely to lead to significant price suppression or depression of the domestic like product by subject imports in the reasonably foreseeable future.¹⁰⁷

In the second five-year reviews, the Commission noted that the record contained no public sources of pricing data. It found that price remained a key element in sales, as the record indicated that subject producers continued to compete in the U.S. market on the basis of price.¹⁰⁸ Nonsubject imports also continued to play a large role in the market.¹⁰⁹ The Commission found that “the record indicates that even in the face of increased material input costs, the majority of subject producers and exporters do not intend to raise prices, making it likely that subject import prices will undercut domestic product prices.” Accordingly, the Commission determined that likely significantly increased volumes of lower-priced subject imports would likely adversely and significantly affect prices for the domestic like products upon revocation of the antidumping duty orders.¹¹⁰

¹⁰⁶ Original Determinations, USITC Pub. 2357 at 40-44.

¹⁰⁷ Confidential Views (Review), EDIS Doc. 132235 at 22; First Five-Year Reviews, USITC Pub. 3322 at 13-16.

¹⁰⁸ Second Five-Year Reviews, USITC Pub. 3836 at 14-15.

¹⁰⁹ Second Five-Year Reviews, USITC Pub. 3836 at 14.

¹¹⁰ Second Five-Year Reviews, USITC Pub. 3836 at 15.

In the third five-year reviews, there was again no available pricing data. The Commission found that the record indicated hand tools were highly substitutable and price remained a key element in sales, as subject producers continued to compete in the U.S. market on the basis of price. It found that the presence of increased quantities of nonsubject imports would provide the Chinese producers and exporters a strong incentive to price even more aggressively in order to expand their market share in the United States. Consequently, the Commission found that, upon revocation of the orders, subject imports from China would likely enter the United States at prices that would likely undersell the domestic like products and that would likely have significant suppressing or depressing effects on U.S. producers' prices and would likely lead to significant lost market share for U.S. producers.¹¹¹

In the fourth five-year reviews, the Commission noted that there was no new pricing data, due to the expedited nature of the reviews, nor any public sources for pricing comparisons. It also observed that the record continued to show that hand tools were highly substitutable and that price remained an important consideration in purchasing decisions. The Commission found that subject producers would likely significantly undersell the domestic like product in order to gain market share after revocation of the orders, as occurred in the original investigations, likely forcing domestic producers to either reduce their prices or relinquish market share. It concluded that, upon revocation of the orders, subject imports from China would be likely to enter the United States at prices that would likely undersell the domestic like products and that would likely have significant suppressing or depressing effects on U.S. producers' prices or would lead to significant lost market share for U.S. producers.¹¹²

2. The Current Reviews

As stated above, we continue to find a high degree of substitutability between subject imports and the domestic like products, and that price remains an important consideration in purchasing decisions.

The record does not contain recent product-specific pricing information due to the expedited nature of these reviews. Based on the information available, including the high degree of substitutability of subject imports and the domestic like products and the importance of price in purchasing decisions, we find that, if the orders were revoked, significant volumes of subject imports would likely significantly undersell the domestic like products, as occurred in the original investigations.

¹¹¹ Third Five-Year Reviews, USITC Pub. 4250 at 19.

¹¹² Fourth Five-Year Reviews, USITC Pub. 4654 at 18.

The significant volumes of low-priced subject imports for each of the four hand tool products would likely cause domestic producers either to lose sales and market share or to reduce their prices, or forgo price increases, in order to compete with subject imports.

In light of the above, we find that upon revocation of the orders, subject imports from China would likely have significant price effects.

E. Likely Impact of Subject Imports

1. The Original Investigations and Prior Five-Year Reviews

In the original determinations, the Commission found that subject imports had a detrimental impact on each of the domestic industries producing heavy forged hand tools.¹¹³

In the first five-year reviews, the Commission found that, if the antidumping duty orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industries within a reasonably foreseeable time. Even with the orders in place, subject imports had successfully competed for contracts with some of the largest and most important mass market retailers in the U.S. markets. Notably, Woodings-Verona, the original petitioner, was forced into bankruptcy in 1991 after the orders were imposed, and the domestic producers believed that imposition of the orders was crucial to the industries' survival after the injury suffered in the 1980s.¹¹⁴ Given the likely significant increase in volume of subject imports and the resultant intense price competition in a market with sluggish demand growth, the Commission concluded that, if the antidumping duty orders were revoked, the domestic industries would likely experience significant declines in output, sales, and income, with eventual losses in employment and capital and research and development ("R&D") expenditures similar to those experienced in the years of the original investigations.¹¹⁵

In the second five-year reviews, the Commission found that subject import volumes would likely be significant if the orders were revoked, resulting in significant price effects, which would likely lead to a significant adverse impact on the domestic industries.¹¹⁶ The Commission found that revocation of the orders would likely lead to significant declines in output, sales, and income, with eventual losses in employment and declines in capital and R&D expenditures.

¹¹³ Original Determinations, USITC Pub. 2357 at 26-30.

¹¹⁴ First Five-Year review, USITC Pub. 3322 at 17.

¹¹⁵ First Five-Year Reviews, USITC Pub. 3322 at 17-18.

¹¹⁶ Second Five-Year Reviews, USITC Pub. 3836 at 25. Although Ames maintained that the domestic industries were vulnerable, based upon the plant closures and declines in production regarding three of the four products (excepting picks and mattocks), the Commission concluded that the evidence in the record was insufficient to enable it to determine whether the domestic industries producing heavy forged hand tools were vulnerable. *Id.* at 24.

Accordingly, the Commission concluded that, if the antidumping duty orders were revoked, subject imports would be likely to have a significant adverse impact on the domestic industries within a reasonably foreseeable time.¹¹⁷

In the third five-year reviews, the Commission concluded that the limited record information on the condition of the domestic industries was insufficient for it to determine whether the domestic industries were vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.¹¹⁸ It found that, based on the available information, revocation of the antidumping duty orders would be likely to lead to a significant increase in the volume of subject imports and that subject imports would likely significantly undersell the domestic products, resulting in likely significant depression and suppression of prices for the domestic like products. The Commission found that the intensified price competition with subject imports that would likely occur after revocation of the orders would likely have a significant adverse impact on the domestic industries. Specifically, the domestic industries would likely lose market share to low-priced subject imports and would likely obtain lower prices because of competition from subject imports, which would adversely impact their production, shipments, sales, and revenues.¹¹⁹ The Commission also considered the role of factors other than the subject imports so as not to attribute injury from such factors to subject imports. It observed that while the share of the U.S. market held by nonsubject imports of each of the four products remained large in 2010, a significant portion of the expected increase in subject imports would likely be at the expense of the domestic industry given the likelihood of subject import underselling and adverse price effects.¹²⁰

In the fourth five-year reviews, the Commission found that some measures of domestic industry performance were stronger while others were weaker in 2015 compared to 2010, depending on the industry.¹²¹ The Commission concluded that the limited evidence regarding the domestic industries' performance throughout the period of review was insufficient to determine whether the domestic industries were vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders. Based on the information available, the Commission found that revocation of the orders would likely result in a significant increase in subject import volume and significant underselling by subject imports, resulting in either significant adverse price effects or U.S. producers ceding market share to lower priced subject imports. Through these effects, the Commission found that subject imports would likely have an adverse impact on the domestic industry's production, shipments, sales, and revenues, and

¹¹⁷ Second Five-Year Reviews, USITC Pub. at 3836 at 25.

¹¹⁸ Third Five-Year Reviews, USITC Pub. 4250 at 24-25.

¹¹⁹ Third Five-Year Reviews, USITC Pub. 4250 at 25.

¹²⁰ Third Five-Year Reviews, USITC Pub. 4250 at 25-26.

¹²¹ Fourth Five-Year Reviews, USITC Pub. 4654 at 19-20.

by extension on the industry's profitability, employment, and investments, if the orders were revoked.¹²²

In considering the role of factors other than the subject imports, the Commission recognized that nonsubject import market share was large in each of the four product categories, but found that a significant portion of the expected increase in subject imports would be at the expense of the domestic industries, given the likelihood of underselling and adverse price effects by the subject imports.¹²³

2. The Current Reviews

Due to the expedited nature of these reviews, the record contains limited information concerning the domestic industry's performance since the last reviews.¹²⁴

The domestic axes and adzes industry reported capacity in 2020 of *** units, production of *** units, and capacity utilization of *** percent. There were *** units of U.S. shipments with an AUV of \$***. Operating income as a ratio to net sales was *** percent. Although capacity utilization and AUVs were higher in 2020 than in 2015 and the industry's financial performance generally improved, other indicators such as capacity, production, and U.S. shipments were all lower.¹²⁵

The domestic bars and wedges industry reported capacity in 2020 of *** units, production of *** units, and capacity utilization of *** percent. There were *** units of U.S. shipments with an AUV of \$***. Operating income as a ratio to net sales was *** percent. Although capacity utilization was higher in 2020 than in 2015 and the industry's financial performance generally improved, other indicators such as capacity, production, U.S. shipments, and AUVs were all lower.¹²⁶

The domestic hammers and sledges industry reported capacity in 2020 of *** units, production of *** units, and capacity utilization of *** percent. There were *** units of U.S.

¹²² Fourth Five-Year Reviews, USITC Pub. 4654 at 20.

¹²³ Fourth Five-Year Reviews, USITC Pub. 4654 at 20-21.

¹²⁴ We note that neither AMES nor Council Tool Company, Inc. ("Council"), domestic producers that participated in prior reviews, provided responses to the Commission's notice of institution in these reviews. Record information confirms that both companies remain *** (CR/PR at Table I-1 and note; Estwing Supplemental Response at 3 and 6), and the information provided by AMES and Council in prior reviews indicated that ***. *See, e.g.*, Confidential Views (Fourth Review), EDIS Doc. 598433 at 15-16 and nn.54 & 58. Because Estwing accounted for only an estimated *** to *** percent of total domestic production of hand tools, depending on the product, data on the domestic industry in these reviews may be understated relative to data on the domestic industry from prior reviews. *See* CR/PR at Table I-1 and note.

¹²⁵ CR/PR at Table I-2.

¹²⁶ CR/PR at Table I-2.

shipments with an AUV of \$***. Operating income as a ratio to net sales was *** percent. Although capacity, production, and U.S. shipments were lower in 2020 than in 2015, other indicators such as capacity utilization and AUVs were higher and the industry's financial performance generally improved.¹²⁷

The domestic picks and mattocks industry reported capacity in 2020 of *** units, production of *** units, and capacity utilization of *** percent. There were *** units of U.S. shipments with an AUV of \$***. Operating income as a ratio to sales was *** percent. Capacity, production, and U.S. shipments were lower in 2020 than in 2015, although capacity utilization and AUVs were higher and the industry's financial performance generally improved over the period.¹²⁸

The limited information regarding the domestic industries' performance during the period of review is insufficient for us to determine whether the domestic industries are vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

Based on the information available, we find that revocation of the antidumping duty orders on hand tools from China would likely lead to a significant increase in the volume of subject imports that would likely undersell the domestic like products to a significant degree. The significant volumes of low-priced subject imports for each of the four hand tool products would likely depress or suppress prices for the domestic like products and/or take market share from the domestic industries. This, in turn, would adversely affect the domestic industries' production, shipments, sales, and revenues. These reductions would likely have a direct adverse impact on the domestic industries' profitability and employment levels, as well as their ability to raise capital and make and maintain necessary capital investments.

We have also considered the role of factors other than the subject imports so as not to attribute injury from such factors to subject imports. In 2020, nonsubject imports accounted for a large share of apparent U.S. consumption with respect to each of the four product categories, including *** percent for axes and adzes, *** percent for bars and wedges, *** percent for hammers and sledges, and *** percent for picks and mattocks.¹²⁹ We nevertheless find that the significant increase in subject import volume and market share that is likely after revocation would come, at least in part, at the domestic industry's expense, given the high degree of substitutability between subject imports and the domestic like products, the importance of price to purchasers, and the likelihood of significant subject import underselling.

¹²⁷ CR/PR at Table I-2.

¹²⁸ CR/PR at Table I-2.

¹²⁹ CR/PR at Table I-4.

Consequently, we find that any effects of nonsubject imports would be distinct from the likely effects attributable to the subject imports.

Accordingly, we conclude that if the antidumping duty orders on each of the four hand tool products from China were revoked, subject imports would likely have a significant impact on the domestic industries within a reasonably foreseeable time.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty orders on each of the four hand tool products from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

Information obtained in these reviews

Background

On December 1, 2021 the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),¹ that it had instituted reviews to determine whether revocation of antidumping duty orders on heavy forged hand tools (“HFHTs”) from China would likely lead to the continuation or recurrence of material injury to a domestic industry.² All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.³ ⁴ The following tabulation presents information relating to the background and schedule of this proceeding:

Effective date	Action
December 1, 2021	Notice of initiation by Commerce (86 FR 68220, December 1, 2021)
December 1, 2021	Notice of institution by Commission (86 FR 68275, December 1, 2021)
March 7, 2022	Commission’s vote on adequacy
April 1, 2022	Commerce’s results of its expedited reviews (87 FR 19073, April 1, 2022)
May 20, 2022	Commission’s views and determinations

¹ 19 U.S.C. 1675(c).

² 86 FR 68275, December 1, 2021. In accordance with section 751(c) of the Act, the U.S. Department of Commerce (“Commerce”) published a notice of initiation of five-year reviews of the subject antidumping duty orders. 86 FR 68220, December 1, 2021. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website (www.usitc.gov).

³ As part of their response to the notice of institution, interested parties were requested to provide company-specific information. That information is presented in app. B. Summary data compiled in the original investigations and subsequent full reviews are presented in app. C.

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

Responses to the Commission’s notice of institution

Individual responses

The Commission received one submission in response to its notice of institution in this subject review. They were filed on behalf of Estwing Manufacturing Company, Inc. (“Estwing”), a domestic producer of HFHTs (referred to herein as “domestic interested party”).

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

Table I-1

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

Type of Interested Party	Number of firms	Coverage
U.S. producer, axes and adzes	1	***%
U.S. producer, bars and wedges	1	***%
U.S. producer, hammers and sledges	1	***%
U.S. producer, picks and mattocks ¹	1	***%

¹ In its supplemental response to the notice of institution, the domestic interested party indicated that its production of picks and mattocks were all under 3.3 pounds. Estwing corrected its response to the Notice of Institution by clarifying that it did not produce picks and mattocks over 3.3 pounds. Estwing further indicated that it reported its production of bars in wedges in units, but that all imports of bars and wedges are reported in kilograms. Estwing provided a specifications sheet that detailed the different products it produces that are classified as bars and wedges, along with their weight in kilograms. Domestic interested party’s supplemental response to the notice of institution, January 28, 2022, p. 6, and additional response, February 2, 2022.

Note: The U.S. producer coverage figure presented is the domestic interested party’s estimate of its share of total U.S. production of HFHTs during 2020. Domestic interested party’s supplemental response to the notice of institution, January 28, 2022, p. 6.

Note: Council Tool Company, Inc. (“Council”), a participant in past reviews, did not provide a response to the notice of institution in these reviews, ***. Email from ***, Tuesday, February 15, 2022. According to its website, AMES Companies (“AMES”), another participant in past reviews, ***. Supplemental response to the notice of institution, January 28, 2022, pp. 3. Based on data provided by AMES and Council in past reviews, and information on changes to the U.S. industry obtained during these reviews, the domestic interested party ***.

Party comments on adequacy

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review from Estwing. Estwing requests that the Commission conduct expedited reviews of the antidumping duty orders on heavy forged hand tools from China.⁵

⁵ Domestic interested party’s comments on adequacy, February 10, 2022, p. 2.

The original investigations and subsequent reviews

The original investigations

The original investigations resulted from a petition filed on April 4, 1990 with Commerce and the Commission by Woodings-Verona Tool Works, Inc., Verona, PA.⁶ ⁷ On February 11, 1991, the Commission determined that an industry in the United States was threatened with material injured by reason of imports of HFHTs from China.⁸ On February 19, 1991, Commerce issued its antidumping duty orders on imports of the following classes or kinds of HFHTs (with the final weighted-average dumping margins as follows) (1) axes and adzes, 15.02 percent; (2) bars and wedges, 31.76 percent; (3) hammers and sledges, 45.42 percent; and (4) picks and mattocks, 50.81 percent.⁹

The first five-year reviews

On October 1, 1999, the Commission determined that it would conduct full reviews of the antidumping duty orders on HFHTs from China.¹⁰ On February 4, 2000, Commerce determined that revocation of the antidumping duty orders on axes and adzes and picks and mattocks from China would be likely to lead to continuation or recurrence of dumping.¹¹ On June 2, 2000, Commerce determined that revocation of the antidumping duty orders on hammers and sledges and bars and wedges from China would be likely to lead to continuation or recurrence of dumping.¹² In June 2000, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹³ Following affirmative determinations in the five-year reviews by Commerce and the Commission,

⁶ Heavy Forged Hand Tools from the People's Republic of China, Inv. Nos. 731-TA-457 (Final), USITC Publication 2357, February 1991 ("Original publication"), p. A-1. The Commission stated that its affirmative determinations included the industries producing striking tools (or "hammers and sledges" with heads over 3.3 pounds), bar tools (bars over 18 inches in length, track tools, and wedges, or "bars and wedges"), digging tools (or "picks and mattocks"), and hewing tools (or "axes and adzes").

⁷ Ames True Temper ("Ames") was the successor company to Woodings-Verona.

⁸ Original publication, p. 1.

⁹ 56 FR 6622, February 19, 1991.

¹⁰ 64 FR 55958, October 15, 1999.

¹¹ 65 FR 5497, February 4, 2000.

¹² 65 FR 35321, June 2, 2000.

¹³ *Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Review)*, USITC Publication 3322, July 2000, ("First Review"), p. 1.

effective August 10, 2000, Commerce issued a continuation of the antidumping duty orders on imports of HFHTs from China.¹⁴

The second five-year reviews

On October 4, 2005, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on HFHTs from China.¹⁵ On November 7, 2005, Commerce determined that revocation of the antidumping duty orders on HFHTs from China would be likely to lead to continuation or recurrence of dumping.¹⁶ On February 1, 2006 the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.¹⁷ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective February 16, 2006, Commerce issued a continuation of the antidumping duty orders on imports of HFHTs from China.¹⁸

The third five-year reviews

On April 8, 2011, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on HFHTs from China.¹⁹ On May 3, 2011, Commerce determined that revocation of the antidumping duty orders on HFHTs from China would be likely to lead to continuation or recurrence of dumping.²⁰ On August 10, 2011, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.²¹ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective August 22, 2011, Commerce issued a continuation of the antidumping duty orders on imports of HFHTs from China.²²

¹⁴ 65 FR 48962, August 10, 2000.

¹⁵ FR 61156, October 20, 2005.

¹⁶ FR 76451, November 7, 2005.

¹⁷ 71 FR 6290, February 7, 2006.

¹⁸ 71 FR 8276, February 16, 2006.

¹⁹ 76 FR 31631, June 1, 2011.

²⁰ 76 FR 24856, May 3, 2011.

²¹ 76 FR 50755, August 16, 2011.

²² 76 FR 52313, August 22, 2011.

The fourth five-year reviews

On October 4, 2016, the Commission determined that it would conduct expedited reviews of the antidumping duty order on HFHTs from China.²³ On October 31, 2016, Commerce determined that revocation of the antidumping duty order on HFHTs from China would be likely to lead to continuation or recurrence of dumping.²⁴ On December 15, 2016, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.²⁵ Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective January 6, 2017, Commerce issued a continuation of the antidumping duty order on imports of HFHTs from China.²⁶

Previous and related investigations

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

Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of HFHTs from China with the intent of issuing the final results of these reviews based on the facts available not later than March 31, 2022.²⁷ Commerce publishes its Issues and Decision Memoranda and its final results concurrently, accessible upon publication at <http://enforcement.trade.gov/frn/>. Issues and Decision Memoranda contain complete and up-to-date information regarding the background and history of the order, including scope rulings, duty absorption, changed circumstances reviews, and anticircumvention, as well as any decisions that may have been pending at the issuance of this report. Any foreign producers/exporters that are not currently subject to the antidumping duty orders on imports of HFHTs from China are noted in the sections titled "The original investigations" and "U.S. imports," if applicable.

²³ 81 FR 73417, October 25, 2016.

²⁴ 81 FR 78777, November 9, 2016.

²⁵ 81 FR 92852, December 20, 2016.

²⁶ 82 FR 1695, January 6, 2017.

²⁷ Letter from Abdelali Elouaradia, Director, AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, January 20, 2022.

The product

Commerce's scope

Commerce has defined the scope as follows:

*The merchandise covered by these orders are hand tools comprising the following classes or kinds of merchandise: (1) Hammers and sledges with heads over 1.5 kg (3.33 pounds); (2) bars over 18 inches in length, track tools and wedges; (3) picks and mattocks; and (4) axes, adzes and similar hewing tools. Subject hand tools are manufactured through a hot forge operation in which steel is sheared to required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size.*²⁸

U.S. tariff treatment

Merchandise classified under the following HTS subheadings has a tariff rate of free: (1) HTS subheading 8205.20.60--(hammers/sledges) hammers and sledgehammers, and parts thereof, with heads over 1.5 kg each; (2) HTS subheading 8205.59.30--(bars/wedges) crowbars, track tools, and wedges, and parts thereof; and (3) HTS subheading 8201.30.00--(mattocks/picks) mattocks, picks, hoes and rakes, and parts thereof. Merchandise under HTS subheading 8201.40.60--(axes/adzes), axes, bill hooks, and similar hewing tools, and parts thereof, other than machetes and parts thereof, is dutiable at a general tariff rate of 6.2 percent ad valorem.

Section 232 tariff treatment

Heavy forged handtools classifiable under HTS subheadings 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60 were not included in the enumeration of steel mill products that were subject to the additional 25 percent ad valorem section 232 national-security duties under HTS chapter 99 as of March 23, 2018.²⁹

²⁸ 82 FR 1695, January 6, 2017.

²⁹ 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 derivatives that are being imported into the United States in such quantities or under such circumstances as to

(continued...)

Section 301 tariff treatment

Heavy forged handtools originating in China that enter the United States under HTS subheadings 8205.20.60, 8205.59.30, 8201.30.00, and 8201.40.60 are currently subject to additional 25 percent section 301 ad valorem duties, effective Sept 24, 2019. See also U.S. notes 20(e) and 20(f), subchapter III of chapter 99.³⁰

Description and uses³¹

The characteristics of HFHTs remain the same as in the previous reviews.

Axes and Adzes

Axes and adzes are hewing tools. Axes are generally grouped into two categories: large axes and special-purpose axes. Large axes are intended primarily for chopping wood. They are manufactured with either two cutting edges (double-bit) or a single cutting edge (single-bit). The single-bit axe has on the opposite side of the axe head a hammer face that can be used for pounding. Special-purpose axes are designed to function as two tools. For example, the attock axe is a single-bit axe with an adze-shaped grubbing blade on the back and is designed for digging, prying, or chopping. Adzes are used in shaping wood, and may have either a flat or curved blade at a right angle to the handle. There are numerous websites that indicate axes are being produced in the U.S. however, there is also the possibility that axes are assembled in the U.S. instead of the production of all parts.

(...continued)

threaten to impair the national security. Adjusting Imports of Steel Into the United States, Presidential Proclamation 9705, March 8, 2018; 83 FR 11625, March 15, 2018.

³⁰ Section 301 of the Trade Act of 1974, as amended (19 U.S.C. § 2411) authorizes the Office of the United States Trade Representative (“USTR”), at the direction of the President, to take appropriate action to respond to a foreign country’s unfair trade practices. On August 18, 2017, USTR initiated an investigation into certain acts, policies, and practices of the Government of China related to technology transfer, intellectual property, and innovation (82 FR 40213, August 24, 2017). On April 6, 2018, USTR published its determination that the acts, policies, and practices of China under investigation are unreasonable or discriminatory and burden or restrict U.S. commerce and are thus actionable under section 301(b) of the Trade Act (83 FR 14906, April 6, 2018).

³¹ Unless otherwise noted, this information is based on *Heavy Forged Hand Tools from China: Investigation Nos. 731-TA-457 (Fourth Review)*, USITC Publication, December 2016 (Fourth Review Publication), pp. I-5-I-6.

Bars and Wedges³²

The principal product of bars and wedges is the crowbar. This tool typically has a gooseneck-like shape to the bar at the claw end for pulling nails and spikes, and a chisel blade at the other end of the bar for prying.³³ Other bars, such as wrecking bars, may be flattened. Various configurations of curves allow for differing degrees of leverage in prying operations. Included in bars and wedges are digging bars and tampers. Bars are used for demolition, scraping, lifting, or prying apart floor tile, wood paneling, nailed wood items, wood molding, and/or removing nails and spikes from wood. Digging bars are used to break up hardened soil and tampers are used to compact loose soil or asphalt. Wedges are used in splitting wood.³⁴

Hammers and Sledges

Heavy hammers and sledges with heads over 1.5 kg (3.33 pounds) have heads that are heavier than claw-type (carpenters') hammers or ball peen type (machinists') hammers. Heavy hammer and sledge heads included in the scope of the investigation are over 1.5 kg (3.33 pounds) in weight, and may weigh as much as 9.1 kg (20 pounds). Sledge hammers are heavy hammers used for driving stakes, wedges, or other objects. Woodsplitting mauls resemble sledge hammers except that they have one axelike edge. Primarily, they are intended to split wood without the use of wedges, but the blunt end may be used for striking stakes, wedges, or other objects as one would with a sledge hammer. Hammers and sledges, including mauls, within the scope of the antidumping duty order typically have handles made of wood or fiberglass.

Picks and Mattocks³⁵

Picks and mattocks are produced in several styles and sizes, and differ principally in the weight of the head, the angle and size of the prongs, and the shape of the pick points. Picks are generally used for digging in relatively hard soil, striking the soil with the point of the pick head, whereas the mattock has one side of the head being a broad blade and is used in

³² Domestic Interested Party produces nine different types of bars and wedges: E-5 (2.10 kg), E3-FF4 (1.96 kg), EWB-24 (1.80 kg), EWB-36 (2.27 kg), EWB-30 (2.10 kg), EWB-24PS (2.35 kg), EWB-36PS (3.31 kg), EFF4SE (1.96 kg), and EWB-18 (.79 kg). The E-5 accounts for the largest number of units produced, shipped, and sold with the E3-FF4 being the second most in these categories.

³³ The EWP-36PS crowbar was the second most produced type of bar by the Domestic Interested Party.

³⁴ Domestic Interested Party's primary manufactured bar is the E5 used for splitting wood. It accounted for over half of units shipped and accounted for nearly half of production capacity in terms of bars.

³⁵ Domestic Interested Party produces picks and mattocks with a weight less than 3.3 lbs, this could be an instance of differentiation based on weight.

relatively soft soil. Both mattocks and picks are produced with either wood or fiberglass handles.

Manufacturing process³⁶

Heavy forged hand tools are manufactured through a hot forge operation in which steel is sheared to the required length, heated to forging temperature, and formed to final shape on forging equipment using dies specific to the desired product shape and size. Depending upon the product, finishing operations may include shot blasting, grinding, polishing and painting, and insertion of the handles for handled products. Some operations may be automated. For example, Council reportedly uses a robot in some finishing operations on certain forged the heads, thus reducing labor costs and increasing precision in these repetitive tasks.³⁷ The extent of automation used in the U.S. HFHT industry is unknown. Handles are made of wood or molded fiberglass. The manufacturing of wood handles involves cutting, drying, sanding, and finishing.

The industry in the United States

U.S. producers

During the final phase of the original investigations, the Commission received U.S. producer questionnaires from eight firms, of which four large firms accounted for approximately *** percent of production of all HFHTs in the United States during 1989.^{38 39}

³⁶ Unless otherwise noted, this information is based on fourth review report, pp. I-7. Information on Estwing production process pending. Council also provided a letter correspondence confirming they are currently a U.S. producer of the four like products and they have been a U.S. producer since the previous review.

³⁷ Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Fourth Review), USITC Publication 4654, December 2016, (“Fourth review”) p. I-7.

³⁸ Heavy Forged Hand Tools from China, Investigation nos. 731-TA-457 (Final), USITC Publication 2357, February, 1991 (“Original publication”), pp. A-13—A-14.

³⁹ Of the four large domestic producers identified in the original investigations, Council ***. Woodings-Verona was acquired by AMES in 1997. Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Review), USITC Publication 3322, July 2000, (“First review”) pp. 17. Mann Edge Tool Co. shut down its U.S. production of HFHTs prior to 2005. Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Second Review), USITC Publication 3836, January 2006, (“Second review”) p. I-16.

During the first full five-year reviews, the Commission received U.S. producer questionnaires from five firms, which accounted for all production of HFHTs in the United States during 1999.⁴⁰

In the second expedited five-year reviews, the domestic interested party Ames indicated that it and two other firms were the only producers of HFHTs in the United States during 2004.⁴¹

In the third expedited five-year reviews, the domestic interested parties (Ames and Council Tool Company, Inc.) indicated that three firms were the only producers of HFHTs in the United States during 2010.⁴²

In the fourth expedited five-year reviews, Ames and Council were the only firms identified as U.S. producers of HFHTs in the United States during 2015.⁴³

In response to the Commission's notice of institution in these current reviews, the domestic interested party provided information for two additional known and currently operating U.S. producers of HFHTs.^{44 45} Estwing provided U.S. industry data in response to the Commission's notice of institution that it had accounted for approximately *** percent of U.S. production of hammers and sledges,

⁴⁰ First review, pp. I-9-I-10.

⁴¹ Second review, p. I-15.

⁴² Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Third Review), USITC Publication 4250, January 2011, ("Third review") p. 7.

⁴³ Heavy Forged Hand Tools from China: Inv. Nos. 731-TA-457 (A-D) (Fourth Review), USITC Publication 4654, December 2016, ("Fourth review") p. I-10.

⁴⁴ In its response to the notice of institution and supplemental response to the notice of institution, the domestic interested party identified Ames and Vaughan & Bushnell Mfg. Co. ("Vaughan") as domestic producers of HFHTs in the United States. The domestic interested party was unable to confirm if Ames' products were imported and then assembled domestically. Domestic interested party's response to the notice of institution, p. 11, and supplemental response to notice of institution, January 28, 2022, pp. 2-3.

⁴⁵ Based on the domestic interested party's response to the notice of institution, supplemental response to the notice of institution, and staff research, it appears that at least six firms currently produce HFHTs in the United States. Ames, Council, Estwing, Vaughan, Warwood Tool Co. ("Warwood"), and Fire Axe Inc. appear to have produced some or all of the four categories of HFHTs during 2020. Staff research indicated that there may be additional, small-scale U.S. producers of axes and adzes.

*** percent U.S. production of bars and sledges, *** percent U.S. production of picks and mattocks, and *** percent U.S. production of axes and adzes in the United States during 2020.^{46 47}

Recent developments

Since the commission's last five-year review there have been no developments across the heavy forged hand tools market. Despite no developments the domestic industry has contracted mainly because of the COVID-19 pandemic which hit domestic producers hard in production and sales.⁴⁸

U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.⁴⁹ Table I-2 presents a compilation of the trade and financial data submitted from all responding U.S. producers in the original investigations and subsequent five-year reviews.

⁴⁶ Domestic interested party's supplemental response to the notice of institution, January 28, 2022, year, p. 6.

⁴⁷ In its response to the notice of institution and supplemental response to the notice of institution, the domestic interested party indicated that its production of bars and wedges constituted ***. ***. Domestic interested party's response to the notice of institution, pp. 13-14, supplemental response to the notice of institution, p. 6, and additional response to the notice of institution, February 4, 2022

⁴⁸ In the response to the notice of institution domestic interested party lists no specific shifts in the domestic market but references COVID-19 affecting production and sales.

⁴⁹ Individual company trade and financial data are presented in app. B.

Table I-2**HFHTs: Trade and financial data submitted by U.S. producers, all HFHTs, by period**

Quantity in 1,000 units for all other products; value in 1,000 dollars; unit value in dollars per unit; ratio is in percent

Item	Measure	1989	1999	2004	2010	2015	2020
Capacity	Quantity	13,214	22,133	(¹)	3,062	2,494	***
Production	Quantity	4,586	5,352	1,789	1,438	1,106	***
Capacity utilization	Ratio	34.7	24.2	(¹)	47.0	44.3	***
U.S. shipments	Quantity	4,653	5,116	1,789	1,472	1,271	***
U.S. shipments	Value	28,854	35,130	13,688	27,439	16,836	***
U.S. shipments	Unit value	\$6.20	\$6.87	\$7.65	\$18.64	\$13.25	\$ ***
Net sales	Value	(¹)	(¹)	(¹)	27,439	18,660	***
COGS	Value	(¹)	(¹)	(¹)	19,341	16,619	***
COGS to net sales	Ratio	(¹)	(¹)	(¹)	70.5	89.1	***
Gross profit or (loss)	Value	(¹)	(¹)	(¹)	8,097	2,040	***
SG&A expenses	Value	(¹)	(¹)	(¹)	3,863	3,859	***
Operating income or (loss)	Value	(¹)	(¹)	(¹)	4,234	(1,818)	***
Operating income or (loss) to net sales	Ratio	(¹)	(¹)	(¹)	15.4	(9.7)	***

Table continued.

Table I-2 continued**HFHTs: Trade and financial data submitted by U.S. producers, axes and adzes, by period**

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

Item	Measure	1989	1999	2004	2010	2015	2020
Capacity	Quantity	2,596	5,963	(¹)	1,597	482	***
Production	Quantity	1,235	1,238	542	580	229	***
Capacity utilization	Ratio	47.6	20.8	(¹)	36.3	47.5	***
U.S. shipments	Quantity	1,281	1,172	542	611	202	***
U.S. shipments	Value	8,784	10,893	4,966	10,855	4,293	***
U.S. shipments	Unit value	\$6.86	\$9.30	\$9.16	\$17.77	\$21.25	\$***
Net sales	Value	(¹)	(¹)	(¹)	10,855	5,096	***
COGS	Value	(¹)	(¹)	(¹)	8,148	4,515	***
COGS to net sales	Ratio	(¹)	(¹)	(¹)	75.1	88.6	***
Gross profit or (loss)	Value	(¹)	(¹)	(¹)	2,706	580	***
SG&A expenses	Value	(¹)	(¹)	(¹)	1,587	1,040	***
Operating income or (loss)	Value	(¹)	(¹)	(¹)	1,120	(459)	***
Operating income or (loss) to net sales	Ratio	(¹)	(¹)	(¹)	10.3	(9.0)	***

Table continued on next page.

Table I-2 continued**HFHTs: Trade and financial data submitted by U.S. producers, bars and wedges, by period**

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

Item	Measure	1989	1999	2004	2010	2015	2020
Capacity	Quantity	6,430	8,735	(¹)	216	277	***
Production	Quantity	1,650	1,290	282	52	139	***
Capacity utilization	Ratio	25.7	14.8	n/a	24.1	50.2	***
U.S. shipments	Quantity	1,644	1,255	282	51	318	***
U.S. shipments	Value	7,638	6,205	564	6,838	4,483	***
U.S. shipments	Unit value	\$4.67	\$4.95	\$2.00	\$134.08	\$14.10	\$***
Net sales	Value	(¹)	(¹)	(¹)	6,838	4,606	***
COGS	Value	(¹)	(¹)	(¹)	4,507	3,807	***
COGS to net sales	Ratio	(¹)	(¹)	(¹)	65.9	82.7	***
Gross profit or (loss)	Value	(¹)	(¹)	(¹)	2,331	799	***
SG&A expenses	Value	(¹)	(¹)	(¹)	923	960	***
Operating income or (loss)	Value	(¹)	(¹)	(¹)	1,407	(161)	***
Operating income or (loss) to net sales	Ratio	(¹)	(¹)	(¹)	20.6	(3.5)	***

Table continued.

Table I-2 continued**HFHTs: Trade and financial data submitted by U.S. producers, hammers and sledges, by period**

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

Item	Measure	1989	1999	2004	2010	2015	2020
Capacity	Quantity	3,213	7,057	(¹)	773	1,444	***
Production	Quantity	1,583	2,635	556	442	613	***
Capacity utilization	Ratio	49.3	37.3	(¹)	57.2	42.5	***
U.S. shipments	Quantity	1,610	2,508	556	446	467	***
U.S. shipments	Value	11,659	16,681	4,813	5,937	5,569	***
U.S. shipments	Unit value	\$7.24	\$6.65	\$8.66	13.31	\$11.93	\$***
Net sales	Value	(¹)	(¹)	(¹)	5,937	6,251	***
COGS	Value	(¹)	(¹)	(¹)	4,072	6,035	***
COGS to net sales	Ratio	(¹)	(¹)	(¹)	68.6	96.5	***
Gross profit or (loss)	Value	(¹)	(¹)	(¹)	1,866	216	***
SG&A expenses	Value	(¹)	(¹)	(¹)	864	1,294	***
Operating income or (loss)	Value	(¹)	(¹)	(¹)	1,002	(1,078)	***
Operating income or (loss) to net sales	Ratio	(¹)	(¹)	(¹)	16.9	(17.2)	***

Table continued on next page.

Table I-2 continued**HFHTs: Trade and financial data submitted by U.S. producers, pick and mattocks, by period**

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

Item	Measure	1989	1999	2004	2010	2015	2020
Capacity	Quantity	975	378	(¹)	476	291	***
Production	Quantity	118	189	409	364	125	***
Capacity utilization	Ratio	12.1	50.0	(¹)	76.5	43.0	***
U.S. shipments	Quantity	118	181	409	364	284	***
U.S. shipments	Value	773	1,351	3,345	3,809	2,491	***
U.S. shipments	Unit value	\$6.55	\$7.46	\$8.18	\$10.46	\$8.77	\$***
Net sales	Value	(¹)	(¹)	(¹)	3,809	2,707	***
COGS	Value	(¹)	(¹)	(¹)	2,614	2,262	***
COGS to net sales	Ratio	(¹)	(¹)	(¹)	68.6	83.6	***
Gross profit or (loss)	Value	(¹)	(¹)	(¹)	1,194	445	***
SG&A expenses	Value	(¹)	(¹)	(¹)	489	565	***
Operating income or (loss)	Value	(¹)	(¹)	(¹)	705	(120)	***
Operating income or (loss) to net sales	Ratio	(¹)	(¹)	(¹)	18.5	(4.4)	***

Source: For the years 1989-2015 data are compiled using data submitted in the Commission's original investigations and subsequent full and expedited reviews. For the year 2020, data are compiled using data submitted by the domestic interested party. Domestic interested party's response to the notice of institution, January 3, 2022, p. 13-14, supplemental response to the notice of institution, January 28, 2022, p. 6, and additional responses to the notice of institution February 2, 2022.

¹ Not available.

Note: For a discussion of data coverage, please see "U.S. producers" section. Bars and wedges are reported in units for 2020 to correspond with prior reviews, but are commonly reported in kilograms (KG) based on the differentiations in the bars and wedges' sizes and weights. The capacity for bars and wedges for 2020 in 1,000 KG was ***, and production and U.S. shipments were *** kg.

Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.⁵⁰

In its original determinations, its full first five-year review determinations, and its expedited second, third, and fourth five-year review determinations, the Commission found four Domestic Like Products: (1) Axes, adzes and hewing tools, other than machetes, with or without handles; (2) bar tools, track tools and wedges; (3) hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) picks and mattocks, with or without handles. The Domestic Industry is the U.S. producers as a whole of the Domestic Like Product, or those producers whose collective output of the Domestic Like Product constitutes a major proportion of the total domestic production of the product. In its original determinations, its full first five-year review determinations, and its expedited second, third, and fourth five-year review determinations, the Commission found four Domestic Industries: (1) Domestic producers of axes, adzes and hewing tools, other than machetes, with or without handles; (2) domestic producers of bar tools, track tools, and wedges; (3) domestic producers of hammers and sledges, with heads weighing two pounds or more, with or without handles; and (4) domestic producers of picks and mattocks, with or without handles. In the original investigations, the Commission excluded from the Domestic Industries companies that did no more than assemble imported heads with handles purchased from a domestic manufacturer. The Commission also excluded one domestic producer, Madison Mill, from the Domestic Industries under the related parties provision in the original investigations. In its full first five-year reviews and its expedited second, third, and fourth five-year reviews, the Commission did not exclude any company as a related party.⁵¹

⁵⁰ Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

⁵¹ 86 FR 68275, December 1, 2021.

U.S. imports

U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 16 firms.⁵² Import data presented in the original investigations are based on Commerce statistics.

During the first five-year reviews, the Commission received U.S. importer questionnaires from eleven firms.⁵³ Import data presented in the first reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in the second expedited reviews, in its response to the Commission's notice of institution, the domestic interested party provided a list of two potential U.S. importers of HFHTs.⁵⁴ Import data presented in the second expedited reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in the third expedited reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of eleven potential U.S. importers of HFHTs.⁵⁵ Import data presented in the third expedited reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in the fourth expedited reviews, in its response to the Commission's notice of institution, the domestic interested parties provided a list of 37 potential U.S. importers of HFHTs.⁵⁶ Import data presented in the fourth expedited reviews are based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in these current reviews, in its response to the Commission's notice of institution, the domestic interested party provided a list of seventeen potential U.S. importers of HFHTs.⁵⁷ Import data presented in these current reviews are based on official Commerce statistics.

⁵² Original publication, p. A-8.

⁵³ First review publication, p. I-10.

⁵⁴ Second review publication, p. I-20.

⁵⁵ Third review publication, p. I-12.

⁵⁶ Fourth review publication, p. I-13.

⁵⁷ Domestic interested party's response to the notice of institution, January 3, 2022, Exhibit 2.

U.S. imports

Table I-3 presents the quantity, value, and unit value of U.S. imports from China as well as the other top sources of U.S. imports (shown in descending order of 2020 imports by quantity).

Table I-3
HFHTs: U.S. imports, axes and adzes, by source and period

Quantity in 1000 units

Item	2016	2017	2018	2019	2020
China	589	671	820	1,302	1,387
All Other	2,948	3,085	2,966	2,821	3,346
Total Imports	3,538	3,756	3,786	4,123	4,734

Table continued.

Table I-3 continued
HFHTs: U.S. imports, axes and adzes, by source and period

Value in \$1,000

Item	2016	2017	2018	2019	2020
China	3,869	4,396	5,408	7,654	9,563
All Other	25,144	26,810	28,038	28,079	34,708
Total Imports	29,014	31,206	33,446	35,733	44,272

Table continued.

Table I-3 continued
HFHTs: U.S. imports, axes and adzes, by source and period

Unit value in dollars per unit

Item	2016	2017	2018	2019	2020
China	6.57	6.55	6.60	5.88	6.89
All Other	8.53	8.69	9.45	9.95	10.37
Total Imports	8.20	8.31	8.83	8.67	9.35

Table continued on next page.

Table I-3
HFHTs: U.S. imports, bars and wedges, by source and period

Quantity in 1000 units

Item	2016	2017	2018	2019	2020
China	2,315	2,504	2,616	2,754	2,775
All Other	7,909	7,281	8,542	8,358	9,582
Total Imports	10,224	9,821	11,158	11,113	12,357

Table continued.

Table I-3 continued
HFHTs: U.S. imports, bars and wedges, by source and period

Value in \$1,000

Item	2016	2017	2018	2019	2020
China	8,327	9,308	10,047	12,567	12,709
All Other	34,363	32,253	38,325	37,516	41,338
Total Imports	42,690	41,561	48,373	50,083	54,047

Table continued.

Table I-3 continued
HFHTs: U.S. imports, bars and wedges, by source and period

Unit value in dollars per unit

Item	2016	2017	2018	2019	2020
China	3.60	3.72	3.84	4.56	4.58
All Other	4.34	4.43	4.49	4.49	4.31
Total Imports	4.18	4.23	4.34	4.51	4.37

Table continued on next page.

Table I-3
HFHTs: U.S. imports, hammers and sledges, by source and period

Quantity in 1000 units

Item	2016	2017	2018	2019	2020
China	321	484	454	470	611
All Other	2,812	3,119	3,335	3,445	3,362
Total Imports	3,132	3,604	3,789	3,915	3,973

Table continued.

Table I-3 continued
HFHTs: U.S. imports, hammers and sledges, by source and period

Value in \$1,000

Item	2016	2017	2018	2019	2020
China	2,346	3,355	3,199	3,791	4,806
All Other	26,852	28,180	30,706	30,706	32,101
Total Imports	29,198	31,535	33,905	37,033	36,907

Table continued.

Table I-3 continued
HFHTs: U.S. imports, hammers and sledges, by source and period

Unit value in dollars per unit

Item	2016	2017	2018	2019	2020
China	7.31	6.93	7.05	8.07	7.87
All Other	9.55	9.03	9.21	8.91	9.55
Total Imports	9.32	8.75	8.95	9.46	9.29

Table continued on next page.

Table I-3
HFHTs: U.S. imports, picks and mattocks, by source and period

Quantity in 1000 units

Item	2016	2017	2018	2019	2020
China	101	80	132	172	304
All Other	1,324	1,134	1,243	1,312	2,049
Total Imports	1,425	1,214	1,375	1,485	2,353

Table continued.

Table I-3 continued
HFHTs: U.S. imports, picks and mattocks, by source and period

Value in \$1,000

Item	2016	2017	2018	2019	2020
China	235	270	383	537	709
All Other	9,824	8,784	10,351	11,697	14,928
Total Imports	10,058	9,053	10,734	12,234	15,637

Table continued.

Table I-3 continued
HFHTs: U.S. imports, picks and mattocks, by source and period

Unit value in dollars per unit

Item	2016	2017	2018	2019	2020
China	2.33	3.38	2.90	3.12	2.33
All Other	7.42	7.75	8.33	8.92	7.29
Total Imports	7.06	7.46	7.81	8.24	6.65

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 8201.40.6010 (axes and adzes), 8205.59.30 (bars and wedges), 8205.20.60 (hammers and sledges), and 8201.30.0010 (picks and mattocks), accessed January 21, 2022. These data may be overstated as HTS statistical reporting numbers 8201.40.6010 (axes and adzes), 8205.59.30 (bars and wedges) and 8201.30.0010 (picks and mattocks) may contain products outside the scope of these reviews.

Note: Because of rounding, figure may not add to total shown. Bars and wedges quantity and dollars per unit are reported in kilograms, and dollars per kilogram.

Apparent U.S. consumption and market shares

Table I-4 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, axes and adzes, by source and period

Quantity in 1,000 units

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	(1)	184	1,199	1,387
All Other	***	***	(1)	2,152	3,212	3,346
Total Imports	***	***	(1)	2,336	4,411	4,734
Apparent U.S. consumption	***	***	(1)	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, axes and adzes, by source and period

Share of consumption based on quantity (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	71.3	85.5	(1)	20.7	4.4	***
China	26.6	4.2	(1)	6.2	26.0	***
All other	2.1	10.3	(1)	73.1	69.6	***
Total imports	28.7	14.5	(1)	79.3	95.6	***

Table continued on next page.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, axes and adzes, by source and period

Value in \$1,000

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	4,612	1,068	7,148	9,563
All Other	***	***	7,914	15,612	29,430	34,708
Total Imports	***	***	12,526	16,680	36,578	44,272
Apparent U.S. consumption	***	***	***	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, axes and adzes, by source and period

Share of consumption based on value (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	74.1	86.2	28.4	39.4	10.5	***
China	23.5	4.2	26.4	3.9	17.5	***
All other	2.4	9.6	45.2	56.7	72.0	***
Total imports	25.9	13.8	71.6	60.6	89.5	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, bars and wedges, by source and period

Quantity in kilograms

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	(1)	2,001	5,076	2,775
All Other	***	***	(1)	6,144	6,774	9,582
Total Imports	***	***	(1)	8,145	11,850	12,357
Apparent U.S. consumption	***	***	(1)	***	***	***

Table continued on next page.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, bars and wedges, by source and period

Share of consumption based on quantity (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	77.5	57.5	(1)	0.6	2.6	***
China	22.5	32.4	(1)	24.4	41.7	***
All other	0.0	10.2	(1)	75.0	55.7	***
Total imports	22.5	42.5	(1)	99.4	97.4	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, bars and wedges, by source and period

Value in \$1,000

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	4,500	3,787	7,661	12,708
All Other	***	***	12,503	24,422	35,849	41,338
Total Imports	***	***	17,004	28,209	43,509	54,047
Apparent U.S. consumption	***	***	***	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, bars and wedges, by source and period

Share of consumption based on value (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	83.7	73.1	3.2	19.5	9.3	***
China	16.3	20.5	25.6	10.8	16.0	***
All other	0.0	6.4	71.2	69.7	74.7	***
Total imports	16.3	26.9	96.8	80.5	90.7	***

Table continued on next page.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, hammers and sledges, by source and period

Quantity in 1,000 units

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	(1)	695	547	611
All Other	***	***	(1)	2,067	3,059	3,362
Total Imports	***	***	(1)	2,762	3,606	3,973
Apparent U.S. consumption	***	***	(1)	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, hammers and sledges, by source and period

Share of consumption based on quantity (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	69.4	57.4	(1)	13.9	11.5	***
China	29.4	3.2	(1)	21.7	13.4	***
All other	1.3	39.4	(1)	64.4	75.1	***
Total imports	30.6	42.6	(1)	86.1	88.5	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, hammers and sledges, by source and period

Value in \$1,000

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	4,285	3,145	3,806	4,806
All Other	***	***	8,085	17,607	27,402	32,101
Total Imports	***	***	12,371	20,752	31,208	36,907
Apparent U.S. consumption	***	***	17,184	***	***	***

Table continued next page.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, hammers and sledges, by source and period

Share of consumption based on value (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	73.0	69.4	28.0	22.2	15.1	***
China	25.5	4.5	24.9	11.8	10.3	***
All other	1.5	26.1	47.1	66.0	74.5	***
Total imports	27.0	30.6	72.0	77.8	84.9	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, picks and mattocks, by source and period

Quantity in 1,000 units

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	(1)	204	45	304
All Other	***	***	(1)	1,466	1,579	2,049
Total Imports	***	***	(1)	1,670	1,624	2,353
Apparent U.S. consumption	***	***	(1)	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, picks and mattocks, by source and period

Share of consumption based on quantity (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	13.4	18.8	(1)	17.9	14.9	***
China	79.3	9.6	(1)	10.0	2.4	***
All other	7.3	71.6	(1)	72.1	82.8	***
Total imports	86.6	81.2	(1)	82.1	85.1	***

Table continued on next page.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, picks and mattocks, by source and period

Value in \$1,000

Item	1989	1999	2004	2010	2015	2020
U.S. producers' U.S. shipments	***	***	***	***	***	***
U.S. shipments of imports from China	***	***	24,616	316	200	709
All Other	***	***	21,004	8,131	10,523	14,928
Total Imports	***	***	45,620	8,447	10,723	15,637
Apparent U.S. consumption	***	***	***	***	***	***

Table continued.

Table I-4
HFHTs: Apparent U.S. consumption and market shares, picks and mattocks, by source and period

Share of consumption based on value (percent)

Item	1989	1999	2004	2010	2015	2020
U.S. producers' share	19.3	28.8	6.8	31.1	14.9	***
China	71.2	10.0	50.3	2.6	1.5	***
All other	9.5	61.2	42.9	66.3	79.6	***
Total imports	80.7	71.2	93.2	68.9	81.1	***

Source: For the years 1989-2015 data are compiled using data submitted in the Commission's original investigations and subsequent first five-year reviews. For the year 2020, U.S. producers' U.S. shipments are compiled from the domestic interested party's response to the Commission's notice of institution and For the years 1989 and 1999, U.S. imports are reported as U.S. importers' U.S. shipments, compiled using data submitted in response to Commission questionnaires. For years 2004-2020, U.S. imports are reported using official Commerce statistics under HTS statistical reporting numbers 8201.40.6010 (axes and adzes), 8205.59.30 (bars and wedges), 8205.20.60 (hammers and sledges), and 8201.30.0010 (picks and mattocks), accessed January 21, 2022.

Note: Bars and wedges quantity are reported in kilograms.

The industry in China

At the time of the original investigation there were an estimated 500 producers of HFHTs in China and 130 importers. During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two firms, which accounted for approximately *** percent of HFHTs exports from China to the United States during 1999.⁵⁸

During the first five-year reviews there were estimated to be 13 HFHT producers and/or exporters in China, and the Commission received foreign producer/exporter one questionnaire response.⁵⁹

Although the Commission did not receive responses from any respondent interested parties in the second five-year reviews, the domestic interested parties provided a list of 87 firms as producers of HFHTs in China.⁶⁰

Although the Commission did not receive responses from any respondent interested parties in the third five-year reviews, the domestic interested parties provided a list of 95 possible producers of HFHTs in China.⁶¹

Although the Commission did not receive responses from any respondent interested parties in the fourth five-year reviews, the domestic interested parties provided a list of 95 possible producers of HFHTs in China.⁶²

Although the Commission did not receive responses from any respondent interested parties in these current reviews, the domestic interested parties provided a list of fifteen possible producers of HFHTs in China.⁶³

Table I-5 presents export data for HFHTs from China (by export destination in descending order of quantity for 2020).

Table I-5 – I-8 presents global export data for the four corresponding domestic like products from 2016 to 2020. The data are compiled using the Global Trade Atlas, which provides data only to a HS 6-digit classification level and therefore, may also include products that are not within the scope of these reviews.

⁵⁸ Original confidential report, p. A-13.

⁵⁹ First review publication, p. IV-2.

⁶⁰ Second review publication, p. I-25.

⁶¹ Third review publication, p. I-16.

⁶² Fourth review confidential report, p. I-28.

⁶³ Domestic interested party's response to the notice of institution, January 3, 2022, Exhibit 3.

Table I-5**Mattocks, picks, hoes and rakes, and parts thereof of base metal: quantity/value of exports from China, by destination and period**

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
United States	8	23	76	25	0
Germany	0	0	65	0	0
United Kingdom	11	35	51	32	53
Russia	21	20	19	0	0
Indonesia	0	0	13	0	0
Japan	0	0	6	37	38
Australia	0	1	2	0	0
Poland	0	14	2	5	6
Canada	0	0	1	0	0
France	0	0	0	0	3
All other markets	45	9	1	80	95
All markets	85	102	235	178	195

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

Table I-6**Axes, bill hooks and similar hewing tools, and parts thereof, of base metal: quantity/value of exports from China, by destination and period**

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
Colombia	23,712	19,659	19,538	19,624	19,501
Finland	12,372	9,833	11,152	10,396	15,043
Germany	11,430	10,095	9,819	10,221	11,919
El Salvador	10,171	10,489	10,275	11,322	13,039
Mexico	11,468	9,059	9,204	4,392	8,811
Brazil	6,364	8,236	7,363	8,273	8,978
United States	5,488	5,421	5,005	5,453	7,146
Sweden	7,437	7,465	7,982	8,432	9,753
India	3,990	5,823	5,494	6,189	7,668
Ghana	2,795	2,780	2,960	3,275	0
All other markets	28,666	43,027	43,214	44,568	51,830
All markets	176,739	191,589	202,689	208,474	237,260

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

Table I-7
Hammers and sledge hammers and parts thereof, of base metal: quantity/value of exports from China, by destination and period

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
United States	37,198	41,633	43,021	37,148	38,422
Indonesia	11,546	6,570	10,030	17,066	17,310
Germany	6,025	6,901	7,659	8,521	8,501
Russia	5,583	5,911	8,850	8,685	7,827
United Kingdom	8,368	9,234	8,707	8,081	7,525
Japan	4,677	4,940	5,401	5,401	7,005
Taiwan	3,800	4,078	5,276	6,090	6,752
Thailand	4,209	3,534	5,472	6,056	6,465
Korea, South	2,979	3,578	3,650	3,589	5,755
Mexico	3,878	4,085	6,788	5,355	5,743
All other markets	118,981	111,495	131,304	142,743	147,252
All markets	207,244	201,959	236,158	248,735	258,558

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

Table I-8
Handtools nesoi, and parts thereof, of base metal: quantity/value of exports from China, by destination and period

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
United States	202,619	231,493	273,194	255,499	281,517
Germany	36,344	35,267	40,542	41,128	50,563
United Kingdom	31,877	35,401	36,443	37,902	43,237
Russia	19,453	23,050	24,728	29,795	35,035
Poland	11,642	15,689	22,052	23,295	29,507
France	18,160	18,942	21,424	25,853	27,784
Australia	14,736	16,479	18,899	20,072	25,786
Netherlands	20,849	20,550	24,442	25,750	24,969
Canada	13,261	14,970	21,190	22,365	24,935
Japan	11,867	12,263	14,602	16,835	22,198
All other markets	332,457	350,720	395,163	442,291	473,228
All markets	775,110	713,267	774,822	892,679	940,785

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

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 8201.30, 8201.40, 8205.20, and 8205.59 accessed Feb 8th, 2020. If applicable then: These data may be overstated as HS subheadings 8201.30, 8201.40, 8205.20, and 8205.59 may contain products outside the scope of this/these reviews.

Third-country trade actions

Based on available information, heavy forged hand tools from China have not been subject to other antidumping or countervailing duty investigations outside the United States.

The global market

Discussion of major nonsubject suppliers. List of developments from parties' responses to the notice of institution and from Office of Industries review of the trade press that have occurred in the last five years. Examples include: (1) Firms that have entered, merged, or exited the foreign market; (2) new end uses for the product; (3) new regulations that affect the market; (4) major shifts in demand or supply; (5) etc.

Table I-9 – I-12 presents global export data for the four corresponding domestic like products from 2016 to 2020. The data are compiled using the Global Trade Atlas, which

provides data only to a 6-digit classification level and therefore, may also include products that are not within the scope of these reviews.

Table I-9
Mattocks, picks, hoes and rakes, and parts thereof of base metal: value of exports by reporter and period, 2016-2020

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
United States	142,454	138,693	147,634	168,301	212,360
Germany	11,469	10,669	12,416	12,852	16,590
United Kingdom	33,176	32,994	30,153	7,975	14,307
Russia	9,089	11,069	10,179	10,133	10,045
Indonesia	6,060	5,083	5,882	6,843	7,635
Japan	5,761	8,071	6,456	6,982	7,425
Australia	3,974	4,362	4,536	4,405	6,338
Poland	782	796	2,816	6,771	6,260
Canada	3,733	4,342	4,092	4,223	5,199
France	3,612	4,887	5,521	5,175	4,378
All other markets	38,250	38,153	51,141	43,001	38,607
All markets	271,701	258,358	259,119	280,826	276,660

Table I-10
Axes, bill hooks and similar hewing tools, and parts thereof, of base metal: value of exports by reporter and period, 2016-2020

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
China	52,844	59,703	70,682	76,328	83,571
Colombia	23,712	19,659	19,538	19,624	19,501
Finland	12,372	9,833	11,152	10,396	15,043
El Salvador	10,171	10,489	10,275	11,322	13,039
Germany	11,430	10,095	9,819	10,221	11,919
Netherlands	2,301	11,881	11,481	10,579	10,585
Sweden	7,437	7,465	7,982	8,432	9,753
Brazil	6,364	8,236	7,363	8,273	8,978
Mexico	11,468	9,059	9,204	4,392	8,811
India	3,990	5,823	5,494	6,189	7,668
All other markets	34,649	39,347	39,699	42,718	48,392
All markets	176,739	191,589	202,689	208,474	237,260

Table I-11
Hammers and sledge hammers and parts thereof, of base metal: value of exports by reporter and period, 2016-2020

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
China	207,244	201,959	236,158	248,735	258,558
Taiwan	28,301	30,651	34,668	32,733	32,254
Germany	27,472	28,346	28,010	22,844	23,543
Mexico	20,899	23,644	26,174	25,610	26,612
United States	24,973	21,493	25,032	23,263	21,538
Vietnam	10,506	14,732	14,687	15,244	13,644
India	7,574	9,607	10,516	12,087	13,182
Netherlands	7,331	9,187	12,688	11,592	15,355
Belgium	7,973	8,282	8,603	8,283	9,015
United Kingdom	6,979	7,618	7,933	8,712	7,430
All other markets	55,021	56,452	62,988	63,785	52,315
All markets	404,274	411,970	467,456	472,887	473,446

Table I-12
Handtools nesoi, and parts thereof, of base metal: value of exports by reporter and period, 2016-2020

Value in 1,000 dollars

Destination market	2016	2017	2018	2019	2020
China	713,267	774,822	892,679	940,785	1,038,758
Taiwan	687,488	732,689	730,347	704,908	708,488
Germany	339,234	350,808	390,773	381,067	344,586
United States	334,799	329,392	373,167	360,068	290,164
France	157,177	170,452	166,868	174,307	189,242
Netherlands	73,769	84,769	100,930	101,573	99,024
Austria	99,690	100,188	96,064	91,996	92,501
United Kingdom					
HMRC	94,040	103,130	117,982	102,397	89,455
Italy	87,118	101,087	101,568	93,172	76,432
Singapore	84,572	85,601	95,142	84,317	69,622
All other markets	714,019	742,814	778,747	767,479	697,569
All markets	3,385,172	3,575,752	3,844,268	3,802,070	3,695,842

Source: Global Trade Information Services, Inc., Global Trade Atlas, HS subheadings 8201.30, 8201.40, 8205.20, and 8205.59 accessed Feb 8th, 2020. If applicable then: These data may be overstated as HS subheadings 8201.30, 8201.40, 8205.20, and 8205.59 may contain products outside the scope of this/these reviews.

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

APPENDIX A

***FEDERAL REGISTER* NOTICES**

The Commission makes available notices relevant to its investigations and reviews on its website, www.usitc.gov. In addition, the following tabulation presents, in chronological order, *Federal Register* notices issued by the Commission and Commerce during the current proceeding.

Citation	Title	Link
86 FR 68220, December 1, 2021	<i>International Trade Administration Initiation of Five-Year (“Sunset”) Review</i>	https://www.govinfo.gov/content/pkg/FR-2021-12-01/pdf/2021-26154.pdf
86 FR 68275, December 1, 2021	<i>Heavy Forged Hand Tools from China; Institution of a Five-Year Review</i>	https://www.govinfo.gov/content/pkg/FR-2021-12-01/pdf/2021-26073.pdf

APPENDIX B
COMPANY-SPECIFIC DATA

RESPONSE CHECKLIST FOR U.S. PRODUCER

Table B-1

Heavy Forged Hand Tools: Response checklist for U.S. producer

Item	Estwing Manufacturing Company, Inc.
Nature of operation	Yes
Statement of intent to participate	Yes
Statement of likely effects of revoking the order	Yes
U.S. producer list	Yes
U.S. importer/foreign producer list	Yes
List of 3-5 leading purchasers	Yes
List of sources for national/regional prices	NA
Changes in supply/demand	Yes

Table B-2

All Heavy Forged Hand Tools: Trade and financial data submitted by U.S. producer, 2020

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

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

Note: The financial data are for fiscal year ended December 31, 2020.

Table B-3
Axes and adzes: Trade and financial data submitted by U.S. producer, 2020

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

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

Note: The financial data are for fiscal year ended December 31, 2020.

Table B-4
Bars and wedges: Trade and financial data submitted by U.S. producer, 2020

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

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

Note: The financial data are for fiscal year ended December 31, 2020.

Table B-5
Hammers and sledges: Trade and financial data submitted by U.S. producer, 2020

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

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

Note: The financial data are for fiscal year ended December 31, 2020.

Table B-6
Picks and mattocks: Trade and financial data submitted by U.S. producer, 2020

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

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

Note: The financial data are for fiscal year ended December 31, 2020.

APPENDIX C
SUMMARY DATA COMPILED IN PRIOR PROCEEDINGS

* * * * *

Table I-3
HFHTs: U.S. imports, 2011-15

Item	2011	2012	2013	2014	2015
	Quantity (1,000 units)				
Axes and adzes:					
China	440	1,010	1,309	968	1,199
All other	2,315	2,311	2,627	2,981	3,212
Total imports	2,755	3,321	3,936	3,949	4,411
Bars and wedges:					
China	2,587	3,631	2,933	3,744	5,076
All other	5,414	5,833	5,567	6,086	6,774
Total imports	8,001	9,464	8,500	9,831	11,850
Hammers and sledges:					
China	596	570	466	524	547
All other	2,120	2,045	2,148	2,602	3,059
Total imports	2,716	2,615	2,615	3,125	3,606
Picks and mattocks:					
China	182	160	115	125	45
All other	1,312	1,308	1,258	1,467	1,579
Total imports	1,494	1,468	1,373	1,592	1,624
	Value (\$1,000)				
Axes and adzes:					
China	3,013	4,972	10,851	7,311	7,148
All other	18,616	20,279	23,205	27,096	29,430
Total imports	21,629	25,251	34,055	34,407	36,578
Bars and wedges:					
China	4,322	7,219	7,854	5,515	7,661
All other	24,487	27,933	27,405	30,959	35,849
Total imports	28,808	35,152	35,260	36,474	43,509
Hammers and sledges:					
China	3,102	2,940	2,667	3,901	3,806
All other	19,468	20,604	21,369	25,542	27,402
Total imports	22,570	23,544	24,036	29,443	31,208
Picks and mattocks:					
China	335	355	204	494	200
All other	8,500	8,401	8,323	10,099	10,523
Total imports	8,834	8,756	8,527	10,593	10,723

Table continued on following page.

Table I-3 continued
HFHTs: U.S. imports, 2011-15

Item	2011	2012	2013	2014	2015
	Unit value (dollars per unit)				
Axes and adzes:					
China	6.85	4.92	8.29	7.55	5.96
All other	8.04	8.77	8.83	9.09	9.16
Total imports	7.85	7.60	8.65	8.71	8.29
Bars and wedges:					
China	1.67	1.99	2.68	1.47	1.51
All other	4.52	4.79	4.92	5.09	5.29
Total imports	3.60	3.71	4.15	3.71	3.67
Hammers and sledges:					
China	5.20	5.16	5.72	7.44	6.96
All other	9.18	10.08	9.95	9.82	8.96
Total imports	8.31	9.00	9.19	9.42	8.65
Picks and mattocks:					
China	1.84	2.22	1.77	3.95	4.44
All other	6.48	6.42	6.62	6.88	6.66
Total imports	5.91	5.96	6.21	6.65	6.60

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

Source: Official statistics of Commerce. Axes and adzes (HTS 8201.40.6010); Bars and wedges (HTS 8205.59.30); Hammers and sledges (HTS 8205.20.60); Picks and mattocks (HTS 8201.30.0010).

Table I-4

HFHTs: Apparent U.S. consumption and market shares, by source and period

Item	1989	1999	2004	2010	2015
	Quantity (1,000 units)				
Axes and adzes:					
U.S. producers' U.S. shipments:	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	(1)	184	1,199
All other	***	***	(1)	2,152	3,212
Total imports	***	***	(1)	2,336	4,411
Apparent U.S. consumption	***	***	(1)	***	***
Bars and wedges:					
U.S. producers' U.S. shipments'	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	(1)	2,001	5,076
All other	***	***	(1)	6,144	6,774
Total imports	***	***	(1)	8,145	11,850
Apparent U.S. consumption	***	***	(1)	***	***
Hammers and sledges:					
U.S. producers' U.S. shipments'	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	(1)	695	547
All other	***	***	(1)	2,067	3,059
Total imports	***	***	(1)	2,762	3,606
Apparent U.S. consumption	***	***	(1)	***	***
Picks and mattocks:					
U.S. producers' U.S. shipments'	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	(1)	204	45
All other	***	***	(1)	1,466	1,579
Total imports	***	***	(1)	1,670	1,624
Apparent U.S. consumption	***	***	(1)	***	***

Table continued on following page.

Table I-4 continued

HFHTs: Apparent U.S. consumption and market shares, by source and period

Item	1989	1999	2004	2010	2015
	Value (\$1,000)				
Axes and adzes:					
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	4,612	1,068	7,148
All other	***	***	7,914	15,612	29,430
Total imports	***	***	12,526	16,680	36,578
Apparent U.S. consumption	***	***	***	***	***
Bars and wedges:					
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	4,500	3,787	7,661
All other	***	***	12,503	24,422	35,849
Total imports	***	***	17,004	28,209	43,509
Apparent U.S. consumption	***	***	***	***	***
Hammers and sledges:					
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	4,285	3,145	3,806
All other	***	***	8,085	17,607	27,402
Total imports	***	***	12,371	20,752	31,208
Apparent U.S. consumption	***	***	17,184	***	***
Picks and mattocks:					
U.S. producers' U.S. shipments	***	***	***	***	***
U.S. shipments of imports from:					
China	***	***	24,616	316	200
All other	***	***	21,004	8,131	10,523
Total imports	***	***	45,620	8,447	10,723
Apparent U.S. consumption	***	***	***	***	***

Note: 1989 and 1999 data use shipments of imports from questionnaire responses; 2004, 2010, and 2015 data use U.S. imports from official Commerce statistics, which may include products outside the scope of these reviews.

¹ Not available.

Sources: Investigation No. 731-TA-457-A-D (Third Review): Heavy Forged Hand Tools from the People's Republic of China—Staff Report, INV-JJ-069, July 7, 2011; Ames' Response to the Notice of Institution, exh.1; Council's Response to the Notice of Institution, exh 4; and official statistics of Commerce. Axes and adzes (HTS 8201.40.6010); Bars and wedges (HTS 8205.59.30); Hammers and sledges (HTS 8205.20.60); and Picks and mattocks (HTS 8201.30.0010).

APPENDIX D

PURCHASER QUESTIONNAIRE RESPONSES

As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following five firms as top purchasers of heavy forged hand tools: ***. Purchaser questionnaires were sent to these five firms and two firms (***) provided responses, which are presented below.

1. Have there been any significant changes in the supply and demand conditions for heavy forged hand tools that have occurred in the United States or in the market for heavy forged hand tools in China since January 1, 2016?

Purchaser	Yes / No	Changes that have occurred
***	***	*** .
***	***	*** .

2. Do you anticipate any significant changes in the supply and demand conditions for heavy forged hand tools in the United States or in the market for heavy forged hand tools in China within a reasonably foreseeable time?

Purchaser	Yes / No	Changes that have occurred
***	***	***
***	***	***

