

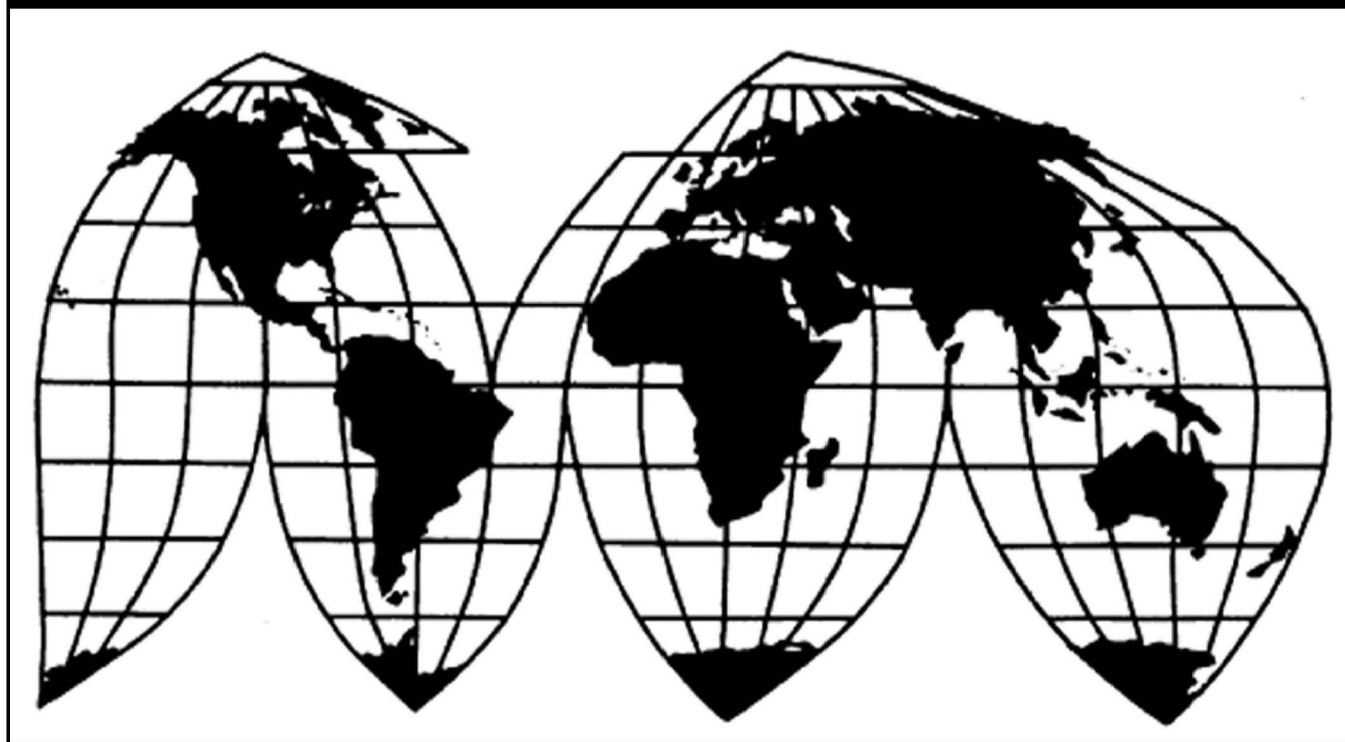
# **Certain Polyester Staple Fiber from South Korea and Taiwan**

Investigation Nos. 731-TA-825-826 (Fourth Review)

**Publication 5341**

**August 2022**

**U.S. International Trade Commission**



Washington, DC 20436

# U.S. International Trade Commission

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**UNITED STATES INTERNATIONAL TRADE COMMISSION**

Investigation Nos. 731-TA-825-826 (Fourth Review)

Certain Polyester Staple Fiber from South Korea and Taiwan

**DETERMINATIONS**

On the basis of the record<sup>1</sup> developed in the subject five-year reviews, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that revocation of the antidumping duty orders on certain polyester staple fiber from South Korea and Taiwan 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 January 3, 2022 (87 FR 119) and determined on April 8, 2022, that it would conduct expedited reviews (87 FR 38780, June 29, 2022).

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





## Views of the Commission

Based on the record in these five-year reviews, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Tariff Act”), that revocation of the antidumping duty orders on certain polyester staple fiber (certain “PSF”) from South Korea and Taiwan 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 Original Investigations.* The Commission instituted the original investigations on PSF from South Korea and Taiwan in response to petitions filed on April 2, 1999, by five U.S. producers of PSF.<sup>1</sup> In May 2000, the Commission determined that an industry in the United States was materially injured by reason of less than fair value cumulated imports of conventional PSF from South Korea and Taiwan.<sup>2</sup> The U.S. Department of Commerce (“Commerce”) issued antidumping duty orders on conventional PSF from South Korea and Taiwan on May 25, 2000.<sup>3</sup>

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<sup>1</sup> *Certain Polyester Stable Fiber From Korea and Taiwan*, 64 Fed. Reg. 17,414 (Apr. 9, 1999). For consistency, we use the term “South Korea” throughout, including where in prior proceedings the term “Korea” was used.

<sup>2</sup> The Commission defined two domestic like products in the original investigations: (1) low-melt fiber and (2) “conventional” PSF (all PSF within the original scope definition of the U.S. Department of Commerce other than low-melt fiber). *Certain Polyester Stable Fiber From Korea and Taiwan*, Inv. No. 731-TA-825-826 (Final), USITC Pub. 3300 at 5 (May 2000) (“*Original Determinations*”). The Commission made negative determinations with respect to the domestic industry producing low-melt fiber and affirmative determinations with respect to the domestic industry producing conventional PSF. *Id.* at 3. Accordingly, for the purpose of these reviews, “certain PSF” refers to the conventional PSF domestic like product from the original determinations, and all PSF within Commerce’s scope definition for each of the subsequent reviews.

<sup>3</sup> *Notice of Amended Final Determination of Sales at Less Than Fair Value: Certain Polyester Staple Fiber From the Republic of Korea and Antidumping Duty Orders: Certain Polyester Staple Fiber From the Republic of Korea and Taiwan*, 65 Fed. Reg. 33,807 (May 25, 2000).

*First Reviews:* On March 31, 2005, the Commission instituted its first five-year reviews of the antidumping duty orders on certain PSF (*i.e.*, conventional PSF) from South Korea and Taiwan.<sup>4</sup> In March 2006, following full reviews, the Commission determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to continuance or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>5</sup> Commerce issued a notice of continuation of the antidumping duty orders in April 2006.<sup>6</sup>

*Second Reviews:* The Commission instituted its second five-year reviews on March 1, 2011.<sup>7</sup> The Commission, following expedited reviews, determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>8</sup> Commerce issued a notice of continuation of the antidumping duty orders in September 2011.<sup>9</sup>

*Third Reviews:* The Commission instituted its third five-year reviews on August 1, 2016.<sup>10</sup> The Commission, following expedited reviews, determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.<sup>11</sup> Commerce issued a notice of continuation of the antidumping duty orders in February 2017.<sup>12</sup>

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<sup>4</sup> *Polyester Staple Fiber From Korea and Taiwan*, 70 Fed. Reg. 16522 (March 31, 2005).

<sup>5</sup> *Certain Polyester Staple Fiber From Korea and Taiwan*, Inv. Nos. 731-TA-825-826 (Review), USITC Pub. 3843 at 3 (March 2006) (“*First Reviews*”).

<sup>6</sup> *Certain Polyester Staple Fiber From the Republic of Korea and Taiwan: Continuation of Antidumping Duty Orders*, 71 Fed. Reg. 16,558 (Apr. 3, 2006).

<sup>7</sup> *Certain Polyester Staple Fiber From Korea and Taiwan*, 76 Fed. Reg. 11,268 (March 1, 2011).

<sup>8</sup> *Certain Polyester Staple Fiber From Korea and Taiwan*, Inv. Nos. 731-TA-825 and 826 (Second Review), USITC Pub. 4257 at 3 (Sept. 2011) (“*Second Reviews*”).

<sup>9</sup> *Certain Polyester Staple Fiber From the Republic of Korea and Taiwan: Continuation of Antidumping Duty Orders*, 76 Fed. Reg. 60,802 (Sept. 30, 2011).

<sup>10</sup> *Certain Polyester Staple Fiber From Korea and Taiwan: Institution of Five-Year Reviews*, 81 Fed. Reg. 50,544 (Aug. 1, 2016).

<sup>11</sup> *Polyester Staple Fiber From Korea and Taiwan*, Inv. Nos. 731-TA-825 and 826 (Third Review), USITC Pub. 4668 at 3 (Jan. 2017) (“*Third Reviews*”).

<sup>12</sup> *Certain Polyester Staple Fiber From the Republic of Korea and Taiwan: Continuation of Antidumping Duty Orders*, 82 Fed. Reg. 10,330 (Feb. 10, 2017).

*Current reviews:* The Commission instituted the current five-year reviews on January 3, 2022.<sup>13</sup> The Commission received a single joint response to the notice of institution from domestic producers Auriga Polymers Inc., Fiber Industries LLC (“Fiber Industries”), and Nan Ya Plastics Corporation, America (“Nan Ya America”) (collectively, “Domestic Producers”).<sup>14</sup> No respondent interested party filed a response. On April 8, 2022, the Commission found that the domestic interested party group response was adequate but that the respondent interested party group response was inadequate.<sup>15</sup> Finding that no other circumstances warranted conducting full reviews, the Commission determined to conduct expedited reviews.<sup>16</sup> Domestic Producers subsequently filed final comments pursuant to Commission rule 207.62(d) on the determinations that the Commission should reach.<sup>17</sup>

U.S. industry data are based on information supplied by Domestic Producers in their response to the notice of institution and account for an estimated \*\*\* percent of production of certain PSF in the United States in 2021.<sup>18</sup> U.S. import data and related information are based on official import statistics.<sup>19</sup> Foreign industry data and related information are based on information from the original investigations and prior five-year reviews, information supplied by Domestic Producers in these reviews, and publicly available information gathered by Commission staff. Additionally, one purchaser responded to the Commission’s adequacy phase questionnaire.<sup>20</sup>

## **II. Domestic Like Product and Industry**

### **A. Domestic Like Product**

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<sup>13</sup> *Polyester Staple Fiber From Korea and Taiwan; Institution of Five-Year Reviews*, 87 Fed. Reg. 119 (Jan. 3, 2022).

<sup>14</sup> Domestic Producers’ Substantive Response to the Notice of Institution, February 1, 2022 (“Substantive Response”).

<sup>15</sup> Explanation of Commission Determination on Adequacy, EDIS Doc. 769361.

<sup>16</sup> Chairman Johanson determined that, in light of the time that had transpired since the Commission last conducted full reviews of these orders, conducting full reviews was warranted. *Certain Polyester Staple Fiber From South Korea and Taiwan; Scheduling of Expedited Five-Year Reviews*, 87 Fed. Reg. 38,780 at n.1 (June 29, 2022).

<sup>17</sup> Domestic Producers’ Final Comments, June 30, 2022 (“Final Comments”).

<sup>18</sup> Confidential Report (“CR”) at Table I-2; Public Report (“PR”) at Table I-2.

<sup>19</sup> CR/PR at Table I-6.

<sup>20</sup> CR/PR at D-3.

In making its determination under section 751(c) of the Tariff Act, the Commission defines the “domestic like product” and the “industry.”<sup>21</sup> The Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”<sup>22</sup> The Commission’s practice in five-year reviews is to examine the domestic like product definition from the original investigation and consider whether the record indicates any reason to revisit the prior findings.<sup>23</sup>

## 1. The Subject Merchandise

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

*The product covered by the Orders is certain polyester staple fiber (PSF). PSF is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to these Orders may be coated, usually with a silicon or other finish, or not coated. PSF is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture. Merchandise of less than 3.3 decitex (less than 3 denier) currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 5503.20.00.25 is specifically excluded from these Orders. Also specifically excluded from these Orders are polyester staple fibers of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting). In addition, low-melt PSF is excluded from these Orders. {Low-melt} PSF is defined as a bi-component polyester fiber having a polyester fiber component that melts at a lower temperature than the other polyester fiber component.*

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<sup>21</sup> 19 U.S.C. § 1677(4)(A).

<sup>22</sup> 19 U.S.C. § 1677(10); see, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Dep’t of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996); *Torrington Co. v. United States*, 747 F. Supp. 744, 748-49 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991); see also S. Rep. No. 249, 96<sup>th</sup> Cong., 1<sup>st</sup> Sess. 90-91 (1979).

<sup>23</sup> See, e.g., *Internal Combustion Industrial Forklift Trucks from Japan*, Inv. No. 731-TA-377 (Second Review), USITC Pub. 3831 at 8-9 (Dec. 2005); *Crawfish Tail Meat from China*, Inv. No. 731-TA-752 (Review), USITC Pub. 3614 at 4 (July 2003); *Steel Concrete Reinforcing Bar from Turkey*, Inv. No. 731-TA-745 (Review), USITC Pub. 3577 at 4 (Feb. 2003).

*The merchandise subject to these Orders is currently classifiable in the HTSUS at subheadings 5503.20.00.45 and 5503.20.00.65.4. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise under the Orders is dispositive.<sup>24</sup>*

Certain PSF is a man-made fiber that is similar in appearance to cotton or wool fiber when baled. Raw materials used to produce certain PSF may vary. Staple fiber can be made by reacting ethylene glycol with either terephthalic acid or methyl ester, from recycled polyester using consumer or industrial waste, or a blend of these types of staple fiber.<sup>25</sup>

Certain PSF is referred to as “fiber for fill,” because its primary use is for stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture, although certain PSF can be used on a more limited basis for other products. The physical characteristics that distinguish certain PSF from other polyester staple fibers include the denier, length, finish, and “crimp” of the fiber. Because certain PSF is principally used as fiberfill and is not seen by the end user, its appearance is considered less important than its performance. Certain PSF can be produced in many variations to enhance its quality, such as using crimped or conjugate fiber to “loft” for stuffing purposes, or to be coated with a finish to make the fiber smoother to the touch. Certain PSF may vary in shape and be hollow or solid.<sup>26</sup>

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<sup>24</sup> Department of Commerce memorandum from James Maeder to Lisa W. Wang entitled *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Polyester Staple Fiber from the Republic of Korea and Taiwan*, May 3, 2022, at 2 (EDIS Document No. 770150). Commerce’s scope has remained unchanged since the original orders were issued, with the exception of a May 2018 amendment to the last sentence of the first paragraph of the scope regarding the definition of low-melt PSF excluded from the scope, made by Commerce pursuant to changed circumstances reviews requested by domestic interested parties. See *Polyester Staple Fiber From the Republic of Korea and Taiwan: Final Results of Changed Circumstances Reviews, and Revocation of Antidumping Duty Orders, in Part*, 83 Fed. Reg. 23,253 (May 18, 2018).

<sup>25</sup> CR/PR at I-14, I-17.

<sup>26</sup> CR/PR at I-15.

## 2. The Original Investigations and Prior Reviews

In the original investigations, the Commission defined two domestic like products: (i) low-melt fiber and (ii) conventional PSF (all subject PSF, including conjugate fiber, other than low-melt fiber).<sup>27</sup> As previously noted, the Commission made negative determinations with respect to the domestic industry producing low-melt fiber.<sup>28</sup>

In the first five-year reviews, no party objected to the treatment of all conventional certain PSF as a single domestic like product, and the Commission found that the record contained no information that suggested it would be appropriate to reconsider the domestic like product definition from the original determinations. Accordingly, the Commission defined the domestic like product as all certain PSF, coextensive with the scope of the orders under review.<sup>29</sup>

In the expedited second and third five-year reviews, the domestic interested parties agreed with the domestic like product definition adopted in the first five-year reviews, and the Commission found that no new information in the record suggested that the domestic like product definition should be revisited. Accordingly, the Commission continued to define the domestic like product as certain PSF, coextensive with Commerce's scope.<sup>30</sup>

## 3. The Current Reviews

In these expedited reviews, there is no new information on the record suggesting that the characteristics and uses of domestically produced certain PSF have changed since the prior reviews,<sup>31</sup> and Domestic Producers agree with the domestic like product definition adopted in the prior reviews.<sup>32</sup> We consequently define the domestic like product as certain PSF, coextensive with Commerce's scope.

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<sup>27</sup> *Original Determinations*, USITC Pub. 3300 at 4-5. The Commission defined low-melt fiber as a bicomponent fiber comprising a polyester core and a sheath of copolymer polyester, which was typically used to thermal bond other polyester staple fiber in the manufacture of batting for bulk applications such as furniture stuffing and insulation. When heated, the outer copolymer sheath melted at a lower temperature than its core, and the melted sheath acted as a glue to hold the polyester staple fibers together. *Id.* at 5.

<sup>28</sup> *Original Determinations*, USITC Pub. 3300 at 20-24.

<sup>29</sup> *First Reviews*, USITC Pub. 3843 at 5-6.

<sup>30</sup> *Second Reviews*, USITC Pub. 4257 at 4-5; *Third Reviews*, USITC Pub. 4668 at 7.

<sup>31</sup> See generally CR/PR at I-13 to I-18.

<sup>32</sup> Domestic Producers' Substantive Response at 27.

## B. Domestic Industry

Section 771(4)(A) of the Tariff Act defines the relevant industry as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”<sup>33</sup> In defining the domestic industry, the Commission’s general practice has been to include in the industry producers of all domestic production of the like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.

We must determine whether any producer of the domestic like product should be excluded from the domestic industry pursuant to section 771(4)(B) of the Tariff Act. This provision allows the Commission, if appropriate circumstances exist, to exclude from the domestic industry producers that are related to an exporter or importer of subject merchandise or which are themselves importers.<sup>34</sup> Exclusion of such a producer is within the Commission’s discretion based upon the facts presented in each investigation.<sup>35</sup>

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<sup>33</sup> 19 U.S.C. § 1677(4)(A). The definitions in 19 U.S.C. § 1677 are applicable to the entire subtitle containing the antidumping and countervailing duty laws, including 19 U.S.C. §§ 1675 and 1675a. *See* 19 U.S.C. § 1677.

<sup>34</sup> *See Torrington Co. v. United States*, 790 F. Supp. 1161, 1168 (Ct. Int’l Trade 1992), *aff’d without opinion*, 991 F.2d 809 (Fed. Cir. 1993); *Sandvik AB v. United States*, 721 F. Supp. 1322, 1331-32 (Ct. Int’l Trade 1989), *aff’d mem.*, 904 F.2d 46 (Fed. Cir. 1990); *Empire Plow Co. v. United States*, 675 F. Supp. 1348, 1352 (Ct. Int’l Trade 1987).

<sup>35</sup> The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude a related party include the following:

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

In the original investigations, the Commission defined two domestic industries: (i) all domestic producers of low-melt fiber and (ii) all domestic producers of conventional PSF.<sup>36</sup> However, the Commission made affirmative determinations only with respect to the domestic industry producing conventional PSF. In the full first five-year reviews, the Commission defined a single domestic industry, consisting of all known domestic producers of certain PSF.<sup>37</sup> In the expedited second five-year reviews, the Commission defined a single domestic industry, consisting of all known domestic producers of certain PSF.<sup>38</sup> In the expedited third reviews, the Commission defined the domestic industry to include all domestic producers of certain PSF.<sup>39</sup>

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<sup>36</sup> *Original Determinations*, USITC Pub. 3300, at 9-10. The Commission considered whether to exclude Nan Ya America from the domestic industry producing conventional PSF as a related party under Section 771(4)(B) of the Tariff Act, but found that appropriate circumstances did not exist to exclude it or any other party from the domestic industry. *Id.* at 10-11. The Commission also considered whether \*\*\* was a related party under in light of its purchases of subject imports, but in the absence of any information that the firm's purchases gave it direct or indirect control over an importer of subject merchandise, the Commission found that the firm was not a related party. *Id.* at 11; Original Determinations Confidential Views at 15-16 (EDIS Document No. 764776).

<sup>37</sup> *First Reviews*, USITC Pub. 3843 at 6. The Commission considered whether to exclude three domestic producers as related parties (Nan Ya America, Formed Fiber Technologies ("FFT"), and United Synthetics), but found that appropriate circumstances did not exist to exclude any of these producers from the domestic industry. *Id.* at 6-8.

<sup>38</sup> *Second Reviews*, USITC Pub. 4257 at 7. The Commission found that appropriate circumstances did not exist to exclude Nan Ya America or United Synthetics from the domestic industry as a related party. *Id.* at 7-8.

<sup>39</sup> *Third Reviews*, USITC Pub. 4668 at 9. The Commission observed that domestic producers Nan Ya America and United Synthetics might qualify as related parties because each was a wholly owned subsidiary of a subject producer of PSF. However, the Commission noted there were no record data to confirm whether either of the parent company subject producers exported subject merchandise to the United States, so the Commission was unable to confirm whether Nan Ya America and United Synthetics were in fact related parties. *Id.* at 8 n.38. The Commission stated further that, assuming *arguendo* that both domestic producers were related parties, appropriate circumstances did not exist to exclude either of them from the domestic industry. *Id.* at 8-9.



In these reviews, Domestic Producers agree with the Commission’s definition of the domestic industry from the prior reviews.<sup>40</sup> Domestic producers Nan Ya America and United Synthetics may qualify as related parties because each is a wholly owned subsidiary of a foreign producer of subject merchandise, but the record does not indicate whether either of their foreign producer parent companies Nan Ya Plastics Corp. (“Nan Ya Plastics”) or Korea Synthetic Fibers exported subject merchandise to the United States during the period of review.<sup>41</sup> Thus the record does not contain the information necessary to confirm that domestic producers Nan Ya America and United Synthetics are related to “an exporter ... of the subject merchandise” so as to qualify as related parties under 19 U.S.C. § 1677(4)(B). Moreover, neither domestic producer imported subject merchandise.<sup>42</sup>

Even assuming, *arguendo*, that these firms qualify as related parties, we find that appropriate circumstances do not exist to exclude either of them from the domestic industry. Nan Ya America was the \*\*\* of the three reporting domestic producers in 2021, accounting for \*\*\* percent of reported domestic production.<sup>43</sup> It supports continuation of duties and did not itself import subject merchandise during the period of review.<sup>44</sup> There is no indication in the record that its ownership by Nan Ya Plastics caused it to perform differently during the period of review than other domestic producers. United Synthetics did not respond to the notice of institution, and there are accordingly no data concerning its domestic operations in the record to exclude. Consequently, consistent with our definition of the domestic like product, we again define a single domestic industry consisting of all domestic producers of certain PSF.

### **III. Cumulation**

#### **A. Legal Standard**

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

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<sup>40</sup> Domestic Producers’ Substantive Response at 27.

<sup>41</sup> According to Domestic Producers, Nan Ya America is a wholly owned subsidiary of Nan Ya Plastics, which produces PSF in Taiwan, and United Synthetics is a wholly owned subsidiary of South Korean PSF producer Korea Synthetic Fibers. Domestic Producers’ Substantive Response at 13 and 23.

<sup>42</sup> Domestic Producers’ Substantive Response at 23.

<sup>43</sup> CR/PR at Table B-2.

<sup>44</sup> Domestic Producers’ Substantive Response at 23.

*the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.*<sup>45</sup>

Cumulation therefore is discretionary in five-year reviews, unlike original investigations, which are governed by section 771(7)(G)(i) of the Tariff Act.<sup>46</sup> The Commission may exercise its discretion to cumulate, however, only if the reviews are initiated on the same day, the Commission determines that the subject imports are likely to compete with each other and the domestic like product in the U.S. market, and imports from each such subject country are not likely to have no discernible adverse impact on the domestic industry in the event of revocation. Our focus in five-year reviews is not only on present conditions of competition, but also on likely conditions of competition in the reasonably foreseeable future.

The statutory threshold for cumulation is satisfied in these reviews, because all reviews were initiated on the same day, January 3, 2022.<sup>47</sup>

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<sup>45</sup> 19 U.S.C. § 1675a(a)(7).

<sup>46</sup> 19 U.S.C. § 1677(7)(G)(i); *see also, e.g., Nucor Corp. v. United States*, 601 F.3d 1291, 1293 (Fed. Cir. 2010) (Commission may reasonably consider likely differing conditions of competition in deciding whether to cumulate subject imports in five-year reviews); *Allegheny Ludlum Corp. v. United States*, 475 F. Supp. 2d 1370, 1378 (Ct. Int'l Trade 2006) (recognizing the wide latitude the Commission has in selecting the types of factors it considers relevant in deciding whether to exercise discretion to cumulate subject imports in five-year reviews); *Nucor Corp. v. United States*, 569 F. Supp. 2d 1328, 1337-38 (Ct. Int'l Trade 2008).

<sup>47</sup> CR/PR at Table I-1.

## **B. The Prior Proceedings and Arguments of the Parties**

### **1. The Original Investigations and Prior Reviews**

In the original investigations, the Commission cumulated subject imports of conventional PSF from South Korea and Taiwan, finding a reasonable overlap of competition between subject imports from both countries and between subject imports and the domestic like product.<sup>48</sup>

In the full first and expedited second and third five-year reviews, the Commission did not find that subject imports from South Korea and Taiwan would likely have no discernible adverse impact on the domestic industry in the event of revocation of either of the orders.<sup>49</sup> The Commission further found a likely reasonable overlap of competition between and among subject imports from South Korea and Taiwan and the domestic like product,<sup>50</sup> and did not find likely significant differences in the likely conditions of competition between imports from different subject sources. Accordingly, the Commission exercised its discretion to cumulate subject imports from South Korea and Taiwan in all three reviews.<sup>51</sup>

### **2. Party Arguments**

Domestic Producers argue that the Commission should exercise its discretion to cumulate subject imports from South Korea and Taiwan in these reviews. They contend that subject imports from each country would have a discernible adverse effect on the domestic industry if the orders were revoked. Domestic Producers also contend that the market conditions on which the Commission previously found a reasonable overlap of competition between and among subject imports and the domestic like product have continued to prevail since the last five-year reviews.<sup>52</sup>

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<sup>48</sup> *Original Determinations*, USITC Pub. 3300 at 13-14.

<sup>49</sup> *First Reviews*, USITC Pub. 3843 at 9-10; *Second Reviews*, USITC Pub. 4257 at 8-9; *Third Reviews*, USITC Pub. 4668 at 11-12.

<sup>50</sup> *First Reviews*, USITC Pub. 3843 at 10-11; *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 13-14.

<sup>51</sup> *First Reviews*, USITC Pub. 3843 at 11; *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 14.

<sup>52</sup> Domestic Producers' Substantive Response at 5; Domestic Producers' Final Comments at 5-6.

## C. Analysis

### 1. Likelihood of No Discernible Adverse Impact

The statute precludes cumulation if the Commission finds that subject imports from a country are likely to have no discernible adverse impact on the domestic industry.<sup>53</sup> Neither the statute nor the Uruguay Round Agreements Act (“URAA”) Statement of Administrative Action (“SAA”) provides specific guidance on what factors the Commission is to consider in determining that imports “are likely to have no discernible adverse impact” on the domestic industry.<sup>54</sup> With respect to this provision, the Commission generally considers the likely volume of subject imports and the likely impact of those imports on the domestic industry within a reasonably foreseeable time if the orders are revoked. Our analysis for each of the subject countries takes into account, among other things, the nature of the product and the behavior of subject imports in the original investigations.

Based on the record in these reviews, we do not find that imports from either subject country would likely have no discernible adverse impact on the domestic industry in the event of revocation, for the reasons discussed below.

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<sup>53</sup> 19 U.S.C. § 1675a(a)(7).

<sup>54</sup> SAA, H.R. Rep. No. 103-316, vol. I at 887 (1994).

**South Korea.** Subject imports from South Korea have maintained a presence in the U.S. market from the original investigation up to and throughout the current period of review. In 1999 during the original period of investigation, U.S. shipments of subject imports from South Korea totaled \*\*\* pounds and accounted for \*\*\* percent of apparent U.S. consumption.<sup>55</sup> In the full first five-year reviews, subject imports from South Korea were 198.6 million pounds in 2000, 201.1 million pounds in 2001, 222.6 million pounds in 2002, 258.4 million pounds in 2003, and 209.9 million pounds in 2004, while the market share of subject imports from South Korea was 23.0 percent in 2000, 22.8 percent in 2001, 21.0 percent in 2002, 24.3 percent in 2003, and 19.8 percent in 2004.<sup>56</sup> In the expedited second five-year reviews, subject imports from South Korea were 140.3 million pounds in 2010, accounting for \*\*\* percent of apparent U.S. consumption.<sup>57</sup> In the expedited third five-year reviews, subject imports from South Korea were \*\*\* pounds in 2015, accounting for \*\*\* percent of apparent U.S. consumption.<sup>58</sup> In the current period of review, subject imports from South Korea were 136.1 million pounds in 2016, 131.3 million pounds in 2017, 140.4 million pounds in 2018, 146.7 million pounds in 2019, 118.7 million pounds in 2020, and 107.9 million pounds in 2021.<sup>59</sup> Subject imports from South Korea accounted for \*\*\* percent of apparent U.S. consumption in 2021.<sup>60</sup>

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<sup>55</sup> CR/PR at Table I-7.

<sup>56</sup> CR/PR at C-5.

<sup>57</sup> CR/PR at Table I-7.

<sup>58</sup> CR/PR at Table I-7.

<sup>59</sup> CR/PR at Table I-6.

<sup>60</sup> CR/PR at Table I-7.

The current reviews contain limited information concerning the industry in South Korea producing certain PSF because no producer in South Korea responded to the notice of institution. Domestic Producers identified 16 firms they believe to be producers of PSF in South Korea.<sup>61</sup> According to information supplied by Domestic Producers, the two largest producers of PSF in South Korea are Huvis Corp. (“Huvis”) and Toray Advanced Metals Korea, Inc. (“Toray”), with Huvis having an annual PSF production capacity of 1.1 billion pounds, and Toray an annual PSF production capacity of 521.3 million pounds.<sup>62</sup> Huvis has publicly stated that it has a global sales network for exporting various products to more than 100 countries including the United States, while Toray has publicly stated that it has expanded to include a network of Toray Group companies operating throughout the United States.<sup>63</sup>

Data from the *Global Trade Atlas* for HTS subheading 5503.20 – which covers synthetic staple fibers of polyesters, a category that includes certain PSF as well as out-of-scope merchandise -- indicate that exports of staple fibers from South Korea fluctuated between 2016 and 2021, increasing slightly overall from 1.57 billion pounds in 2016 to 1.61 billion pounds in 2021, and that the United States was South Korea’s largest export market during each year of the period.<sup>64</sup> These data also indicate that South Korea was the second largest source (after China) of global exports of synthetic staple fibers of polyesters in each year of the 2016-2021 period.<sup>65</sup>

PSF from South Korea was subject to an antidumping duty order in Turkey from 2000 until 2021, after which Turkey suspended the order and replaced it with a global safeguard measure on imports of PSF in September 2021.<sup>66</sup>

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<sup>61</sup> Domestic Producers’ Substantive Response at 11 and Exh. 9; Domestic Producers’ Final Comments at 10; CR/PR at I-30.

<sup>62</sup> Domestic Producers’ Substantive Response at 11-12 and Exh. 3; Domestic Producers’ Final Comments at 10-11; CR/PR at I-31.

<sup>63</sup> Domestic Producers’ Substantive Response at 11-12 and Exh. 3; Domestic Producers’ Final Comments at 11.

<sup>64</sup> CR/PR at Table I-8.

<sup>65</sup> CR/PR at Table I-10. Data from the Korean Chemical Fibers Association (KCFA) indicate that the volume of PSF production in South Korea declined by 14 percent between 2018 and 2020. CR/PR at I-31.

<sup>66</sup> CR/PR at I-35.

In the original investigations, the Commission found that subject imports of conventional PSF from South Korea undersold the domestic like product in 83 of 84 (or 98.8 percent of) quarterly comparisons.<sup>67</sup> In the full first reviews, the Commission found that the data as reported to the Commission indicated that subject imports of certain PSF from South Korea undersold the domestic like product in 100 of 160 (or 62.5 percent of) quarterly comparisons.<sup>68</sup> No pricing product data concerning certain PSF from South Korea were obtained in any of the subsequent reviews, including the current reviews.

In light of the foregoing, including the continued presence of subject imports from South Korea in the U.S. market while under the disciplining effect of the orders, the large size and volume of exports of the South Korean industry, and the underselling by subject imports from South Korea during the original investigations, we do not find that subject imports from South Korea would likely have no discernible adverse impact on the domestic industry if the pertinent order were revoked.

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<sup>67</sup> Derived from *Original Determinations*, USITC Pub. 3300 at V-16. Pricing comparisons with respect to pricing product 7 (low-melt fiber, which the Commission determined to be a separate like product) have been excluded from this calculation.

<sup>68</sup> *First Reviews*, USITC Pub. 3843 at 28. The Commission noted that, using an alternative methodology proposed by respondent interested parties, subject imports from South Korea undersold the domestic like product in \*\*\* of \*\*\* comparisons. *Id.*; First Reviews Confidential Views at 41 (EDIS Document No. 764776).

**Taiwan.** Subject imports from Taiwan have retained a presence in the U.S. market from the original investigations up to and throughout the current review period, albeit at reduced levels from the original investigations. In 1999, during the original period of investigation, U.S. shipments of subject imports from Taiwan totaled \*\*\* pounds, accounting for \*\*\* percent of apparent U.S. consumption.<sup>69</sup> In the full first reviews, subject imports from Taiwan were 164.5 million pounds in 2000, 170.1 million pounds in 2001, 140.3 million pounds in 2002, 94.8 million pounds in 2003, and 72.4 million pounds in 2004, while the market share of subject imports from Taiwan was 19.1 percent in 2000, 19.3 percent in 2001, 13.3 percent in 2002, 8.9 percent in 2003, and 6.8 percent in 2004.<sup>70</sup> In the expedited second five-year reviews, subject imports from Taiwan were 26.1 million pounds in 2010, accounting for \*\*\* percent of apparent U.S. consumption. In the expedited third five-year reviews, subject imports from Taiwan were 7.7 million pounds in 2015, accounting for \*\*\* percent of apparent U.S. consumption.<sup>71</sup> During the current period of review, subject imports from Taiwan have remained present in the U.S. market but declined irregularly to a level lower than in prior reviews, from 13.8 million pounds in 2016 to 9.2 million pounds in 2017, 9.8 million pounds in 2018, 9.6 million pounds in 2019, 9.0 million pounds in 2020, and 5.3 million pounds in 2021.<sup>72</sup> In 2021, subject imports from Taiwan accounted for \*\*\* percent of apparent U.S. consumption.<sup>73</sup>

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<sup>69</sup> CR/PR at Table I-7.

<sup>70</sup> CR/PR at C-5.

<sup>71</sup> CR/PR at Table I-7.

<sup>72</sup> CR/PR at Table I-6.

<sup>73</sup> CR/PR at Table I-7.



The current reviews contain limited information concerning the industry in Taiwan producing certain PSF because no producer in Taiwan responded to the notice of institution. According to information from IHS Markit Chemicals, there are \*\*\* producers of certain PSF in Taiwan,<sup>74</sup> and Domestic Producers have identified five firms that they believe account for the largest share of PSF production in Taiwan: Nan Ya Plastics, The Far Eastern Group (“Far Eastern”), Shinkong Synthetic Fibers Corp. (“Shinkong”), Tainan Spinning Co. Ltd. (“Tainan”), and Tuntex Distinct Corp. (“Tuntex”).<sup>75</sup> According to Domestic Producers, Nan Ya Plastics has an annual production capacity for polyester products (including PSF) of 2.1 million pounds; Far Eastern’s PSF production capacity in 2020 was 889 million pounds; Shinkong’s three production facilities in Taiwan generate a production output of 1.85 billion pounds annually of polyester fibers and polymers; and Tuntex has an annual capacity of 647 million pounds for polyester products (including PSF).<sup>76</sup> Domestic Producers also state that Far Eastern, Nan Ya Plastics, and Shinkong are large global suppliers, with North America and the United States as major export markets for Nan Ya Plastics and Shinkong.<sup>77</sup>

Data from the *Global Trade Atlas* for HTS subheading 5503.20 -- which covers synthetic staple fibers of polyesters, a category that includes certain PSF as well as out-of-scope merchandise -- indicate that total exports of synthetic staple fibers from Taiwan declined from 857.6 million pounds in 2016 to 608.2 million pounds in 2021. These data show that the United States was Taiwan’s second largest export market for synthetic staple fibers during 2016 and 2017, but was its tenth largest export market in 2021.<sup>78</sup> These data also indicate that Taiwan was the third largest source (after China and South Korea) of global exports of synthetic staple fibers of polyesters in 2016, 2017, and 2018, but fell to the fifth largest source in 2020 and 2021.<sup>79</sup>

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<sup>74</sup> CR/PR at I-33.

<sup>75</sup> Domestic Producers’ Substantive Response at 12-13 and Exh. 9; Domestic Producers’ Final Comments at 11; CR/PR at I-32.

<sup>76</sup> Domestic Producers’ Substantive Response at 13 and Exh. 5; Domestic Producers’ Final Comments at 11-12; CR/PR at I-33.

<sup>77</sup> Domestic Producers’ Substantive Response at 13 and Exh. 5; Domestic Producers’ Final Comments at 12.

<sup>78</sup> CR/PR at Table I-9.

<sup>79</sup> CR/PR at Table I-10. Information from IHS Markit indicates that \*\*\*. CR/PR at I-33.

PSF from Taiwan is subject to an antidumping duty order in Indonesia (which extended the order in August 2019 for an additional three years), and became subject to preliminary antidumping duties in Pakistan in July 2021. In addition, after Turkey suspended an antidumping duty order (dating back to July 2003) on PSF from Taiwan, it replaced that order with a global safeguard measure on imports of PSF in September 2021.<sup>80</sup>

In the original investigations, the Commission found that subject imports of conventional PSF from Taiwan undersold the domestic like product in 77 of 78 (or 98.7 percent of) quarterly comparisons.<sup>81</sup> In the full first reviews, the Commission found that the data as reported to the Commission indicated that subject imports of certain PSF from Taiwan undersold the domestic like product in 53 of 115 (or 46.1 percent of) quarterly comparisons.<sup>82</sup> No pricing product data concerning certain PSF from Taiwan were obtained in any of the subsequent reviews, including the current reviews.

Based on the foregoing, including the continued presence of subject imports from Taiwan in the U.S. market while under the disciplining effect of the orders, the large size and volume of exports of the Taiwan industry, and the underselling by subject imports from Taiwan during the original investigations, we do not find that subject imports from Taiwan would likely have no discernible adverse impact on the domestic industry if the pertinent order were revoked.

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<sup>80</sup> CR/PR at I-35.

<sup>81</sup> Derived from *Original Determinations*, USITC Pub. 3300 at V-16. Pricing comparisons with respect to pricing product 7 (low-melt fiber, which the Commission determined to be a separate like product) have been excluded from this calculation.

<sup>82</sup> *First Reviews*, USITC Pub. 3843 at 28. The Commission noted that, using an alternative methodology proposed by respondent interested parties, subject imports from Taiwan undersold the domestic like product in \*\*\* of \*\*\* comparisons. *Id.*; First Reviews Confidential Views at 41 (EDIS Document No. 764776).

## 2. Likelihood of a Reasonable Overlap of Competition

The Commission generally has considered four factors intended to provide a framework for determining whether subject imports compete with each other and with the domestic like product.<sup>83</sup> Only a “reasonable overlap” of competition is required.<sup>84</sup> In five-year reviews, the relevant inquiry is whether there likely would be competition even if none currently exists because the subject imports are absent from the U.S. market.<sup>85</sup>

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<sup>83</sup> The four factors generally considered by the Commission in assessing whether imports compete with each other and with the domestic like product are as follows: (1) the degree of fungibility between subject imports from different countries and between subject imports and the domestic like product, including consideration of specific customer requirements and other quality-related questions; (2) the presence of sales or offers to sell in the same geographical markets of imports from different countries and the domestic like product; (3) the existence of common or similar channels of distribution for subject imports from different countries and the domestic like product; and (4) whether subject imports are simultaneously present in the market with one another and the domestic like product. *See, e.g., Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

<sup>84</sup> *See Mukand Ltd. v. United States*, 937 F. Supp. 910, 916 (Ct. Int’l Trade 1996); *Wieland Werke*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”); *United States Steel Group v. United States*, 873 F. Supp. 673, 685 (Ct. Int’l Trade 1994), *aff’d*, 96 F.3d 1352 (Fed. Cir. 1996). We note, however, that there have been investigations where the Commission has found an insufficient overlap in competition and has declined to cumulate subject imports. *See, e.g., Live Cattle from Canada and Mexico*, Inv. Nos. 701-TA-386 and 731-TA-812-13 (Preliminary), USITC Pub. 3155 at 15 (Feb. 1999), *aff’d sub nom. Ranchers-Cattlemen Action Legal Foundation v. United States*, 74 F. Supp. 2d 1353 (Ct. Int’l Trade 1999); *Static Random Access Memory Semiconductors from the Republic of Korea and Taiwan*, Inv. Nos. 731-TA-761-62 (Final), USITC Pub. 3098 at 13-15 (Apr. 1998).

<sup>85</sup> *See generally, Cheflene Corp. v. United States*, 219 F. Supp. 2d 1313, 1314 (Ct. Int’l Trade 2002).

*Fungibility.* The Commission found in the original investigations and subsequent reviews that subject imports from South Korea and Taiwan were fungible with the domestic like product and with each other.<sup>86</sup> In the original investigations, the Commission found that conjugate fiber and regenerate fiber competed to a substantial degree with all other conventional PSF in the U.S. conventional PSF market, and thus found “substantial fungibility” between subject imports of conventional PSF from South Korea and Taiwan and between subject imports and the domestic like product, despite some differences in product mix in subject imports from South Korea and Taiwan.<sup>87</sup>

In the full first reviews, the Commission found that most market participants reported that the domestic like product was always or frequently interchangeable with subject imports from South Korea, and all domestic producers and about half of all purchasers and importers reported that the domestic like product was always or frequently interchangeable with subject imports from Taiwan. Moreover, purchasers reported that subject imports from both South Korea and Taiwan were comparable to the domestic like product with respect to a wide range of factors relevant to purchasing decisions.<sup>88</sup> In the second and third expedited five-year reviews, the Commission found that there was no new information in those reviews to indicate any change in the interchangeability of certain PSF from South Korea, Taiwan, and the United States.<sup>89</sup>

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<sup>86</sup> *Original Determinations*, USITC Pub. 3300 at 13-14; *First Reviews*, USITC Pub. 3843 at 10; *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 13.

<sup>87</sup> *Original Determinations*, USITC Pub. 3300 at 14 and n.77. The Commission determined in its final phase determinations that conjugate fiber was not a separate domestic like product, *id.* at 7-9, and had previously determined in its preliminary phase determinations that regenerated fiber was not a separate domestic like product, which respondents did not contest in the final phase of the investigations. *Id.* at 5 n.13. Thus, both conjugate fiber and regenerated fiber were part of the domestic like product characterized by the Commission as “conventional PSF” (*i.e.*, all in-scope PSF except for low-melt fiber, which it defined as a separate like product). *Id.* at 5.

<sup>88</sup> *First Reviews*, USITC Pub. 3843 at 10.

<sup>89</sup> *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 13.

In these expedited fourth five-year reviews, Domestic Producers argue that the market conditions on which the Commission previously found a reasonable overlap of competition between and among subject imports and the domestic like product have continued to prevail since the last five-year reviews.<sup>90</sup> There is no new information in the record to indicate any change from the Commission's previous findings concerning the fungibility of subject imports from South Korea and Taiwan and the domestic like product.<sup>91</sup>

*Channels of Distribution.* In the original investigations and subsequent reviews, the Commission found that subject imports from South Korea and Taiwan and the domestic like product were sold in similar channels of distribution.<sup>92</sup> In the original investigations, the Commission noted that there was no dispute among the parties that subject imports and the domestic like product were sold through the same channels of distribution.<sup>93</sup> In the full first five-year reviews, the Commission found that there was substantial competition between subject imports from South Korea and Taiwan and the domestic like product in terms of channels of distribution, with domestic producers and importers reporting selling most certain PSF directly to end users and the balance sold to distributors.<sup>94</sup> In the second and third five-year reviews, the Commission found that there was no new information in the record to indicate that this overlap in terms of channels of distribution had changed.<sup>95</sup>

In these expedited fourth five-year reviews, Domestic Producers argue that the market conditions on which the Commission previously found a reasonable overlap of competition between and among subject imports and the domestic like product have continued to prevail since the last five-year reviews.<sup>96</sup> There is no new information in the record to indicate any change from the Commission's previous findings that subject imports from South Korea and Taiwan and the domestic like product overlap with respect to channels of distribution.

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<sup>90</sup> Domestic Producers' Substantive Response at 5; Domestic Producers' Final Comments at 6.

<sup>91</sup> The one purchaser responding to the Commission's adequacy phase questionnaire indicated that \*\*\* in supply and demand conditions for PSF during the current period of review. CR/PR at D-3.

<sup>92</sup> *Original Determinations*, USITC Pub. 3300 at 13; *First Reviews*, USITC Pub. 3843 at 11; *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 13.

<sup>93</sup> *Original Determinations*, USITC Pub. 3300 at 13.

<sup>94</sup> *First Reviews*, USITC Pub. 3843 at 11.

<sup>95</sup> *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 13.

<sup>96</sup> Domestic Producers' Substantive Response at 5; Domestic Producers' Final Comments at 6.

*Geographic Overlap.* In the original investigations and the prior reviews, the Commission found overlapping geographical markets for subject imports and the domestic like product.<sup>97</sup> In the original investigations, the Commission noted that it was undisputed that subject imports and the domestic like product were sold in the same geographical markets.<sup>98</sup> In the full first reviews, the Commission again found substantial competition between subject imports from South Korea and Taiwan in terms of geographic markets, finding that the customs districts through which subject imports from South Korea and Taiwan entered the U.S. market largely overlapped, dispersing subject imports throughout the United States.<sup>99</sup> In the expedited second and third reviews, the Commission found no new information in the record to indicate that this geographic overlap had changed.<sup>100</sup>

There is likewise no information in the current reviews to indicate that there has been any change in the geographic overlap between subject imports from South Korea and Taiwan and the domestic like product. Subject imports from South Korea entered through the northern, southern, eastern, and western borders of entry in all 72 months during the 2016-2021 period.<sup>101</sup> Subject imports from Taiwan entered through the eastern border of entry in all 72 months of this period, but entered through the western border of entry 42 months, the northern border of entry in 19 months, and the southern border of entry in 4 months during the 2016-2021 period.<sup>102</sup>

*Simultaneous Presence in Market.* In the original investigations and subsequent reviews, the Commission found that subject imports from South Korea and Taiwan and the domestic like product were all present in the U.S. market throughout the relevant periods.<sup>103</sup> In these reviews, subject imports from South Korea and Taiwan were present in the U.S. market for all 72 months of the 2016-2021 period,<sup>104</sup> along with the domestic like product.

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<sup>97</sup> *Original Determinations*, USITC Pub. 3300 at 13; *First Reviews*, USITC Pub. 3843 at 11; *Second Reviews*, USITC Pub. 4257 at 10.

<sup>98</sup> *Original Determinations*, USITC Pub. 3300 at 13.

<sup>99</sup> *First Reviews*, USITC Pub. 3843 at 11.

<sup>100</sup> *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 14.

<sup>101</sup> CR/PR at I-27.

<sup>102</sup> CR/PR at I-27.

<sup>103</sup> *Original Determinations*, USITC Pub. 3300 at 13; *First Reviews*, USITC Pub. 3843 at 11; *Second Reviews*, USITC Pub. 4257 at 10; *Third Reviews*, USITC Pub. 4668 at 14.

<sup>104</sup> CR/PR at I-27.

*Conclusion.* The record in these expedited reviews contains limited information concerning subject imports in the U.S. market during the current review period. The record contains no new information, however, suggesting a change in the considerations that led the Commission in its original determinations and prior reviews to conclude that there was a reasonable overlap of competition between and among imports from the two subject countries and the domestic like product. In light of this, and in the absence of any contrary argument, we find that there would likely be a reasonable overlap of competition between and among certain PSF from South Korea and Taiwan and the domestic like product, if the orders were revoked.

### **3. Likely Conditions of Competition**

In determining whether to exercise our discretion to cumulate the subject imports, we assess whether subject imports from South Korea and Taiwan would likely compete under similar or different conditions of competition in the U.S. market after revocation of the orders. The available information in these expedited reviews shows that prior to imposition of the orders, imports from both subject countries increased significantly in volume and market share and undersold the domestic like product in the original period of investigation.<sup>105</sup> The available information also shows that South Korea and Taiwan each exported substantial volumes of synthetic staple fibers of polyesters (a category that includes certain PSF as well as out-of-scope merchandise) during the current period of review, and that the United States was a significant export market for both subject industries during the period. This information indicates that the industries in both subject countries have some degree of export orientation, and have shown a continuing interest in the U.S. market since imposition of the orders.

Thus, the record in these reviews does not indicate that there would likely be any significant difference in the conditions of competition between subject imports from South Korea and Taiwan if the orders were revoked.

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<sup>105</sup> CR/PR at C-3, Table C-1; *Original Determinations*, USITC Pub. 3300 at V-16.

#### **4. Conclusion**

In sum, we determine that subject imports of certain PSF from South Korea and Taiwan, considered individually, are not likely to have no discernible adverse impact on the domestic industry if the corresponding orders were revoked. We also find a likely reasonable overlap of competition between and among subject imports from South Korea and Taiwan and the domestic like product if the orders were revoked. Finally, we find that imports from each subject country would be likely to compete under similar conditions of competition after revocation of the antidumping duty orders. We therefore exercise our discretion to cumulate subject imports of certain PSF from South Korea and Taiwan for purposes of our analysis in these reviews.



#### IV. 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 determination that revocation of the antidumping or countervailing duty order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”<sup>106</sup> The SAA states that “under the likelihood standard, the Commission will engage in a counterfactual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation or termination of a proceeding and the elimination of its restraining effects on volumes and prices of imports.”<sup>107</sup> Thus, the likelihood standard is prospective in nature.<sup>108</sup> The U.S. Court of International Trade has found that “likely,” as used in the five-year review provisions of the Act, means “probable,” and the Commission applies that standard in five-year reviews.<sup>109</sup>

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<sup>106</sup> 19 U.S.C. § 1675a(a).

<sup>107</sup> SAA at 883-84. The SAA states that “{t}he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry). Likewise, the standard applies to suspended investigations that were never completed.” *Id.* at 883.

<sup>108</sup> While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued {sic} prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

<sup>109</sup> See *NMB Singapore Ltd. v. United States*, 288 F. Supp. 2d 1306, 1352 (Ct. Int’l Trade 2003) (“‘likely’ means probable within the context of 19 U.S.C. § 1675(c) and 19 U.S.C. § 1675a(a)”), *aff’d mem.*, 140 Fed. Appx. 268 (Fed. Cir. 2005); *Nippon Steel Corp. v. United States*, 26 CIT 1416, 1419 (2002) (same); *Usinor Industeel, S.A. v. United States*, 26 CIT 1402, 1404 nn.3, 6 (2002) (“more likely than not” standard is “consistent with the court’s opinion;” “the court has not interpreted ‘likely’ to imply any particular degree of ‘certainty’”); *Indorama Chemicals (Thailand) Ltd. v. United States*, 26 CIT 1059, 1070 (2002) (“standard is based on a likelihood of continuation or recurrence of injury, not a certainty”); *Usinor v. United States*, 26 CIT 767, 794 (2002) (“‘likely’ is tantamount to ‘probable,’ not merely ‘possible’”).

The statute states that “the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.”<sup>110</sup> According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case, but normally will exceed the ‘imminent’ timeframe applicable in a threat of injury analysis in original investigations.”<sup>111</sup>

Although the standard in a five-year review is not the same as the standard applied in an original investigation, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the orders are revoked or the suspended investigation is terminated.”<sup>112</sup> It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order or the suspension agreement under review, whether the industry is vulnerable to material injury if an order is revoked or a suspension agreement is terminated, and any findings by Commerce regarding duty absorption pursuant to 19 U.S.C. § 1675(a)(4).<sup>113</sup> The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination.<sup>114</sup>

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<sup>110</sup> 19 U.S.C. § 1675a(a)(5).

<sup>111</sup> SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

<sup>112</sup> 19 U.S.C. § 1675a(a)(1).

<sup>113</sup> 19 U.S.C. § 1675a(a)(1). Commerce has not made any duty absorption findings with respect to the orders on certain PSF from South Korea and Taiwan. See Department of Commerce memorandum from James Maeder to Lisa W. Wang entitled *Issues and Decision Memorandum for the Expedited Sunset Reviews of the Antidumping Duty Orders on Polyester Stable Fiber from the Republic of Korea and Taiwan*, May 3, 2022, at 4-5 (EDIS Document No. 770150).

<sup>114</sup> 19 U.S.C. § 1675a(a)(5). Although the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

In evaluating the likely volume of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.<sup>115</sup> In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.<sup>116</sup>

In evaluating the likely price effects of subject imports if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared to the domestic like product and whether the subject imports are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of the domestic like product.<sup>117</sup>

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<sup>115</sup> 19 U.S.C. § 1675a(a)(2).

<sup>116</sup> 19 U.S.C. § 1675a(a)(2)(A-D).

<sup>117</sup> See 19 U.S.C. § 1675a(a)(3). The SAA states that “{c}onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices.” SAA at 886.

In evaluating the likely impact of imports of subject merchandise if an order under review is revoked and/or a suspended investigation is terminated, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to the following: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.<sup>118</sup> All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry. As instructed by the statute, we have considered the extent to which any improvement in the state of the domestic industry is related to the orders under review and whether the industry is vulnerable to material injury upon revocation.<sup>119</sup>

No respondent interested party participated in these expedited reviews. The record, therefore, contains limited new information with respect to the industries in South Korea and Taiwan producing certain PSF. There is also limited information on the market in the United States for certain PSF during the period of review. Accordingly, for our determinations, we rely as appropriate on information provided by Domestic Producers, the facts available from the original investigations and prior reviews, publicly available information gathered by Commission staff, and the limited new information on the record in these fourth five-year reviews.

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

In evaluating the likely impact of the subject imports on the domestic industry if an order is revoked, the statute directs the Commission to consider all relevant economic factors “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”<sup>120</sup> The following conditions of competition inform our determinations.

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<sup>118</sup> 19 U.S.C. § 1675a(a)(4).

<sup>119</sup> The SAA states that in assessing whether the domestic industry is vulnerable to injury if the order is revoked, the Commission “considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.” SAA at 885.

<sup>120</sup> 19 U.S.C. § 1675a(a)(4).

## 1. Demand Conditions

*The Original Investigations and Prior Reviews.* In the original investigations, the Commission found that certain PSF was primarily used in the production of home-related products, such as furniture, bedding, and insulation and filtration products. As a result, demand for certain PSF was largely driven by demand for downstream products in the housing market.<sup>121</sup> The Commission found that much of the certain PSF marketed in the United States faced little competition from substitutes, so price changes were likely to have little overall effect on demand for certain PSF, but noted that the relatively high cost share of certain PSF in some end-use products increased the sensitivity of demand to changes in price of certain PSF.<sup>122</sup> In the subsequent five-year reviews, the Commission continued to find that demand for certain PSF was driven by the housing market and demand for downstream products.<sup>123</sup> While the Commission found in the full first reviews that demand had increased over the review period, it found in the expedited second reviews that demand had declined, which domestic interested parties in those reviews attributed to: (i) reduced U.S. production of some downstream products due to increased importation of such articles from China; (ii) a downturn in the housing market; and (iii) new federal regulations on fire retardant materials that had decreased demand for some types of certain PSF.<sup>124</sup> In the expedited third reviews, the Commission found that apparent U.S. consumption was higher than it had been in the second reviews, but lower than it had been in the original investigations and first reviews.<sup>125</sup>

*The Current Reviews.* Domestic Producers state that demand for certain PSF depends on the demand for various end-use applications, including production of furniture, bedding, insulation and filtration products. They add that demand for certain PSF is thus generally related to the level of housing-related activity in the economy, and generally tracks overall economic activity. Domestic Producers contend that demand for certain PSF in the U.S. market experienced slight fluctuations from 2016 to 2021, resulting in a slight overall increase in demand over the period.<sup>126</sup>

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<sup>121</sup> *Original Determinations*, USITC Pub. 3300 at 14.

<sup>122</sup> *Original Determinations*, USITC Pub. 3300 at 14.

<sup>123</sup> *First Reviews*, USITC Pub. 3843 at 14; *Second Reviews*, USITC Pub. 4257 at 14; *Third Reviews*, USITC Pub. 4668 at 18.

<sup>124</sup> *First Reviews*, USITC Pub. 3843 at 14; *Second Reviews*, USITC Pub. 4257 at 14.

<sup>125</sup> *Third Reviews*, USITC Pub. 4668 at 18.

<sup>126</sup> Domestic Producers' Substantive Response at 26-27.

Apparent U.S. consumption was \*\*\* pounds in 2021, as compared to 890.2 million pounds in 1999, 1.1 billion pounds in 2004, \*\*\* pounds in 2010, and \*\*\* pounds in 2015.<sup>127</sup>

With respect to global demand, the information available indicates that polyester continues to dominate the growth in demand for synthetic fibers due to its use in numerous products and the ease with which it may be recycled. During the 2017-2020 period, polyester fiber accounted for approximately 52 percent of global production of all fibers, with production increasing by 6.3 percent over that period to 125.9 billion pounds. PSF production increased in 2020, even though production of almost all other synthetic staple fibers declined in 2020 due to the COVID-19 pandemic.<sup>128</sup>

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<sup>127</sup> CR/PR at Table I-7.

<sup>128</sup> CR/PR at I-20.

## 2. Supply Conditions

*The Original Investigations and Prior Reviews.* In the original investigations, the Commission found that the production of certain PSF requires significant capital investment with relatively high fixed costs, and the costs of switching of a production line to other polyester products are small relative to the costs of assembling a new line.<sup>129</sup> It found that the U.S. market was largely supplied by the domestic industry and subject imports, with nonsubject imports accounting for a small market share.<sup>130</sup> In the full first reviews, the Commission found that the domestic industry had undergone substantial restructuring over the review period, with one domestic producer ceasing production, three producers undergoing a change in ownership, and three new producers emerging.<sup>131</sup> The Commission also noted that nonsubject import volume and market share increased substantially due to the emergence of China as a large source of nonsubject imports.<sup>132</sup> In the expedited second and third reviews, the Commission noted that nonsubject imports, largely from China, had become the \*\*\* supplier of certain PSF to the U.S. market, as the market shares of both the domestic industry and cumulated subject imports declined.<sup>133</sup>

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<sup>129</sup> *Original Determinations*, USITC Pub. 3300 at 15.

<sup>130</sup> *Original Determinations*, USITC Pub. 3300 at 15. In 1999, the domestic industry accounted for 59.6 percent of apparent U.S. consumption, while cumulated subject imports accounted for \*\*\* percent and nonsubject imports accounted for \*\*\* percent. CR/PR at Table I-7.

<sup>131</sup> *First Reviews*, USITC Pub. 3843 at 14.

<sup>132</sup> *First Reviews*, USITC Pub. 3843 at 15. In 2004, the domestic industry accounted for 57.6 percent of subject imports, while cumulated subject imports accounted for 26.6 percent and nonsubject imports accounted for 15.7 percent. CR/PR at Table I-7.

<sup>133</sup> *Second Reviews*, USITC Pub. 3843 at 14; *Second Reviews Confidential Views* at 19-20 (EDIS Document No. 764776); *Third Reviews*, USITC Pub. 4668 at 19 & n.110; *Third Reviews Confidential Views* at 28 (EDIS Document No. 764776). In 2010, nonsubject imports accounted for \*\*\* percent of apparent U.S. consumption, while the domestic industry accounted for \*\*\* percent and cumulated subject imports accounted for \*\*\* percent. CR/PR at Table I-7. In 2015, nonsubject imports accounted for \*\*\* percent of apparent U.S. consumption, while the domestic industry accounted for \*\*\* percent and cumulated subject imports accounted for \*\*\* percent. CR/PR at Table I-7.

*The Current Reviews.* The domestic industry was the \*\*\* supplier of certain PSF to the U.S. market in 2021, accounting for \*\*\* percent of apparent U.S. consumption that year.<sup>134</sup> There have been several supply changes to the domestic industry since the third five-year reviews. Fiber Industries purchased the assets of Wellman Inc.'s former PSF production facility in Darlington, South Carolina in 2017, with the facility becoming operational in 2020 with a capacity of \*\*\* pounds. In addition, DAK Americas, LLC, a domestic producer that had been a petitioner in the original investigations, but accounted for a small share of domestic production, closed its PSF production operations at its Cooper River site near Charleston, South Carolina in December 2021.<sup>135</sup>

Cumulated subject imports were the \*\*\* source of supply in the U.S. market in 2021, accounting for \*\*\* percent of apparent U.S. consumption that year.<sup>136</sup> Nonsubject imports accounted for the \*\*\* share of apparent U.S. consumption in 2021, at \*\*\* percent.<sup>137</sup> While China was the largest supplier of nonsubject imports during each year of the 2016-2020 period, Vietnam was the largest nonsubject supplier in 2021, followed by China and Thailand.<sup>138</sup> Imports of PSF from China have been subject to an antidumping duty order since June 1, 2007.<sup>139</sup> The order has been continued following affirmative determinations by Commerce and the Commission in first and second five-year reviews in 2012 and 2018, respectively.<sup>140</sup>

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<sup>134</sup> CR/PR at Table I-7.

<sup>135</sup> Domestic Producers' Substantive Response at 26; see CR/PR at I-20.

<sup>136</sup> CR/PR at Table I-7.

<sup>137</sup> CR/PR at Table I-7.

<sup>138</sup> CR/PR at Table I-6.

<sup>139</sup> CR/PR at I-9; *Notice of Antidumping Duty Order: Certain Polyester Staple Fiber From the People's Republic of China*, 72 Fed. Reg. 30,545 (June 1, 2007).

<sup>140</sup> *Certain Polyester Staple Fiber From the People's Republic of China: Continuation of Antidumping Duty Order*, 77 Fed. Reg. 62,217 (Oct. 12, 2012); *Certain Polyester Staple Fiber From the People's Republic of China; Continuation of Antidumping Duty Order*, 83 Fed. Reg. 14,415 (Apr. 4, 2018).



### 3. Substitutability and Other Conditions

*The Original Investigations and Prior Reviews.* In the original investigations, the Commission found that there was substantial fungibility and direct competition between subject imports and the domestic like product.<sup>141</sup> Respondents argued that conjugate fiber was a superior product to other types of conventional fiber that competed primarily with non-PSF products, especially goose down, and that it was not made in sufficient quantities by the domestic producers. Similarly, respondents argued that regenerated fiber was an inferior product that competed primarily with non-PSF products such as foam, shoddy, wastes, etc., and that it was not made in sufficient quantities by the domestic producers.<sup>142</sup> However, the Commission noted that purchasers reported that both conjugate fiber and regenerated fiber were generally interchangeable with other types of conventional PSF.<sup>143</sup> The Commission found that purchasers purchased conjugate fiber and regenerated fiber to blend with other types of conventional PSF to achieve desired product characteristics at a given price point, there was no distinct niche market for conjugate fiber or regenerated fiber as such, and the volumes of subject imports of those products were much larger than would be expected for products serving only a niche market.<sup>144</sup>

In the full first reviews, the Commission found that there was a substantial degree of substitutability between subject imports and the domestic like product. It continued to find that purchasers blended different types of PSF (*e.g.*, conventional, conjugate, and regenerated) to achieve PSF with the desired product characteristics at a given price point.<sup>145</sup> It found that substantial quantities of all three varieties of certain PSF were produced domestically and imported from South Korea and Taiwan, market participants reported substantial interchangeability among certain PSF from all three sources, and purchasers reported that certain PSF from all three sources was comparable in terms of relevant purchasing factors.<sup>146</sup>

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<sup>141</sup> *Original Determinations*, USITC Pub. 3300 at 14-15.

<sup>142</sup> *Original Determinations*, USITC Pub. 3300 at 15.

<sup>143</sup> *Original Determinations*, USITC Pub. 3300 at 16.

<sup>144</sup> *Original Determinations*, USITC Pub. 3300 at 15-16.

<sup>145</sup> *First Reviews*, USITC Pub. 3843 at 15-16.

<sup>146</sup> *First Reviews*, USITC Pub. 3843 at 16.

In the expedited second and third reviews, the Commission continued to find that there was a substantial degree of substitutability between the domestic like product and subject imports, that all types of certain PSF were utilized in the same end use applications, and that purchasers blended different types of certain PSF (*e.g.*, conventional, conjugate, and regenerated) to achieve desired product characteristics at a given price point.<sup>147</sup> In all three prior five-year reviews, the Commission found that price was an important factor for purchasers choosing among suppliers.<sup>148</sup>

*The Current Reviews.* Domestic Producers argue that the U.S. market for certain PSF remains highly price-sensitive as a result of the substitutable nature of the domestic like product and subject merchandise, and that price continues to be the predominant factor driving purchasing decisions for certain PSF in the U.S. market.<sup>149</sup> There is no new information on the record in these reviews to suggest that the substitutability between the domestic like product and subject imports, or the importance of price to purchasing decisions, has changed since the prior reviews. Accordingly, we find, as we did in the prior reviews, that there is a substantial degree of substitutability between the domestic like product and subject imports, and that price is an important factor in purchasing decisions for certain PSF.

Imports of low-melt PSF from South Korea and Taiwan (which are expressly excluded from the orders under review) have been subject to antidumping duty orders since August 16, 2018.<sup>150</sup>

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<sup>147</sup> *Second Reviews*, USITC Pub. 4257 at 14-15, 18; *Third Reviews*, USITC Pub. 4668 at 20.

<sup>148</sup> *First Reviews*, USITC Pub. 3843 at 28; *Second Reviews*, USITC Pub. 4257 at 18; *Third Reviews*, USITC Pub. 4668 at 23.

<sup>149</sup> Domestic Producers' Substantive Response at 18; Domestic Producers' Final Comments at 4.

<sup>150</sup> CR/PR at I-11; *Low Melt Polyester Staple Fiber From the Republic of Korea and Taiwan: Antidumping Duty Orders*; 83 Fed. Reg. 40,752 (Aug. 16, 2018).

## C. Likely Volume of Subject Imports

### 1. The Original Investigations and Prior Reviews.

In the original investigations, the Commission found that the volume of cumulated subject imports, as well as the increase in that volume, were significant, both in absolute terms and relative to production and consumption.<sup>151</sup> The Commission further found that the market share for cumulated subject imports increased during the original period of investigation (“POI”) while the market share for U.S. producers declined.<sup>152</sup>

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<sup>151</sup> *Original Determinations*, USITC Pub. 3300 at 16-17. In the original investigations, the volume of U.S. shipments of cumulated subject imports increased from \*\*\* pounds in 1997 to \*\*\* pounds in 1998 and \*\*\* pounds in 1999. CR/PR at C-3, Table C-1.

<sup>152</sup> *Original Determinations*, USITC Pub. 3300 at 16-17. The market share of cumulated subject imports increased from \*\*\* percent in 1997 to \*\*\* percent in 1998, and then declined to \*\*\* percent in 1999, while the market share of the domestic industry declined from 65.7 percent in 1997 to 57.2 percent in 1998, and then increased to 59.6 percent in 1999. CR/PR at C-3, Table C-1.

In each of the prior five-year reviews, the Commission found that revocation of the orders would likely result in a significant increase in subject import volume within a reasonably foreseeable time. Specifically, in each of the reviews, the Commission found that, while the absolute volumes and market shares of cumulated subject imports had generally declined since the original period of investigation under the discipline of the orders, cumulated subject imports remained at substantial levels and maintained a significant presence in the U.S. market during each period of review.<sup>153</sup> The Commission also found that subject foreign producers retained substantial capacity and excess capacity.<sup>154</sup> In the full first and expedited third reviews, the Commission found that both subject industries were export oriented,<sup>155</sup> while in the expedited second reviews, the Commission found that subject producers in Taiwan were export oriented to a significant degree, without making a finding as to subject producers in South Korea.<sup>156</sup> Additionally, the Commission found in each of the previous reviews that because of numerous trade barriers as a result of antidumping duty measures in third-country markets, subject producers in South Korea and Taiwan would be likely to increase exports to the U.S. market to fill unused capacity in the event of revocation of the orders.<sup>157</sup> In the full first reviews and expedited third reviews, the Commission further noted that competition from the expanding PSF industry in China in subject producers' home markets and third-country export markets would also likely motivate subject producers to increase exports to the U.S. market in the event of revocation of the orders.<sup>158</sup>

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<sup>153</sup> *First Reviews*, USITC Pub. 3843 at 24; *Second Reviews*, USITC Pub. 4257 at 16; *Third Reviews*, USITC Pub. 4668 at 21. In the expedited third reviews, the Commission characterized the continuous presence of subject imports as remaining at "appreciable" levels during that period of review. *Third Reviews*, USITC Pub. 4668 at 21.

<sup>154</sup> *First Reviews*, USITC Pub. 3843 at 24-25; *Second Reviews*, USITC Pub. 4257 at 16; *Third Reviews*, USITC Pub. 4668 at 21.

<sup>155</sup> *First Reviews*, USITC Pub. 3843 at 26; *Third Reviews*, USITC Pub. 4668 at 21.

<sup>156</sup> *Second Reviews*, USITC Pub. 4257 at 9, 16.

<sup>157</sup> *First Reviews*, USITC Pub. 3843 at 26-27; *Second Reviews*, USITC Pub. 4257 at 16-17; *Third Reviews*, USITC Pub. 4668 at 21.

<sup>158</sup> *First Reviews*, USITC Pub. 3843 at 26; *Third Reviews*, USITC Pub. 4668 at 21.

## 2. The Current Reviews

Cumulated subject imports of certain PSF maintained a presence in the U.S. market, even under the disciplining effects of the orders, throughout the period of review, though at lower volumes than during the original investigations. The volume of cumulated subject imports of certain PSF was 149.8 million pounds in 2016, 140.4 million pounds in 2017, 150.2 million pounds in 2018, 156.3 million pounds in 2019, 127.8 million pounds in 2020, and 113.3 million pounds in 2021.<sup>159</sup>

Due to the expedited nature of these reviews, the record contains limited information on the industries producing certain PSF in South Korea and Taiwan. The information available in the current reviews indicates that the subject industries in South Korea and Taiwan have the means and incentive to increase exports to the United States to significant levels upon revocation of the orders. Information provided by Domestic Producers indicates that the subject industries in South Korea and Taiwan continue to maintain substantial capacity.<sup>160</sup> As previously noted, Domestic Producers identified 16 firms they believe to be producers of PSF in South Korea, indicating that the two largest producers of PSF in South Korea are Huvis, with an annual PSF production capacity of 1.1 billion pounds and Toray, with an annual PSF production capacity of 521.3 million pounds.<sup>161</sup> According to information from IHS Markit Chemicals, there are \*\*\* producers of certain PSF in Taiwan,<sup>162</sup> while Domestic Producers have identified five firms they believe to be the largest producers of PSF in Taiwan: Nan Ya Plastics, Far Eastern, Shinkong, Tainan, and Tuntex.<sup>163</sup> According to Domestic Producers, Nan Ya Plastics has an annual production capacity for polyester products (including PSF) of 2.1 million pounds; Far Eastern's PSF production capacity in 2020 was 889 million pounds; Shinkong's three production facilities in Taiwan generate a production output of 1.85 billion pounds annually of polyester fibers and polymers; and Tuntex has an annual capacity of 647 million pounds for polyester products (including PSF).<sup>164</sup>

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<sup>159</sup> CR/PR at Table I-6.

<sup>160</sup> Domestic Producers' Substantive Response at 11-13, and Exhs. 3-5; Domestic Producers' Final Comments at 10-12.

<sup>161</sup> Domestic Producers' Substantive Response at 11 and Exh. 9; Domestic Producers' Final Comments at 10-11; CR/PR at I-30 to I-31.

<sup>162</sup> CR/PR at I-33.

<sup>163</sup> Domestic Producers' Substantive Response at 12-13 and Exh. 9; Domestic Producers' Final Comments at 11; CR/PR at I-32.

<sup>164</sup> Domestic Producers' Substantive Response at 13 and Exh. 5; Domestic Producers' Final Comments at 11-12; CR/PR at I-33. Information from IHS Markit indicates that \*\*\*. CR/PR at I-33.

The available information in the record also indicates that the subject industries in both South Korea and Taiwan are top exporters of synthetic staple fibers of polyester. Global export data from the Global Trade Atlas for synthetic staple fibers of polyesters (a category that includes certain PSF as well as out-of-scope merchandise) indicate that South Korea was the second largest exporting country of such products (following China) in each year of the 2016-2021 period, while Taiwan was among the top five sources of exports of such products in each year of the period.<sup>165</sup> Information from Domestic Producers indicates that the United States was Korea's largest export market for such products in every year during the current period of review, and that the U.S. accounted for 16.0 percent of Korea's total exports of merchandise classified under HTS subheading 5503.20 in 2020.<sup>166</sup> Information from Domestic Producers further indicates that exports accounted for 59 percent of the sales of Taiwan subject producer Far Eastern in 2020.<sup>167</sup>

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<sup>165</sup> CR/PR at Table I-10.

<sup>166</sup> Domestic Producers' Substantive Response at 12 and Exh. 4; Domestic Producers' Final Comments at 11.

<sup>167</sup> Domestic Producers' Substantive Response at 13 and Exh. 5; Domestic Producers' Final Comments at 11-12.

The record also indicates that the United States remains an attractive export market for subject producers of certain PSF in South Korea and Taiwan. While under the disciplining effects of the orders, cumulated subject imports were present in the U.S. market throughout the period of review and accounted for \*\*\* percent of apparent U.S. consumption in 2021, indicating that subject producers remain interested in the U.S. market and have maintained contacts with U.S. customers.<sup>168</sup> In each year of the 2016-2021 period, the United States was the largest destination for exports of synthetic staple fibers of polyesters (a category that includes certain PSF as well as out-of-scope merchandise) from South Korea.<sup>169</sup> While the United States was the tenth largest destination for such exports from Taiwan in 2021, it had previously been the fifth largest destination in 2020, and the second largest destination in 2016 and 2017.<sup>170</sup> Moreover, South Korean producer Huvis has publicly stated that it has a global sales network for exporting various products to more than 100 countries including the United States, while South Korean producer Toray has publicly stated that it has expanded to include a network of Toray Group companies operating throughout the United States.<sup>171</sup> Furthermore, information from Domestic Producers indicates that Taiwan subject producers Far Eastern, Nan Ya Plastics, and Shinkong are large global suppliers, with North America and the United States as major export markets for Nan Ya Plastics and Shinkong.<sup>172</sup>

In addition, trade remedy measures in third-country markets with respect to imports from South Korea and Taiwan would likely make the United States a more attractive market to subject foreign producers. PSF from Taiwan is subject to an antidumping duty order in Indonesia, and became subject to preliminary antidumping duties in Pakistan in July 2021.<sup>173</sup> In addition, PSF from South Korea and Taiwan is subject to a global safeguard measure imposed by Turkey in September 2021.<sup>174</sup> Consequently, subject producers are likely to have both the ability and the incentive to increase their exports of certain PSF to the United States after revocation of the orders.

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<sup>168</sup> CR/PR at Table I-7.

<sup>169</sup> CR/PR at Table I-8.

<sup>170</sup> CR/PR at Table I-9.

<sup>171</sup> Domestic Producers' Substantive Response at 11-12 and Exh. 3; Domestic Producers' Final Comments at 10-11.

<sup>172</sup> Domestic Producers' Substantive Response at 13 and Exh. 5; Domestic Producers' Final Comments at 11-12.

<sup>173</sup> CR/PR at I-35. PSF from South Korea had been subject to an antidumping duty order in Mexico dating back to 1993, but the order expired in 2019. *Id.*

<sup>174</sup> CR/PR at I-35.

Given the foregoing, including the significant volume of cumulated subject imports during the POI, the subject industries' substantial capacity and position as top exporters of polyester fibers, and the continuing attractiveness of the U.S. market to subject producers, we find that the volume of cumulated subject imports would likely be significant, both in absolute terms and relative to consumption in the United States, if the orders were revoked.<sup>175</sup>

#### **D. Likely Price Effects**

##### **1. The Original Investigations and Prior Reviews**

In the original investigations, the Commission found that subject imports of conventional PSF competed to a significant degree with the domestic like product and that low-priced imports could therefore have a price depressing or suppressing effect on the domestic like product.<sup>176</sup> The Commission found significant underselling by cumulated subject imports, with underselling in 96.4 percent of quarterly price comparisons.<sup>177</sup> Prices for both the domestic like product and subject imports declined overall during the POI.<sup>178</sup> Between 1997 and 1998, prices for domestic product remained relatively steady, but domestic producers' shipments declined in the face of declining prices of subject imports; only when domestic producers lowered their prices in 1999 did they regain some lost market share.<sup>179</sup> While the Commission observed that raw materials costs also declined during the POI, it found that the record evidence did not indicate that this decline was responsible for domestic industry price declines exhibited over the POI.<sup>180</sup> The Commission concluded that significant volumes of low-priced subject imports contributed to price depression of the domestic like product.<sup>181</sup>

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<sup>175</sup> The record does not contain data addressing existing inventories of the subject merchandise or the potential for product shifting.

<sup>176</sup> *Original Determinations*, USITC Pub. 3300 at 17.

<sup>177</sup> *Original Determinations*, USITC Pub. 3300 at 17.

<sup>178</sup> *Original Determinations*, USITC Pub. 3300 at 17.

<sup>179</sup> *Original Determinations*, USITC Pub. 3300 at 17.

<sup>180</sup> *Original Determinations*, USITC Pub. 3300 at 18.

<sup>181</sup> *Original Determinations*, USITC Pub. 3300 at 18.



In the full first reviews, the Commission found that there was a substantial degree of substitutability between subject imports and the domestic like product, which extended to all varieties of certain PSF, and that price was an import factor to purchasers choosing among suppliers.<sup>182</sup> While the Commission noted that the pricing product data obtained in the reviews reflected a mixed pattern of subject import underselling and overselling with the orders in place, it found that the importance of price to purchasing decisions indicated that subject producers would have to price their exports more aggressively to recapture lost market share in the U.S. market, given the emergence of competition from low-priced nonsubject imports from China. Thus, the Commission found that, should the orders be revoked, subject producers were likely to increase their instances and margins of underselling to increase significantly their exports to the U.S. market.<sup>183</sup> The Commission also found that such increased underselling would likely depress or suppress prices for the domestic like product, observing that the prevalence of spot sales and short-term contracts in the U.S. market would permit purchasers to switch quickly from domestic to subject suppliers, forcing domestic producers to react quickly to intensified subject import price competition by either lowering prices or relinquishing market share. The Commission further found that subject import competition would likely prevent price increases that were necessary due to the high and increasing costs of raw materials at the end of the period of review.<sup>184</sup> Thus, the Commission concluded that revocation of the orders would likely lead to significant adverse price effects.<sup>185</sup>

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<sup>182</sup> *First Reviews*, USITC Pub. 3843 at 27-28.

<sup>183</sup> *First Reviews*, USITC Pub. 3843 at 28.

<sup>184</sup> *First Reviews*, USITC Pub. 3843 at 28-29.

<sup>185</sup> *First Reviews*, USITC Pub. 3843 at 29.

In the expedited second and third reviews, the Commission did not receive any new product-specific pricing information. The Commission continued to find in both reviews that subject imports and the domestic like product were substitutable and that price was an important factor in purchasing decisions.<sup>186</sup> It found in both reviews that subject producers would likely resume their pattern of underselling from the original investigations to regain market share if the orders were revoked, and, given the importance of price, domestic producers would have to respond by either reducing their prices or relinquishing market share.<sup>187</sup> Accordingly, in both reviews, the Commission found that absent the discipline of the orders, cumulated subject imports would likely undersell the domestic like product significantly and have significant depressing or suppressing effects on prices for the domestic like product.<sup>188</sup>

## 2. The Current Reviews

As discussed above, we continue to find that the domestic like product and subject imports have a substantial degree of substitutability, and that price remains an important factor 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 subject import underselling during the original investigations and full first reviews, the substantial degree of substitutability of subject imports and the domestic like product, and the importance of price in purchasing decisions, we find that underselling by cumulated subject imports would likely be significant in the event of revocation of the orders, as in the original investigations. Absent the discipline of the orders, the significant volumes of low-priced cumulated subject imports would likely force the domestic industry either to lower prices, restrain price increases necessary to cover increasing costs, or else lose sales and market share to subject imports, as they did in the original investigations. Consequently, we find that if the orders were revoked, significant volumes of low-priced cumulated subject imports would likely have significant price effects.

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<sup>186</sup> *Second Reviews*, USITC Pub. 4257 at 18; *Third Reviews*, USITC Pub. 4668 at 23.

<sup>187</sup> *Second Reviews*, USITC Pub. 4257 at 18; *Third Reviews*, USITC Pub. 4668 at 23.

<sup>188</sup> *Second Reviews*, USITC Pub. 4257 at 18; *Third Reviews*, USITC Pub. 4668 at 23.

## **E. Likely Impact**

### **1. The Original Investigations and Prior Reviews**

In the original investigations, the Commission found that cumulated subject imports had a significant impact on the domestic industry.<sup>189</sup> The Commission found that even though apparent U.S. consumption of conventional PSF increased over the POI, key performance indicators for the domestic industry declined over the period, including unit values for U.S. shipments, due to cumulated subject imports.<sup>190</sup> Although the domestic industry's cost of goods sold for conventional PSF declined and its net sales quantity increased over the POI, the decline in net sales unit value over the POI resulted in declines in gross profits and operating income during each year of the POI.<sup>191</sup> The domestic industry also lost market share.<sup>192</sup>

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<sup>189</sup> *Original Determinations*, USITC Pub. 3300 at 19.

<sup>190</sup> *Original Determinations*, USITC Pub. 3300 at 19.

<sup>191</sup> *Original Determinations*, USITC Pub. 3300 at 19.

<sup>192</sup> *Original Determinations*, USITC Pub. 3300 at 19.

In the full first reviews, the Commission found that revocation of the orders would result in a significant volume of low-priced subject imports that would likely have a significant adverse impact on the domestic industry.<sup>193</sup> The Commission found that the domestic industry was vulnerable to the continuation or recurrence of material injury, as indicated by the operating losses it experienced over most of the period of review and declines in its capacity utilization and capital expenditures.<sup>194</sup> While the Commission acknowledged that some of the incomplete record data appeared to indicate improvements in a few factors bearing on the state of the domestic industry, it emphasized that by almost every measure the domestic industry was weaker during the review period than in the original investigations.<sup>195</sup> Respondents argued that competition was attenuated between subject imports and the domestic like product, contending that domestically produced recycled PSF was of higher quality than, and did not compete with, subject imports of regenerated PSF. The Commission, however, observed that purchasers and industry witnesses indicated that these products were comparable in quality, and concluded that competition between subject imports and the domestic like product was not attenuated.<sup>196</sup> Respondents also argued that the domestic industry's vulnerability was caused by the industry's disinvestment, and not subject import competition, but the Commission stated that regardless of the reasons for the vulnerability, it was to be considered as a factor in the Commission's analysis. The Commission therefore rejected respondents' argument that the domestic industry's weakened condition indicated that revocation of the orders would have no effect.<sup>197</sup>

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<sup>193</sup> *First Reviews*, USITC Pub. 3843 at 30-32.

<sup>194</sup> *First Reviews*, USITC Pub. 3843 at 30.

<sup>195</sup> *First Reviews*, USITC Pub. 3843 at 30-31.

<sup>196</sup> *First Reviews*, USITC Pub. 3843 at 31-32.

<sup>197</sup> *First Reviews*, USITC Pub. 3843 at 31.

In the expedited second reviews, the Commission found that the record data were insufficient to determine whether the domestic industry was vulnerable to the continuation or recurrence of material injury.<sup>198</sup> The Commission observed that the domestic industry's output, capacity utilization, U.S. shipments, net sales value and market share were lower in 2010 than in any other period examined, while the industry's operating income and operating income margin were higher than in any full year examined in the full first reviews.<sup>199</sup> It found that the likely significant adverse effects on the domestic industry's production, sales, and revenue from likely increases in low-priced subject imports upon revocation of the orders would adversely impact the domestic industry's profitability, employment levels, ability to raise capital, and capital expenditures.<sup>200</sup> The Commission further found that given the general substitutability of certain PSF from different sources, a significant portion of the expected increase in subject imports upon revocation would likely be at the expense of the domestic industry, given the likelihood of subject import underselling. As such, the Commission concluded that revocation of the orders would likely have a significant impact on the domestic industry within a reasonably foreseeable time.<sup>201</sup>

In the expedited third reviews, the Commission again found that the record data were insufficient to determine whether the domestic industry was vulnerable to the continuation or recurrence of material injury.<sup>202</sup> The Commission observed that the responding domestic producers' reported capacity, average unit value ("AUV"), net sales revenues, and operating income had all increased since the second reviews, but their reported production, capacity utilization, and shipments had decreased.<sup>203</sup> Further, the Commission found that revocation of the orders would likely lead to a significant increase in the volume of cumulated subject imports that would likely undersell the domestic industry, resulting in either significant price depression or suppression or a market share shift from domestic producers to subject imports. The Commission concluded that subject imports would likely have a significant impact on the domestic industry.<sup>204</sup>

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<sup>198</sup> *Second Reviews*, USITC Pub. 4257 at 19.

<sup>199</sup> *Second Reviews*, USITC Pub. 4257 at 19.

<sup>200</sup> *Second Reviews*, USITC Pub. 4257 at 19.

<sup>201</sup> *Second Reviews*, USITC Pub. 4257 at 19.

<sup>202</sup> *Third Reviews*, USITC Pub. 4668 at 24-25.

<sup>203</sup> *Third Reviews*, USITC Pub. 4668 at 24.

<sup>204</sup> *Third Reviews*, USITC Pub. 4668 at 25.

The Commission further found that the likely impact of cumulated subject imports was distinguishable from that of nonsubject imports. As support, the Commission noted that the domestic industry's AUVs, sales revenues, and profitability were higher in 2015 than in 2010 notwithstanding an increase in nonsubject import volume and market penetration over the period of review.<sup>205</sup>

## **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.

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<sup>205</sup> *Third Reviews*, USITC Pub. 4668 at 25.

The information available indicates that while several indicators of the domestic industry's performance in 2021 were stronger in 2021 than in 2015, they were nevertheless weaker than in 2010, 2004, and 1999. Moreover, the domestic industry experienced \*\*\* financial performance in 2021 than in any prior year for which data are available in these reviews. However, the domestic industry's financial performance may have been lowered as one domestic producer brought a production facility back into operation in 2020.<sup>206</sup> The capacity of the domestic industry was \*\*\* pounds in 2021, which was higher than the industry's capacity in 2015 and 2010, but lower than the industry's capacity in 2004 and 1999.<sup>207</sup> In 2021, the industry's production was \*\*\* pounds, its capacity utilization rate was \*\*\* percent, and its U.S. shipments were \*\*\* pounds, all of which were higher than in 2015, but lower than in 2010, 2004, and 1999.<sup>208</sup> The industry's operating income was \$\*\*\* in 2021, and the ratio of its operating income to net sales was \*\*\* percent, both of which were worse than in 2015, 2010, 2004, and 1999.<sup>209</sup> The domestic industry's share of apparent U.S. consumption was \*\*\* percent in 2021, which was higher than in 2015, but lower than in 2010, 2004, and 1999.<sup>210</sup> The limited information on the record, however, is insufficient for us to make a finding on whether the domestic industry is vulnerable to the continuation or recurrence of material injury in the event of revocation of the orders.

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<sup>206</sup> As noted above, Fiber Industries purchased the assets of Wellman Inc.'s PSF production facility in Darlington, South Carolina in 2017, with the facility becoming operational in 2020 with a capacity of \*\*\* pounds. Domestic Producers' Substantive Response at 26; see CR/PR at I-20. Fiber Industries was the \*\*\* domestic interested party to report a \*\*\* operating income in 2021. Fiber Industries' operating income in that year was \$\*\*\*. Domestic Producers' Substantive Response, Exhibit 7.

<sup>207</sup> CR/PR at Table I-5.

<sup>208</sup> CR/PR at Table I-5.

<sup>209</sup> CR/PR at Table I-5.

<sup>210</sup> CR/PR at Table I-7.

Based on the limited information on the record, we find that revocation of the orders would likely result in a significant volume of cumulated subject imports that would undersell the domestic like product to a significant degree, as a means of gaining market share. Given the substantial degree of substitutability between subject imports and the domestic like product and the importance of price to purchasers, the likely significant volume of low-priced subject imports would likely force domestic producers to either cut prices or forgo necessary price increases to retain sales, or relinquish sales and market share to cumulated subject imports. Consequently, the likely significant volume of low-priced subject imports and their significant price effects would likely have a significant adverse impact on the production, shipments, sales, market share, and revenues of the domestic industry, which, in turn, would have a direct adverse impact on the industry's profitability and employment, as well as its ability to raise capital and make and maintain necessary capital investments. We conclude that, if the orders were revoked, subject imports of certain PSF from South Korea and Taiwan would be likely to have a significant impact on the domestic industry within a reasonably foreseeable time.



We have also considered the role of factors other than subject imports of certain PSF, including the presence of nonsubject imports, so as not to attribute injury from other factors to the subject imports. Although nonsubject imports have increased their presence in the U.S. market since the original investigations, and their market share was \*\*\* percent in 2021,<sup>211</sup> the record provides no indication that the presence of nonsubject imports would prevent cumulated subject imports from entering the U.S. market in substantial quantities after revocation of the orders. Furthermore, given the substantial degree of substitutability between subject imports and the domestic like product and the importance of price in purchasing decisions, the presence of nonsubject imports in the U.S. market would not prevent the significant volumes of low-priced cumulated subject imports that are likely after revocation from taking market share, at least in part, from the domestic industry, or forcing domestic producers to either lower prices or forgo price increases to retain market share.<sup>212</sup> Moreover, the increase in nonsubject import volume and market share over the period of review did not prevent the domestic industry from experiencing higher capacity, production, capacity utilization, U.S. shipments, and market share in 2021 than in 2015, although the domestic industry's financial performance was worse in 2021 than in 2015.<sup>213</sup> Consequently, we find that cumulated subject imports would likely cause adverse effects on the domestic industry that are distinct from any impact of nonsubject imports in the event of revocation.

Accordingly, we conclude that, if the antidumping duty orders on certain PSF from South Korea and Taiwan were revoked, cumulated subject imports would likely have a significant impact on the domestic industry within a reasonably foreseeable time.

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<sup>211</sup> Nonsubject import market share increased from \*\*\* percent in 1999 to 15.7 percent in 2004, \*\*\* percent in 2010, \*\*\* percent in 2015, and \*\*\* percent in 2021. CR/PR at Table I-7. The volume of nonsubject imports increased irregularly over the period of review from 466.6 million pounds in 2016 to 560.7 million pounds in 2021. *Id.* at Table I-6.

<sup>212</sup> As discussed above, in the full first reviews, the Commission noted the importance of price to purchasing decisions, which indicated that subject producers would have to price their exports more aggressively to recapture lost market share in the U.S. market, given the emergence of competition from low-priced nonsubject imports from China. Thus, the Commission found that, should the orders be revoked, subject producers were likely to increase their instances and margins of underselling to increase significantly their exports to the U.S. market. *First Reviews*, USITC Pub. 3843 at 28.

<sup>213</sup> CR/PR at Table I-5. The domestic industry's market share increased from \*\*\* percent in 2015 to \*\*\* percent in 2021. CR/PR at Table I-7.

## **V. Conclusion**

For the foregoing reasons, we determine that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan 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 January 3, 2022, the U.S. International Trade Commission (“Commission”) gave notice, pursuant to section 751(c) of the Tariff Act of 1930, as amended (“the Act”),<sup>1</sup> that it had instituted reviews to determine whether revocation of the antidumping duty orders on certain polyester staple fiber (“certain PSF”) from South Korea and Taiwan would likely lead to the continuation or recurrence of material injury to a domestic industry.<sup>2</sup> All interested parties were requested to respond to this notice by submitting certain information requested by the Commission.<sup>3</sup> <sup>4</sup> Table I-1 presents information relating to the background and schedule of this proceeding.

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

Effective date	Action
January 3, 2022	Notice of initiation by Commerce (87 FR 76, January 3, 2022)
January 3, 2022	Notice of institution by Commission (87 FR 119, January 3, 2022)
April 8, 2022	Commission’s vote on adequacy (87 FR 38780, June 29, 2022)
May 9, 2022	Commerce’s results of its expedited reviews (87 FR 27567, May 9, 2022)
August 8, 2022	Commission’s determinations and views

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

<sup>2</sup> 87 FR 119, January 3, 2022. 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. 87 FR 76, January 3, 2022. Pertinent Federal Register notices are referenced in app. A, and may be found at the Commission’s website ([www.usitc.gov](http://www.usitc.gov)).

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

<sup>4</sup> Interested parties were also requested to provide a list of three to five leading purchasers in the U.S. market for the 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 the subject reviews. It was filed on behalf of Auriga Polymers, Inc. (“Auriga”); Fiber Industries, LLC (“Fiber Industries”); and Nan Ya Plastics Corp., America (“Nan Ya”) (collectively referred to herein as “domestic interested parties”).<sup>5 6 7</sup>

A complete response to the Commission’s notice of institution requires that the responding interested party submit to the Commission all the information listed in the notice. Responding firms are given an opportunity to remedy and explain any deficiencies in their responses. A summary of the number of responses and estimates of coverage for each is shown in table I-2.

**Table I-2**  
**Certain PSF: Summary of completed responses to the Commission’s notice of institution**

Interested party	Type	Number of firms	Coverage
U.S. producer	Domestic	3	***

Note: Domestic interested parties estimated that total U.S. production of certain PSF was \*\*\* pounds in 2021. Domestic interested parties further reported that they produced \*\*\* pounds of certain PSF during 2021. As a result, domestic interested parties accounted for an estimated \*\*\* percent of U.S. production of certain PSF during 2021. Domestic interested parties’ response to the notice of institution, February 1, 2022, pp. 25-26.

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<sup>5</sup> During the original investigations, Petitioners included Nan Ya, as well as E.I. DuPont de Nemours (“DuPont”); Arveva Specialities S.a.r.l. d/b/a KoSa (“KoSa”); Wellman, Inc. (“Wellman”); and Intercontinental Polymers, Inc. (“Intercontinental”). Certain Polyester Staple Fiber from Korea and Taiwan, Inv. Nos. 731-TA-825–826 (Final), USITC Pub. 3300, May 2000 (“Original publication”), p. I-1.

<sup>6</sup> In 2001, DAK Americas LLC (“DAK”) acquired DuPont. In 2021, DAK closed its certain PSF manufacturing operations near Charleston, South Carolina. At the time of its closure, DAK accounted for a small share of U.S. production. Certain Polyester Staple Fiber from Korea and Taiwan, Inv. Nos. 731-TA-825–826 (Review), USITC Pub. 3843, March 2006 (“First review publication”), p. I-23; domestic interested parties’ response to the notice of institution, February 1, 2022, pp. 1 and 26.

<sup>7</sup> In 2017, Fiber Industries purchased the assets of the former Wellman’s certain PSF production facility in Darlington, South Carolina. The facility became operational in 2020. Domestic interested parties’ response to the notice of institution, February 1, 2022, pp. 1 and 26.

## **Party comments on adequacy**

The Commission received party comments on the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews from domestic interested parties. Domestic interested parties request that the Commission conduct expedited reviews of the antidumping duty orders on certain PSF from South Korea and Taiwan.<sup>8</sup>

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<sup>8</sup> Domestic interested parties' comments on adequacy, March 17, 2022, pp. 2–4.

## The original investigations and subsequent reviews

### The original investigations

The original investigations resulted from petitions filed on April 2, 1999 with Commerce and the Commission by five U.S. producers of certain PSF.<sup>9</sup> On March 30, 2000, Commerce determined that imports of certain PSF from South Korea and Taiwan were being sold at less than fair value (“LTFV”).<sup>10</sup> The Commission determined on May 17, 2000 that the domestic industry was materially injured by reason of LTFV imports of certain PSF from South Korea and Taiwan.<sup>11</sup> On May 25, 2000, Commerce issued its antidumping duty orders on South Korea and Taiwan with the final weighted-average dumping margins ranging from 7.91 to 14.10 percent for South Korea<sup>12</sup> and the weighted-average dumping margins ranging from 5.77 to 9.51 percent for Taiwan.<sup>13</sup>

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<sup>9</sup> Original publication, p. I-1. The five petitioning firms were: DuPont, Wilmington, Delaware; KoSa, Spartanburg, South Carolina; Nan Ya, Lake City, South Carolina; Wellman, Shrewsbury, New Jersey; and Intercontinental, Charlotte, North Carolina. *Id.*

<sup>10</sup> 65 FR 16877, March 30, 2000 (Commerce’s determination on Taiwan); 65 FR 16880, March 30, 2000 (Commerce’s determination on South Korea); 65 FR 24678, April 27, 2000 (Commerce’s amended determination on Taiwan); and 65 FR 33807, May 25, 2000 (Commerce’s amended determination on South Korea and final orders on South Korea and Taiwan).

<sup>11</sup> 65 FR 33576, May 24, 2000.

<sup>12</sup> 65 FR 33807, May 25, 2000. In the original investigations, Commerce made a final affirmative LTFV determination with respect to South Korea, with the exception of Samyang Corp., for which Commerce found a *de minimis* margin of 0.14 percent. *Id.*

Following two remand decisions by the Court of International Trade (“CIT”), Commerce amended its order on imports of certain PSF from South Korea, finding a *de minimis* margin of 0.12 percent for Geum Poong Corp. 68 FR 74552, December 24, 2003; First review publication, p. I-6.

On the basis of the *de minimis* determinations for Samyang Corp. and Geum Poong Corp., these two producers/exporters have been excluded from the order. See 82 FR 10330, February 10, 2017 (Commerce’s third review continuation orders and issues and decisions memorandum on certain PSF from South Korea and Taiwan).

In 2004, following an administrative review, Commerce revoked its antidumping duty order on Keon Baek Co., Ltd. 69 FR 61341, October 18, 2004.

<sup>13</sup> 65 FR 24678, April 27, 2000 (Commerce’s amended determination on Taiwan); and 65 FR 33807, May 25, 2000 (Commerce’s amended determination on South Korea and final orders on South Korea and Taiwan).

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

On July 5, 2005, the Commission determined that it would conduct full five-year reviews concerning the antidumping duty orders on certain PSF from South Korea and Taiwan.<sup>14</sup> On August 5, 2005, Commerce determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to continuation or recurrence of dumping.<sup>15</sup> On March 20, 2006, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>16</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective April 3, 2006, Commerce issued a continuation of the antidumping duty orders on imports of certain PSF from South Korea and Taiwan.<sup>17</sup>

## **The second five-year reviews**

On June 6, 2011, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on certain PSF from South Korea and Taiwan.<sup>18</sup> On July 1, 2011, Commerce determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to continuation or recurrence of dumping.<sup>19</sup> On September 13, 2011, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>20</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective September 30, 2011, Commerce issued a continuation of the antidumping duty orders on imports of certain PSF from South Korea and Taiwan.<sup>21</sup>

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<sup>14</sup> 70 FR 41427, July 19, 2005 (determinations); 70 FR 54080, September 13, 2005 (scheduling).

<sup>15</sup> 70 FR 45368, August 5, 2005.

<sup>16</sup> 71 FR 14721, March 23, 2006; First review publication, p. 1.

<sup>17</sup> 71 FR 16558, April 3, 2006.

<sup>18</sup> 76 FR 37830, June 28, 2011.

<sup>19</sup> 76 FR 38612, July 1, 2011.

<sup>20</sup> 76 FR 58040, September 19, 2011. Certain Polyester Staple Fiber from Korea and Taiwan, Inv. Nos. 731-TA-825–826 (Second Review), USITC Pub. 4257, Sept. 2011 (“Second review publication”), p. 1.

<sup>21</sup> 76 FR 60802, September 30, 2011.

## The third five-year reviews

On November 4, 2016, the Commission determined that it would conduct expedited reviews of the antidumping duty orders on certain PSF from South Korea and Taiwan.<sup>22</sup> On December 20, 2016, Commerce determined that revocation of the antidumping duty orders on certain PSF from South Korea and Taiwan would be likely to lead to continuation or recurrence of dumping.<sup>23</sup> On January 31, 2017, the Commission determined that material injury would be likely to continue or recur within a reasonably foreseeable time.<sup>24</sup> Following affirmative determinations in the five-year reviews by Commerce and the Commission, effective February 10, 2017, Commerce issued a continuation of the antidumping duty orders on imports of certain PSF from South Korea and Taiwan.<sup>25</sup>

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<sup>22</sup> 81 FR 87587, December 5, 2016.

<sup>23</sup> 81 FR 92783, December 20, 2016.

<sup>24</sup> 82 FR 9392, February 6, 2017. Polyester Staple Fiber from Korea and Taiwan, Investigation Nos. 731-TA-825–826 (Third Review), USITC Publication 4668, January 2017 (“Third review publication”), p. 1.

<sup>25</sup> 82 FR 10330, February 10, 2017.



## Previous and related investigations

Certain PSF or similar merchandise has been the subject of prior antidumping and countervailing duty investigations in the United States. Table I-3 presents data on previous and related title VII investigations and a discussion follows.

**Table I-3**  
**Certain PSF or similar merchandise: Previous and related title VII investigations and status of the orders**

Instituted	Investigation Number	Subject Country	Product Scope	Commission Determination	Current Status of Order
1999	731-TA-825	South Korea	Certain PSF	Affirmative	Commerce's continuation of order effective 02/10/2017. (Ongoing Fourth Review).
1999	731-TA-826	Taiwan	Certain PSF	Affirmative	Commerce's continuation of order effective 02/10/2017. (Ongoing Fourth Review).
1999	731-TA-825	South Korea	Low-melt fiber	Negative	See narrative below.
1999	731-TA-826	Taiwan	Low-melt fiber	Negative	See narrative below.
2006	731-TA-1104	China	Certain PSF	Affirmative	Commerce's continuation of order effective 04/04/2018. (Second Review).
2017	701-TA-579-	China	Fine Denier PSF	Affirmative	Commerce's final order effective 03/16/2018.
2017	701-TA-580	India	Fine Denier PSF	Affirmative	Commerce's final order effective 03/16/2018.
2017	731-TA-1369-	China	Fine Denier PSF	Affirmative	Commerce's final order effective 07/20/2018.
2017	731-TA-1370	India	Fine Denier PSF	Affirmative	Commerce's final order effective 07/20/2018.
2017	731-TA-1371	South Korea	Fine Denier PSF	Affirmative	Commerce's final order effective 07/20/2018.
2017	731-TA-1372	Taiwan	Fine Denier PSF	Affirmative	Commerce's final order effective 07/20/2018.
2017	731-TA-1373	Vietnam	Fine Denier PSF	--	Petition withdrawn during preliminary phase; investigation terminated.
2017	731-TA-1378	South Korea	Low-melt PSF	Affirmative	Commerce's final order effective: 08/16/2018.
2017	731-TA-1379	Taiwan	Low-melt PSF	Affirmative	Commerce's final order effective: 08/16/2018.

Source: U.S. International Trade Commission publications and Federal Register notices.

### ***Certain PSF and low-melt fiber from South Korea and Taiwan***

On April 2, 1999, five U.S. producers filed petitions with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of certain PSF from South Korea and Taiwan.<sup>26</sup> During the final investigations, the Commission considered whether low-melt fiber, conjugate fiber, and regenerated fiber were separate domestic like products.<sup>27</sup> Following Commerce's final affirmative antidumping duty determinations,<sup>28</sup> the Commission determined that there were two domestic like products corresponding to (1) low-melt fiber and (2) conventional PSF (*i.e.*, all subject certain PSF).<sup>29</sup> With regards to its injury determinations, the Commission determined that an industry in the United States was materially injured by reason of imports of certain PSF from South Korea and Taiwan that Commerce found to be sold in the United States at LTFV and that an industry in the United States was neither materially injured nor threatened with material injury by reason of imports of low-melt fiber from South Korea and Taiwan.<sup>30</sup> Following the Commission's determinations, Commerce issued its antidumping duty orders on certain PSF, excluding low-melt fiber, from South Korea and Taiwan.<sup>31</sup> Effective February 10, 2017, Commerce issued a continuation of the antidumping duty orders on certain PSF from South Korea and Taiwan following a third five-year sunset review.<sup>32</sup> The antidumping duty orders on certain PSF from South Korea and Taiwan are currently under a fourth five-year sunset review and are the subject of this report.<sup>33</sup>

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<sup>26</sup> 64 FR 17414, April 9, 1999. The U.S. producers included DuPont, KoSa, Nan Ya, Wellman, and Intercontinental. *Id.*

<sup>27</sup> Original publication, pp. 4-9.

<sup>28</sup> 65 FR 16877, March 30, 2000 (Commerce's final determination on Taiwan); 65 FR 16880, March 30, 2000 (Commerce's final determination on South Korea); 65 FR 24678, April 27, 2000 (Commerce's amended final determination on Taiwan); and 65 FR 33807, May 25, 2000 (Commerce's amended final determination on South Korea).

<sup>29</sup> Original publication, pp. 4-9.

<sup>30</sup> 65 FR 33576, May 24, 2000; Original publication, p. 3.

<sup>31</sup> 65 FR 33807, May 25, 2000.

<sup>32</sup> 82 FR 10330, February 10, 2017.

<sup>33</sup> 87 FR 76, January 3, 2022 (notice of initiation by Commerce) and 87 FR 119, January 3, 2022 (notice of institution by the Commission).

### ***Certain PSF from China***

On June 23, 2006, three U.S. producers filed a petition with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of certain PSF from China.<sup>34 35</sup> Following Commerce's final affirmative determination,<sup>36</sup> the Commission determined that an industry in the United States was materially injured by reason of imports of certain PSF from China that had been found by Commerce to be sold in the United States at LTFV.<sup>37</sup> Following the Commission's determination, Commerce issued its antidumping duty order on certain PSF from China.<sup>38</sup> Effective April 4, 2018, Commerce issued a continuation of the antidumping duty order on certain PSF from China following a second five-year sunset review.<sup>39</sup>

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<sup>34</sup> Certain Polyester Staple Fiber from China, Inv. No. 731-TA-1104 (Final), USITC Publication 3922, June 2006, p. I-1. The three petitioning firms included DAK, Nan Ya, and Wellman. *Id.*

<sup>35</sup> Commerce's scope on certain PSF from China excluded (1) PSF of less than 3.3 decitex (less than 3 denier); (2) PSF of 10 to 18 denier that are cut to lengths of 6 to 8 inches and that are generally used in the manufacture of carpeting; and (3) low-melt PSF defined as a bi-component fiber with an outer, non-polyester sheath that melts at a significantly lower temperature than its inner polyester core. 72 FR 19690, April 19, 2007.

<sup>36</sup> 72 FR 19690, April 19, 2007.

<sup>37</sup> Certain Polyester Staple Fiber from China, Inv. No. 731-TA-1104 (Final), USITC Publication 3922, June 2006, p. 3.

<sup>38</sup> 72 FR 30545, June 1, 2007.

<sup>39</sup> 83 FR 14415, April 4, 2018.

### ***Fine denier PSF from China, India, South Korea, Taiwan, and Vietnam***

The Commission has also conducted investigations on a related product, fine denier polyester staple fiber (“fine denier PSF”).<sup>40</sup> On May 31, 2017, three U.S. producers filed petitions with Commerce and the Commission alleging that an industry in the United States was materially injured and threatened with material injury by reason of imports of fine denier PSF from China, India, South Korea, Taiwan, and Vietnam sold at LTFV, and subsidized by the governments of China and India.<sup>41</sup> During the preliminary phase investigations, petitioners withdrew their petition on LTFV imports on fine denier PSF from Vietnam. Consequently, Commerce and the Commission terminated their respective investigations on imports of product from Vietnam.<sup>42</sup> Following Commerce’s final affirmative determinations,<sup>43</sup> the Commission determined that an industry in the United States was materially injured by reason of imports of fine denier PSF that had been found by Commerce to be subsidized by the governments of China and India<sup>44</sup> and by reason of imports of fine denier PSF from China, India, South Korea, and Taiwan that have been found by Commerce to be sold in the United States at LTFV.<sup>45</sup> Effective March 16, 2018, Commerce issued its countervailing duty orders on fine denier PSF from China and India;<sup>46</sup> and effective July 20, 2018, it issued its antidumping duty orders on fine denier PSF from China, India, South Korea, and Taiwan.<sup>47</sup>

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<sup>40</sup> Fine denier PSF is a manmade fiber, similar in appearance to cotton or wool. Fine Denier Polyester Staple Fiber from China and India, Inv. Nos. 701-TA-579-580 (Final), USITC Publication 4765, March 2018, I-13; and Fine Denier Polyester Staple Fiber from China, India, Korea, and Taiwan, Inv. Nos. 731-TA-1369-1372 (Final), USITC Publication 4803 July 2018, p. I-1.

<sup>41</sup> 82 FR 26512, June 7, 2017. The three petitioning firms included DAK, Nan Ya, and Auriga. *Id.*

<sup>42</sup> 82 FR 33480, July 20, 2017 (Commerce’s termination notice) and 82 FR 33926 July, 21, 2017 (Commission’s termination notice).

<sup>43</sup> 83 FR 3120 and 83 FR 3122, January 23, 2018 (Commerce’s final affirmative CVD determinations on China and India, respectively). 83 FR 24740, 83 FR 24737, 83 FR 24743, and 83 FR 24745, May 30, 2018 (Commerce’s final affirmative AD determinations on China, India, South Korea, and Taiwan, respectively).

<sup>44</sup> 83 FR 10875, March 13, 2018 (Commission’s final affirmative countervailing duty determinations on China and India).

<sup>45</sup> 83 FR 34163, July 19, 2018 (Commission’s final affirmative antidumping duty determinations on China, India, South Korea, and Taiwan).

<sup>46</sup> 83 FR 11681, March 16, 2018.

<sup>47</sup> 83 FR 34545, July 20, 2018.

***Low-melt polyester staple fiber (“low-melt PSF”) from South Korea and Taiwan***

On June 27, 2017, Nan Ya filed petitions alleging that an industry in the United States was materially injured and threatened with material injury by reason of LTFV imports of low-melt PSF from South Korea and Taiwan.<sup>48</sup> Following Commerce’s final affirmative antidumping duty determinations,<sup>49</sup> the Commission determined that an industry in the United States was materially injured by reason of imports of low-melt PSF from South Korea and Taiwan that had been found by Commerce to be sold in the United States at LTFV.<sup>50</sup> Effective August 16, 2018, Commerce issued its final orders on imports of low-melt PSF from South Korea and Taiwan.<sup>51</sup>

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<sup>48</sup> 82 FR 30907, July 3, 2017 (Commission’s institution of investigations) and 82 FR 34277, July 24, 2017 (Commerce’s initiation of investigations).

<sup>49</sup> 83 FR 29099, June 22, 2018.

<sup>50</sup> 83 FR 39461, August 9, 2018.

<sup>51</sup> 83 FR 40752, August 16, 2018.

## Commerce's five-year reviews

Commerce announced that it would conduct expedited reviews with respect to the orders on imports of certain PSF from South Korea and Taiwan with the intent of issuing the final results of these reviews based on the facts available not later than May 3, 2022.<sup>52</sup> 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 orders on imports of certain PSF from South Korea and Taiwan are noted in this report in the sections titled "The original investigations and subsequent reviews" and "U.S. imports," if applicable.

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<sup>52</sup> Letter from Melissa G. Skinner, Senior Director, Office VII, Office of AD/CVD Operations, Enforcement and Compliance, U.S. Department of Commerce to Nannette Christ, Director of Investigations, U.S. International Trade Commission, February 22, 2022.

## The product

### Commerce's scope

Commerce has defined the scope as follows:

*Polyester staple fiber covered by the orders is defined as synthetic staple fibers, not carded, combed or otherwise processed for spinning, of polyesters measuring 3.3 decitex (3 denier, inclusive) or more in diameter. This merchandise is cut to lengths varying from one inch (25 mm) to five inches (127 mm). The merchandise subject to the orders may be coated, usually with a silicon, or other finish, or not coated. Polyester staple fiber is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture. Merchandise of less than 3.3 decitex (less than 3 denier) currently classifiable in the Harmonized Tariff Schedule of the United States ("HTSUS") at subheading 5503.20.00.25 is specifically excluded from the orders. Also, specifically excluded from the orders are polyester staple fibers of 10 to 18 denier that are cut to lengths of 6 to 8 inches (fibers used in the manufacture of carpeting). In addition, low-melt polyester staple fiber is excluded from the orders. Low-melt polyester staple fiber is defined as a bicomponent fiber with an outer sheath that melts at a significantly lower temperature than its inner core. The merchandise subject to the orders is currently classifiable in the HTSUS at subheadings 5503.20.00.45 and 5503.20.00.65. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the merchandise covered by the scope of the orders is dispositive.<sup>53</sup>*

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<sup>53</sup> 82 FR 10330, February 10, 2017.

## U.S. tariff treatment

Certain PSF is currently imported under Harmonized Tariff Schedule of the United States (“HTSUS” or “HTS”) statistical reporting numbers 5503.20.0045 and 5503.20.0065, entering the U.S. market at a column 1-general duty rate of 4.3 percent ad valorem for imports from countries with normal trade relations, including South Korea and Taiwan. The column 1-general tariff rate at the time of the first, second, and third reviews was 4.3 percent ad valorem and at the time of the original investigations it was 4.5 percent ad valorem. Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection. Goods originating in South Korea under general note 33 to the HTS are eligible for duty-free entry; nonoriginating inputs must come from another chapter, but most materials classifiable in chapter 54 need to be made in the FTA region.

## Description and uses<sup>54</sup>

Polyester staple fiber is a man-made fiber that is similar in appearance to cotton or wool fiber when baled. It is known in the industry as “fiber for fill,” as it is primarily used as polyester fiberfill. Certain PSF<sup>55</sup> is generally used as stuffing in sleeping bags, mattresses, ski jackets, comforters, cushions, pillows, and furniture.<sup>56</sup> It is also used on a more limited basis to produce \*\*\*.<sup>57</sup> Certain PSF has physical characteristics that distinguish it from other polyester staple fibers (e.g., carpet fiber and fiber for spinning), including the denier<sup>58</sup> of the fiber, the length of the fiber, and in some cases the finish and “crimp” of the fiber. Most synthetic fiber is sold by quantity based on the denier of the fiber.

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<sup>54</sup> Unless otherwise noted, the information presented in this section is based on the first review publication, pp. I-13–I-15.

<sup>55</sup> “Certain PSF” refers to the subject merchandise in these reviews.

<sup>56</sup> Certain Polyester Staple Fiber from the Republic of Korea and Taiwan: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders, 70 FR 45368, August 5, 2005.

<sup>57</sup> Investigation Nos. 731-TA-825–826 (Review): Polyester Staple Fiber from Korea and Taiwan, Confidential Report, INV-DD-022, February 15, 2006, (“First review confidential report”), p. I-13, fn. 25; Bescond et al, Polyester Fibers: Chemical Economics Handbook, IHS Markit, May 15, 2020, p. 32.

<sup>58</sup> Denier is the weight in grams of 9,000 meters of yarn or filament and is used to convey the relative thickness of the yarn. In general, the lower the denier, the finer the yarn. One decitex (the metric unit of linear density used in the HTS) approximately equals 0.9 denier and represents 1,000 grams per 10,000 meters of yarn. Hoechst Celanese, Dictionary of Fiber & Textile Technology, p. 42, 1990.



Because certain PSF is principally used as fiberfill and not generally seen by the customer, its appearance is often less important than its performance to customers. However, for certain end products such as mattresses, comforters, cushions, pillows, and furniture with light-color upholstery, the appearance of certain PSF directly affects the perceived value of these products.

Certain PSF used for fill can be produced in many variations for purposes of quality enhancement. For example, it may be crimped fiber or conjugate fiber,<sup>59</sup> giving the fiber “loft” for stuffing purposes. It may also be coated with a finish (usually silicone or oil-based), making the fiber smoother to the touch for certain high end uses. This fiber may vary in shape and may be hollow or solid, depending on both the preference of the manufacturer and the end use of the fiber.

Raw materials used to produce certain PSF may also vary. Staple fiber can be made by reacting ethylene glycol with either terephthalic acid or its methyl ester; if so produced, it is termed virgin PSF. Staple fiber may also be made from recycled polyester, using either consumer waste, such as polyethylene terephthalate (“PET”) bottles, or industrial waste, such as polyester chips or spun tow. Fiber made in this way is known as regenerated, or recycled, fiber. Some producers of the subject fiber also manufacture a blend of virgin and recycled/regenerated materials by introducing polyester chips into the virgin production line. Finally, polyester staple fiber may be in the form of a low-melt fiber, which is not included within the scope of the orders under review.<sup>60</sup> Low-melt fiber is a bi-component fiber with an outer sheath that melts at a significantly lower temperature than its inner polyester core for purposes of thermal bonding.

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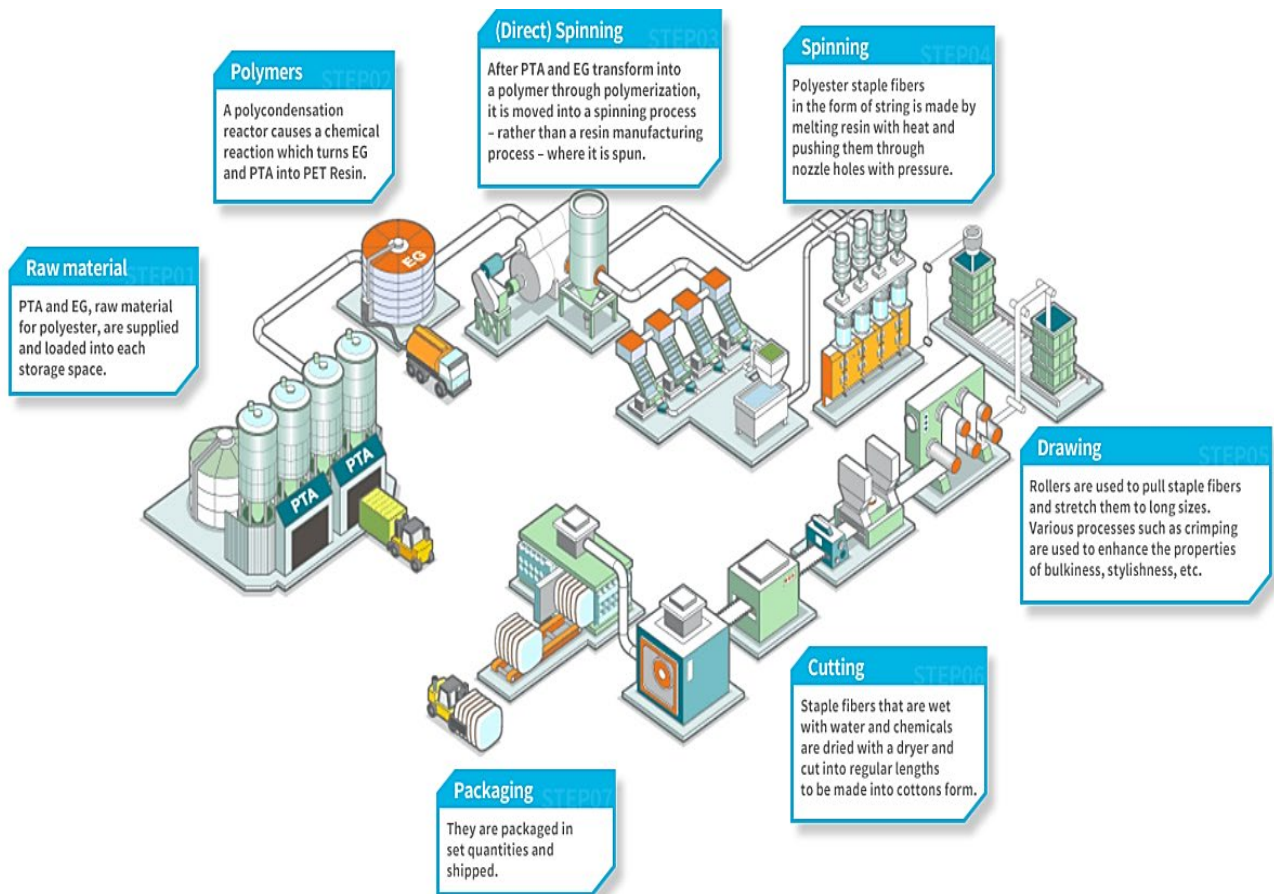
<sup>59</sup> As explained further in the “Manufacturing process” section of this report, conjugate fiber is a two-component fiber with the ability to crimp (i.e., become wavy).

<sup>60</sup> See “Definitions of the domestic like product and domestic industry” section of this report for more information.

## Manufacturing process<sup>61</sup>

Manufacturing of certain PSF may be divided into two discrete stages (figure I-1). The first stage of the process is polymer formation, a process that can vary depending on whether virgin (unprocessed chemicals) or recycled materials are being used. Polymer formation also varies, depending on whether conjugate fiber or low-melt fiber is being produced. The second stage of the process, which is common to all certain PSF (including conjugate and regenerated fiber), is fiber formation, including stretching, cutting, and baling.

**Figure I-1**  
**Certain PSF: Staple fiber production process**



Source: “Staple Fiber Production Process,” Huvis, accessed March 22, 2022, [https://www.huvis.com/eng/product/pdInfo.asp?s\\_cate=Staple%20Fiber](https://www.huvis.com/eng/product/pdInfo.asp?s_cate=Staple%20Fiber).

<sup>61</sup> Unless otherwise noted, the information presented in this section is based on the original publication, pp. I-3–I-9; the first review publication, pp. I-12–I-19; and the second review publication, pp. I-9–I-10.

## **First stage of manufacturing**

### **Virgin polyester staple fiber**

The manufacture of certain PSF from virgin materials begins by reacting ethylene glycol with either terephthalic acid or its methyl ester in the presence of an antimony catalyst. The reaction is carried out at a high temperature and in a vacuum to achieve the high molecular weights needed to form useful fiber. The mix is then sent through an esterification process before it is polymerized. Esterification is the chemical process of combining an acid with an alcohol to form an ester. If a virgin and recycled blend is to be produced, the recycled material (usually in the form of polyester chips) is introduced at the esterification stage.

After polymerization, the solid, molten plastic, which has a consistency similar to cold honey, must be heated and liquefied before it can be extruded. The liquid fiber-forming polymers are then extruded through tiny holes of a spinneret, a device similar in principle to a showerhead, to form continuous filaments of semi-solid polymer. The denier of the fiber is controlled by the size of the holes on the spinneret. After extrusion, the semi-solid fibers are blasted with cold air to form solid fibers. This process is known as continuous polymerization.

### **Regenerated polyester staple fiber**

The manufacture of regenerated certain PSF<sup>62</sup> begins with the processing of the recycled materials. Regenerated certain PSF inputs can consist of a variety of different types of materials including: virgin first quality chip, virgin off-spec chip, post industrial (regenerated) pellet waste, post industrial (regenerated) film waste, post consumer bottles, post consumer bottle flake, and miscellaneous post industrial (regenerated) waste. Depending on the materials used, the recycled product is cleaned and either chipped or pelletized before being sent to the extruder. The recycled material is then melted to form molten polymers and sent through the spinneret to form continuous filaments of semi-solid polymer. As with fiber from virgin materials, the polymer is then blasted with cold air to form solid fiber.

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<sup>62</sup> “Regenerated certain PSF” refers to both regenerated and recycled PSF, unless otherwise noted.

## **Second stage of manufacturing**

The second stage of production is common to fibers made from either virgin or recycled materials. The solid fiber is coated for the first time with an oil finish, usually only for internal use to facilitate further processing. The spun tow, as it is now known, is collected into a can to be stretched. The spun tow is sent over a creel and a series of “draw wheels” in order to orient the fiber molecules and strengthen the tow. Next, the tow is sent through a crimping machine, which gives the fiber tow a two dimensional, saw-tooth shape. The tow is then sent through an oven to heat-set the crimp. A second finish (usually silicone or some type of oil-based finish) may be added during this stage of the process, either before the fiber tow is crimped and heat-set or directly after, depending on the preference of the manufacturer. Finally, the fiber tow is cut to length and baled.

The manufacturing processes for polyester staple fiber products that do not fall within the scope are similar to those for certain PSF. Out-of-scope PSF includes PSF of less than 3 denier, PSF for carpeting, and low-melt PSF, in addition to other products. These forms of polyester staple fiber may be manufactured on the same equipment and machinery used to produce certain PSF. The production of polyester staple fiber of less than 3 denier, commonly referred to as fine denier PSF, is controlled by the size of the holes on the spinneret. By using a spinneret with smaller holes, a production line can switch from heavier gauge polyester staple fiber to finer denier; the other steps of the manufacturing process remain generally the same. Polyester staple fiber for carpeting is a heavier denier than certain PSF and is produced by using a spinneret with larger holes. To achieve carpet fibers with luster, a slightly different mix of raw materials is used.

## 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 six firms, which accounted for nearly 100 percent of production of certain PSF in the United States during 1999.<sup>63</sup> During the full first five-year reviews, the Commission received U.S. producer questionnaires from \*\*\* firms, which accounted for the vast majority of known U.S. production of certain PSF during January 2000–September 2005.<sup>64</sup> During the expedited second five-year reviews, the Commission received a collective response to its notice of institution from four U.S. producers, which accounted for an estimated \*\*\* percent of production of certain PSF during 2010.<sup>65</sup> During the expedited third five-year reviews, the Commission received a collective response to its notice of institution from three U.S. producers, which accounted for an estimated \*\*\* percent of production of certain PSF during 2015.<sup>66</sup>

In response to the Commission’s notice of institution in these current reviews, domestic interested parties provided a list of 10 known and currently operating U.S. producers of certain PSF.<sup>67</sup> Three firms providing U.S. industry data in response to the Commission’s notice of institution accounted for an estimated \*\*\* percent of production of certain PSF in the United States during 2021.<sup>68</sup>

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<sup>63</sup> Original publication, pp. I-2 and III-1.

<sup>64</sup> First review confidential report, p. I-3.

<sup>65</sup> Investigation Nos. 731-TA-825–826 (Second Review): Polyester Staple Fiber from Korea and Taiwan, Confidential Report, INV-JJ-080, July 28, 2011, (“Second review confidential report”), p. I-14.

<sup>66</sup> Investigation Nos. 731-TA-825–826 (Third Review): Polyester Staple Fiber from Korea and Taiwan, Confidential Report, INV-OO-098, October 24, 2016 (“Third review confidential report”), p. I-2.

<sup>67</sup> In addition to (1) Auriga, (2) Fiber Industries, and (3) Nan Ya, domestic interested parties listed: (4) Color-Fi (Division of Formed Fiber Technology, Inc.); (5) DAK Americas LLC; (6) Palmetto Synthetics, LLC; (7) PolyTech Fibers LLC; (8) Sun Fiber LLC; (9) United Synthetics, Inc.; and (10) U.S. Fibers. Domestic interested parties estimated that \*\*\*. Domestic interested parties’ response to the notice of institution, February 1, 2022, pp. 24-25.

<sup>68</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, pp. 25-26. See the “Responses to the Commission’s notice of institution” section of this report for more information.

## Recent developments

Since the Commission's last reviews in 2017, the following developments have occurred in the certain PSF industry.

Polyester continues to dominate the growth in demand for synthetic fibers due to the ease with which it may be recycled, and its versatile use in numerous products, including apparel and beverage bottle manufacturing.<sup>69</sup> During 2017-20, global production of polyester fiber rose 6.3 percent to 125.9 billion pounds, accounting for approximately 52 percent of global fiber production of all fibers.<sup>70</sup> According to the International Fiber Journal, growth of the polyester filament industry stagnated and hit a 12-year low in 2021. Due to the COVID-19 pandemic, production of most manmade staple fibers declined in 2020. However, polyester staple fiber stands out as the only manmade staple fiber, apart from small-scale nylon, for which production increased in 2020.<sup>71</sup>

The U.S. industry producing the subject polyester staple fibers has undergone certain changes since the last reviews. One U.S. producer announced a new factory opening. Fiber Industries opened a new factory in Darlington, South Carolina in 2020, to produce polyester staple fibers designed for high-end performance fabric, work-wear, knit goods, and automotive applications.<sup>72</sup> On the other hand, DAK, a producer of 150 kilotons of polyester staple fiber per year, closed its plant near Charleston, South Carolina, in December 2021.<sup>73</sup>

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<sup>69</sup> IBIS World, "Synthetic Fiber Manufacturing in the US," December 2021, p. 18.; Suresh, Taheraly, and UN FICCA Raw Material Working Group, *Identifying Low Carbon Sources of Cotton and Polyester Fibers*, April 23, 2021.

<sup>70</sup> Preferred Fiber and Materials Market Report 2021, Textile Exchange, August 2021, p. 8, [https://textileexchange.org/wp-content/uploads/2021/08/Textile-Exchange\\_PREFERRED-Fiber-and-Materials-Market-Report\\_2021.pdf](https://textileexchange.org/wp-content/uploads/2021/08/Textile-Exchange_PREFERRED-Fiber-and-Materials-Market-Report_2021.pdf).

<sup>71</sup> "The Fiber Year 2021 – Executive Fiber Summary," *International Fiber Journal* (blog), August 30, 2021, <https://fiberjournal.com/the-fiber-year-2021-executive-fiber-summary>.

<sup>72</sup> INDA, "Fiber Industries LLC Opening New Polyester Fiber Operations in Darlington County, SC," accessed March 4, 2022, <https://www.inda.org/membership/member-news/fiber-industries-llcopening-new-polyester-fiber-operations-in-darlington-county-sc/>; Fiber Industries, "Products," accessed March 4, 2022, <https://www.fiberindustries.com/products>; Domestic interested parties' response to the notice of institution, February 1, 2022, p. 26.

<sup>73</sup> Olivo, "DAK to Shut Down Staple Fiber Operations at Cooper River Site," *Nonwovens Industry*, May 6, 2021, [https://www.nonwovens-industry.com/contents/view\\_breaking-news/2021-05-06/dak-shuts-down-staple-fiber-operations-at-cooper-river-site](https://www.nonwovens-industry.com/contents/view_breaking-news/2021-05-06/dak-shuts-down-staple-fiber-operations-at-cooper-river-site).

Table I-4 presents events in the U.S. industry since the last five-year reviews.

**Table I-4**  
**Certain PSF: Recent developments in the U.S. industry**

<b>Item</b>	<b>Firm</b>	<b>Event</b>
Plant opening	Fiber Industries	Opening of new plant in Darlington, SC in 2018.
Closure	DAK	Closing of plant near Charleston, SC in December 2021.

## U.S. producers' trade and financial data

The Commission asked domestic interested parties to provide trade and financial data in their response to the notice of institution in the current five-year reviews.<sup>74</sup> Table I-5 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.

**Table I-5**  
**Certain PSF: Trade and financial data submitted by U.S. producers, by period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Unit value in dollars per pound; Ratio is in percent

Item	Measure	1999	2004	2010	2015	2021
Capacity	Quantity	743,608	964,900	***	***	***
Production	Quantity	548,703	665,590	***	***	***
Capacity utilization	Ratio	73.8	69.0	***	***	***
U.S. shipments	Quantity	530,340	610,607	***	***	***
U.S. shipments	Value	281,070	343,808	***	***	***
U.S. shipments	Unit value	0.53	0.56	***	***	***
Net sales	Value	311,143	369,998	***	***	***
COGS	Value	264,608	376,945	***	***	***
COGS to net sales	Ratio	85.0	101.9	***	***	***
Gross profit or (loss)	Value	46,535	(6,947)	***	***	***
SG&A expenses	Value	41,046	10,243	***	***	***
Operating income or (loss)	Value	5,489	(17,190)	***	***	***
Operating income or (loss) to net sales	Ratio	1.8	(4.6)	***	***	***

Source: For the years 1999-2015, data are compiled using data submitted in the Commission's original investigations and subsequent five-year reviews. For the year 2021, data are compiled using data submitted by domestic interested parties. Domestic interested parties' response to the notice of institution, February 1, 2022, exh. 7.

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

<sup>74</sup> Individual company trade and financial data are presented in app. B.



## Definitions of the domestic like product and domestic industry

The domestic like product is defined as the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the subject merchandise. The domestic industry is defined as the U.S. producers as a whole of the domestic like product, or those producers whose collective output of the domestic like product constitutes a major proportion of the total domestic production of the product. Under the related parties provision, the Commission may exclude a U.S. producer from the domestic industry for purposes of its injury determination if “appropriate circumstances” exist.<sup>75 76</sup>

In its original determinations, the Commission defined two domestic like products corresponding to (1) low-melt fiber and (2) conventional PSF (*i.e.*, all subject certain PSF except for low-melt fiber).<sup>77</sup> Because the Commission found no material injury or threat of material injury by reason of subject imports with respect to low-melt fiber, the relevant domestic like product definition from the original investigations is all conventional PSF, the product subject to the antidumping duty orders.<sup>78</sup> In its full first five-year review determinations and its expedited second and third five-year review determinations, the Commission defined a single domestic like product consisting of all conventional PSF (*i.e.*, all subject certain PSF), coextensive with Commerce’s scope.<sup>79</sup> Consistent with its definition of the relevant domestic like product, the Commission defined a single domestic industry consisting of all domestic producers of certain PSF in the original investigations and subsequent reviews.<sup>80 81</sup>

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<sup>75</sup> Section 771(4)(B) of the Tariff Act of 1930, 19 U.S.C. § 1677(4)(B).

<sup>76</sup> Domestic interested parties note that Nan Ya is a wholly-owned subsidiary of PSF producer Nan Ya Plastics Corp. in Taiwan; and United Synthetics is a wholly-owned subsidiary of producer Korea Synthetic Fibers in South Korea. However, none of the participating U.S. producers in these reviews is an importer of the subject product and, to the best of the domestic industry’s knowledge, none of the non-participating producers is an importer of the subject merchandise. Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 23.

<sup>77</sup> Original publication, pp. 4-9.

<sup>78</sup> 65 FR 33576, May 24, 2000.

<sup>79</sup> 71 FR 14721, March 23, 2006 (first review determination); 76 FR 58040, September 19, 2011 (second review determination); and 82 FR 9392, February 6, 2017 (third review determination).

<sup>80</sup> Original publication, pp. 9-11; first review publication, pp. 6-8; second review publication, pp. 5-7; and third review publication, pp. 7-9.

<sup>81</sup> See the “Original investigations and subsequent reviews” and “Previous and related investigations” sections of this report for more information on the domestic like product and domestic industry.

## U.S. imports

### U.S. importers

During the final phase of the original investigations, the Commission received U.S. importer questionnaires from 20 firms, which accounted for \*\*\* percent of subject imports from South Korea and \*\*\* percent of subject imports from Taiwan during 1999.<sup>82</sup> Import data presented in the original investigations were based on questionnaire responses. During the full first five-year reviews, the Commission received U.S. importer questionnaires from 17 firms, which accounted for 96.5 percent of subject imports from South Korea and 86.5 percent of subject imports from Taiwan during 2004.<sup>83</sup> Import data presented in the first reviews were based on official Commerce statistics.

Although the Commission did not receive responses from any respondent interested parties in its expedited second five-year reviews, the domestic interested parties provided a list of 30 firms that were believed to be importing subject merchandise from South Korea and Taiwan.<sup>84</sup> Import data presented in the second reviews were based on official Commerce statistics. Similarly, the Commission did not receive responses from any respondent interested parties in its expedited third five-year reviews, the domestic interested parties, however, provided a list of 31 firms believed to be importing subject merchandise from South Korea and Taiwan.<sup>85</sup> Import data presented in the third reviews were based on official Commerce statistics.

In these current five-year reviews, the Commission did not receive responses from any respondent interested parties. However, in their response to the Commission's notice of institution, domestic interested parties provided a list of 26 firms believed to be importing subject merchandise from South Korea and Taiwan into the United States.<sup>86</sup>

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<sup>82</sup> Inv. Nos. 731-TA-731-TA-825–826 (Final): Certain Polyester Staple Fiber from Korea and Taiwan, Confidential Report, INV-X-082, April 21, 2000, as revised in INV-X-087, April 25, 2000 (“Original confidential report”), p. IV-1.

<sup>83</sup> First review publication, p. IV-1.

<sup>84</sup> Second review publication, p. I-13.

<sup>85</sup> Third review publication, p. I-15.

<sup>86</sup> Domestic interested parties' response to the notice of institution, February 1, 2022, p. 24; exh. 8.

## U.S. imports

Table I-6 presents the quantity, value, and unit value of U.S. imports from South Korea and Taiwan, as well as the other top sources of U.S. imports (shown in descending order of 2021 imports by quantity).

**Table I-6**  
**Certain PSF: U.S. imports, by source and period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Unit value in dollar per pound

U.S. imports from	Measure	2016	2017	2018	2019	2020	2021
South Korea	Quantity	136,074	131,275	140,372	146,747	118,715	107,933
Taiwan	Quantity	13,771	9,164	9,781	9,594	9,041	5,339
Subject sources	Quantity	149,845	140,439	150,152	156,342	127,756	113,272
Vietnam	Quantity	12,189	28,010	66,703	77,077	107,698	147,422
China	Quantity	292,911	245,536	276,091	211,978	179,577	144,919
Thailand	Quantity	43,062	35,098	40,661	42,762	69,507	92,126
India	Quantity	60,354	53,894	70,790	56,230	46,574	63,664
Indonesia	Quantity	31,448	38,847	34,222	36,448	55,261	51,589
Ireland	Quantity	6,132	13,674	11,724	14,935	4,323	8,459
All other sources	Quantity	20,504	9,790	16,834	35,960	41,552	52,547
Nonsubject sources	Quantity	466,599	424,849	517,025	475,390	504,492	560,725
All import sources	Quantity	616,444	565,289	667,177	631,732	632,248	673,997
South Korea	Value	69,322	69,582	86,215	86,803	57,891	56,728
Taiwan	Value	10,158	7,378	8,738	8,293	7,017	4,583
Subject sources	Value	79,480	76,959	94,953	95,096	64,908	61,311
Vietnam	Value	6,024	13,952	38,065	40,532	48,808	70,622
China	Value	124,431	101,538	140,988	98,800	75,408	63,719
Thailand	Value	20,421	16,845	23,985	24,356	33,255	49,004
India	Value	37,273	35,647	50,510	32,663	23,161	37,733
Indonesia	Value	17,316	22,225	20,826	20,337	26,167	25,513
Ireland	Value	5,416	12,321	12,155	14,660	4,436	9,823
All other sources	Value	19,549	9,054	14,524	26,744	25,202	36,451
Nonsubject sources	Value	230,430	211,582	301,053	258,093	236,438	292,863
All import sources	Value	309,910	288,542	396,006	353,189	301,346	354,174

Table continued.

**Table I-6 continued**  
**Certain PSF: U.S. imports, by source and period**

Quantity in 1,000 pounds; Value in 1,000 dollars; Unit value in dollar per pound

U.S. imports from	Measure	2016	2017	2018	2019	2020	2021
South Korea	Unit value	0.51	0.53	0.61	0.59	0.49	0.53
Taiwan	Unit value	0.74	0.81	0.89	0.86	0.78	0.86
Subject sources	Unit value	0.53	0.55	0.63	0.61	0.51	0.54
Vietnam	Unit value	0.49	0.50	0.57	0.53	0.45	0.48
China	Unit value	0.42	0.41	0.51	0.47	0.42	0.44
Thailand	Unit value	0.47	0.48	0.59	0.57	0.48	0.53
India	Unit value	0.62	0.66	0.71	0.58	0.50	0.59
Indonesia	Unit value	0.55	0.57	0.61	0.56	0.47	0.49
Ireland	Unit value	0.88	0.90	1.04	0.98	1.03	1.16
All other sources	Unit value	0.95	0.92	0.86	0.74	0.61	0.69
Nonsubject sources	Unit value	0.49	0.50	0.58	0.54	0.47	0.52
All import sources	Unit value	0.50	0.51	0.59	0.56	0.48	0.53

Source: Compiled from official Commerce statistics for HTS statistical reporting numbers 5503.20.0045 and 5503.20.0065, accessed February 11, 2022.

Note: Imports from South Korea may be overstated. In 2004, Commerce revoked its antidumping duty order on Keon Baek Co.,Ltd. Further, Commerce has issued *de minimis* orders for Samyang Corp. (0.14 percent) and Geum Poong Corp. (0.12 percent). On the basis of the *de minimis* determinations for Samyang Corp. and Geum Poong Corp., these two producers/exporters have been excluded from the order. See 82 FR 10330, February 10, 2017 (Commerce's third review continuation orders and issues and decisions memorandum on certain PSF from South Korea and Taiwan).

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

## Cumulation considerations<sup>87</sup>

In assessing whether imports should be cumulated in five-year reviews, the Commission considers, among other things, whether there is a likelihood of a reasonable overlap of competition among subject imports and the domestic like product. Additional information concerning geographical markets and simultaneous presence in the market is presented below.<sup>88</sup>

Imports from South Korea were reported in 72 of the 72 months between 2016 and 2021. Imports from South Korea entered through the northern, southern, eastern, and western borders of entry in all 72 months between 2016 and 2021.

Imports from Taiwan were reported in 72 of the 72 months between 2016 and 2021. Imports from Taiwan entered through the eastern border of entry in all 72 months between 2016 and 2021. Imports from Taiwan entered through the northern border of entry in 2016 (4 months), 2017 (2 months), 2018 (1 month), 2020 (8 months), and 2021 (4 months), but not in 2019. Imports from Taiwan entered through the southern border of entry in 2016 (2 months) and 2021 (2 months), but not during 2017-20. Imports from Taiwan entered through the western border of entry in 2016 (12 months), 2017 (11 months), 2018 (8 months), 2019 (5 months), and 2020 (6 months), but not in 2021.<sup>89</sup>

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<sup>87</sup> Unless otherwise noted, this information is based on official U.S. import statistics for HTS statistical reporting numbers 5503.20.0045 and 5503.20.0065.

<sup>88</sup> In addition, available information concerning subject country producers and the global market is presented in the next section of this report.

<sup>89</sup> Domestic interested parties argue that the market conditions that led the Commission to cumulate subject imports from South Korea and Taiwan in the third reviews have continued to persist since the last reviews, and that the Commission should therefore exercise its discretion to cumulate certain PSF imports from South Korea and Taiwan in these current reviews. Domestic interested parties' response to the notice of institution, February 1, 2022, p. 5.

## Apparent U.S. consumption and market shares

Table I-7 presents data on U.S. producers' U.S. shipments, U.S. imports, apparent U.S. consumption, and market shares.

**Table I-7**  
**Certain PSF: Apparent U.S. consumption and market shares, by source and period**

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

Source	Measure	1999	2004	2010	2015	2021
U.S. producers	Quantity	530,340	610,607	***	***	***
South Korea	Quantity	***	209,856	140,339	***	107,933
Taiwan	Quantity	***	72,376	26,120	7,724	5,339
Subject sources	Quantity	***	282,232	166,459	***	113,272
Nonsubject sources	Quantity	***	166,335	381,235	490,732	560,725
Total imports	Quantity	359,811	448,568	547,694	624,794	673,997
Apparent U.S. consumption	Quantity	890,151	1,059,175	***	***	***
U.S. producers	Value	281,070	343,808	---	***	***
South Korea	Value	***	100,920	---	***	56,728
Taiwan	Value	***	43,262	---	6,748	4,583
Subject sources	Value	***	144,181	---	***	61,311
Nonsubject sources	Value	***	96,618	---	268,393	292,863
All import sources	Value	190,183	240,799	---	349,303	354,174
Apparent U.S. consumption	Value	471,253	584,607	---	***	***

Table continued.

**Table I-7 continued**

**Certain PSF: Apparent U.S. consumption and market shares, by source and period**

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

Source	Measure	1999	2004	2010	2015	2021
U.S. producers	Share of quantity	59.6	57.6	***	***	***
South Korea	Share of quantity	***	19.8	***	***	***
Taiwan	Share of quantity	***	6.8	***	***	***
Subject sources	Share of quantity	***	26.6	***	***	***
Nonsubject sources	Share of quantity	***	15.7	***	***	***
All import sources	Share of quantity	40.4	42.4	***	***	***
U.S. producers	Share of value	***	58.8	---	***	***
South Korea	Share of value	***	17.3	---	***	***
Taiwan	Share of value	***	7.4	---	***	***
Subject sources	Share of value	***	24.7	---	***	***
Nonsubject sources	Share of value	***	16.5	---	***	***
All import sources	Share of value	40.4	41.2	---	***	***

Source: For the years 1999-2015, data are compiled using data submitted in the Commission's original investigations and subsequent five-year reviews. For the year 2021, U.S. producers' U.S. shipments are compiled from the domestic interested parties' response to the Commission's notice of institution and U.S. imports are compiled using official Commerce statistics under HTS statistical reporting numbers 5503.20.0045 and 5503.20.0065, accessed February 11, 2022.

Note: For 1999, apparent U.S. consumption is derived from U.S. shipments of imports rather than U.S. imports.

Note: For 2004, although the Commission received U.S. importer questionnaires from 17 firms, it used official Commerce statistics for to derive apparent U.S. consumption. See first review publication at p. I-32 and table I-7.

Note: For 2010, several domestic interested parties responding to the notice of institution during those reviews did not provide complete data on their financial operations and U.S. shipments. As a result, 2010 apparent U.S. consumption data was only presented in quantity. See second review publication at tables I-2 and I-4 and second review confidential report at tables I-2 and I-4.

Note: For 2015, data on imports for South Korea were adjusted to remove Keon Baek Co.,Ltd, as Commerce had previously revoked the antidumping duty order on the firm. See third review publication at table I-3 and third review confidential report at table I-3.

Note: Although imports data was adjusted in 2015 to remove Keon Baek Co. Ltd., 2021 import data has not been adjusted to remove Keon Baek Co. Ltd. and it has not been adjusted to remove Samyang Corp. and Geum Poong Corp., which have also been removed from the order by Commerce. See 82 FR 10330, February 10, 2017 (Commerce's third review continuation orders and issues and decisions memorandum on certain PSF from South Korea and Taiwan).

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

## The industry in Korea

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from two producers of conventional PSF and 12 producers of regenerated PSF.<sup>90</sup> These firms' exports of certain PSF to the United States accounted for \*\*\* percent of their total shipments during 1999.<sup>91</sup> During the full first five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms.<sup>92</sup> These firms' exports of certain PSF to the United States accounted for \*\*\* percent of their total shipments during 2004.<sup>93</sup>

Although the Commission did not receive responses from any respondent interested parties in its expedited second five-year reviews, the domestic interested parties provided a list of 16 possible producers of certain PSF in South Korea in that proceeding.<sup>94</sup> Similarly, in the expedited third five-year reviews, the Commission did not receive responses from any respondent interested parties and the domestic interested parties provided a list of 16 possible producers of certain PSF in South Korea in that proceeding.<sup>95</sup>

In these current five-year reviews, the Commission did not receive responses from any respondent parties. The domestic interested parties, however, provided a list of 16 possible producers of certain PSF in South Korea.<sup>96</sup>

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<sup>90</sup> Original publication, pp. VII-1–VII-2. During the original investigations, it was noted that the polyester staple fiber (“PSF”) industry in South Korea was divided between conventional PSF and regenerated PSF. *Id.* p. VII-1.

<sup>91</sup> Original confidential report, p. VII-3, table VII-1.

<sup>92</sup> First review confidential report, p. IV-18.

<sup>93</sup> First review confidential report, p. IV-18, table IV-6.

<sup>94</sup> Second review publication, p. I-15.

<sup>95</sup> Third review publication, p. I-20.

<sup>96</sup> Domestic interested parties' response to the notice of institution, February 1, 2022, p. 24; exh. 9.



The two largest producers of certain PSF in Korea are Huvis Corp. (“Huvis”) and Toray Industries (“Toray”).<sup>97</sup> Huvis has an annual production capacity of 550,000 tons (1.1 billion pounds) for PSF,<sup>98</sup> and Toray has an annual production capacity of 260,628 tons (521.3 million pounds) for PSF.<sup>99</sup> The Korean Chemical Fibers Association indicates 2020 Korean polyester staple fiber production volumes declined 14 percent from 2018.<sup>100</sup>

Table I-8 presents export data for Synthetic Staple Fibers, Not Carded, Combed Or Otherwise Processed For Spinning, Of Polyesters, a category that includes certain PSF and out-of-scope products, from South Korea (by export destination in descending order of quantity for 2016-2021).

**Table I-8**  
**Synthetic staple fibers of polyesters: Quantity of exports from South Korea, by destination and period**

Quantity in 1,000 pounds

Destination Market	2016	2017	2018	2019	2020	2021
United States	289,033	262,296	253,171	258,602	249,065	235,109
China	143,050	189,968	193,127	166,070	147,679	119,926
Poland	75,934	92,879	102,857	96,432	108,292	104,518
Italy	93,810	82,145	94,111	97,059	89,846	101,790
Vietnam	99,584	111,148	117,637	101,448	101,414	94,253
Germany	101,294	87,559	71,036	70,001	67,445	67,500
Japan	72,272	85,662	92,951	82,255	67,286	64,172
United Kingdom	69,261	70,308	79,164	63,670	62,638	58,960
Russia	39,381	63,961	70,030	59,829	51,712	55,749
Turkey	24,009	37,113	49,968	44,525	51,482	51,319
All other markets	567,325	604,955	639,627	573,639	559,913	659,526
All markets	1,574,954	1,687,994	1,763,679	1,613,530	1,556,771	1,612,823

Source: Global Trade Information Services, Inc., Global Trade Atlas, Harmonized System (“HS”) subheading 5503.20, accessed March 8, 2022. These data may be overstated as HS subheading 5503.20 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown. Figures for 2021 may be understated as GTA has not included all data for 2021 as of the writing of this report.

<sup>97</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 11.

<sup>98</sup> “Business Areas,” Huvis Corp., accessed March 11, 2022, <https://www.huvis.com/eng/company/BusinessField.asp>.

<sup>99</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 12, exh. 3.

<sup>100</sup> Statista, “Production volume of polyester staple fibers in South Korea from 2010 to 2020,” December 2021, <https://www.statista.com/statistics/960675/south-korea-polyester-staple-fibers-production-volume/>

## The industry in Taiwan

During the final phase of the original investigations, the Commission received foreign producer/exporter questionnaires from four firms.<sup>101</sup> These firms' exports of certain PSF to the United States accounted for 27.2 percent of their total shipments during 1999.<sup>102</sup> During the full first five-year reviews, the Commission received foreign producer/exporter questionnaires from two firms.<sup>103</sup> These firms' exports of certain PSF to the United States accounted for \*\*\* percent of their total shipments during 2004.<sup>104</sup>

Although the Commission did not receive responses from any respondent interested parties in its expedited second five-year reviews, the domestic interested parties provided a list of seven possible producers of certain PSF in Taiwan in that proceeding.<sup>105</sup> Similarly, in the expedited third five-year reviews, the Commission did not receive responses from any respondent interested parties and the domestic interested parties provided a list of seven possible producers of certain PSF in Taiwan in that proceeding.<sup>106</sup>

In these current five-year reviews, the Commission did not receive responses from any respondent parties. The domestic interested parties, however, provided a list of five possible producers of certain PSF in Taiwan.<sup>107</sup>

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<sup>101</sup> Original publication, p. VI-4.

<sup>102</sup> Original publication, p. VII-5, table VII-5.

<sup>103</sup> First review confidential report, p. IV-25.

<sup>104</sup> First review confidential report, p. IV-26, table IV-9.

<sup>105</sup> Second review publication, p. I-16.

<sup>106</sup> Third review publication, p. I-21.

<sup>107</sup> Domestic interested parties' response to the notice of institution, February 1, 2022, p. 24; exh. 9.

According to the 2020 IHS Markit Chemicals Economics Handbook, there are \*\*\* producers of certain PSF in Taiwan.<sup>108</sup> According to information provided by the domestic interested parties, major producers in Taiwan included The Far Eastern Group, Nan Ya, Shinkong Synthetic Fibers Corp. (“Shinkong”), Tainan Spinning Co., Ltd., and Tuntex Distinct Corp. (“Tuntex”).<sup>109</sup> Domestic interested parties also indicate that in 2020, The Far Eastern Group possessed a PSF capacity of 444,600 tons (889 million pounds), produced 318,399 tons (636 million pounds) of PSF, and exported 59 percent of its PSF sales.<sup>110</sup> Nan Ya has a capacity of 960,000 metric tons (2.1 billion pounds) for polyester production (including PSF), Shinkong has a capacity of 1.85 billion pounds for polyester fibers and polymers (including PSF), and Tuntex has a capacity of 323,640 tons (647 million pounds) for polyester products (including PSF).<sup>111</sup> \*\*\*.<sup>112</sup>

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<sup>108</sup> Bescond et al, Polyester Fibers: Chemical Economics Handbook, IHS Markit, May 15, 2020, p. 164.

<sup>109</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 13.

<sup>110</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 13; exh. 5.

<sup>111</sup> Domestic interested parties’ response to the notice of institution, February 1, 2022, p. 13; exh. 5.

<sup>112</sup> Bescond et al, Polyester Fibers: Chemical Economics Handbook, IHS Markit, May 15, 2020, pp. 164–166.

Table I-9 presents export data for Synthetic Staple Fibers, Not Carded, Combed Or Otherwise Processed For Spinning, Of Polyesters, a category that includes certain PSF and out-of-scope products, from Taiwan (by export destination in descending order of quantity for 2016-21).

**Table I-9**  
**Synthetic staple fibers of polyesters: Quantity of exports from Taiwan, by destination and period**

Quantity in 1,000 pounds

<b>Destination Market</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Vietnam	187,461	193,790	185,823	168,275	146,724	150,958
Pakistan	30,881	42,431	38,367	39,413	58,596	44,238
United Kingdom	45,418	45,592	43,704	42,136	34,483	38,637
Mexico	27,692	20,847	23,642	30,324	34,265	37,493
Thailand	32,935	34,700	40,432	32,829	26,173	29,619
Germany	30,365	33,159	28,391	24,988	20,514	22,554
Japan	11,366	13,596	16,982	19,559	19,704	22,307
Turkey	15,523	22,830	22,801	18,740	19,946	21,579
China	35,485	47,497	60,622	21,422	22,462	21,432
United States	88,759	69,579	19,571	14,752	29,971	18,858
All other markets	351,666	318,594	296,680	254,977	208,751	200,488
All markets	857,550	842,614	777,014	667,416	621,589	608,164

Source: Global Trade Information Services, Inc., Global Trade Atlas, Harmonized System ("HS") subheading 5503.20, accessed March 8, 2022. These data may be overstated as HS subheading 5503.20 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown. Figures for 2021 may be understated as GTA has not included all data for 2021 as of the writing of this report.

## Third-country trade actions

Subject merchandise from South Korea and Taiwan have been subject to the following import relief investigations and measures in third countries:

**Indonesia** imposed an antidumping duty order on PSF from Taiwan in December 2010. In August 2019, Indonesia determined to extend the order for an additional three years.<sup>113</sup>

**Mexico** had an antidumping duty order against PSF from South Korea since 1993, which expired on August 17, 2019.<sup>114</sup>

**Pakistan** initiated an antidumping duty investigation on Taiwan on February 6, 2021 and imposed preliminary antidumping duties on July 30, 2021.<sup>115</sup>

**Turkey** had maintained an antidumping duty order on certain PSF from South Korea beginning February 2000 and on PSF from Taiwan beginning July 2003. Turkey temporarily suspended the orders on South Korea on August 23, 2021 and Taiwan on September 8, 2021, and subsequently replaced it with a safeguard measure on all imports of PSF on September 23, 2021.<sup>116</sup>

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<sup>113</sup> "Imposition of Anti-Dumping Import Duty on Imported Products from Several Countries," GNV Consulting Services, September 16, 2019, <https://gnv.id/2019/09/16/imposition-of-anti-dumping-import-duty-on-imported-products-from-several-countries/>.

<sup>114</sup> "Mexico: Termination of Definitive Antidumping Duty," accessed March 8, 2022, <https://www.globaltradealert.org/intervention/18140/anti-dumping/mexico-termination-of-definitive-antidumping-duty-on-imports-of-polyester-staple-fibres-from-south-korea-following-an-expiry-review>.

<sup>115</sup> "Preliminary Determination in Antidumping Investigation," Government of Pakistan National Tariff Commission, July 30, 2021, <https://www.ntc.gov.pk/wp-content/uploads/2021/08/ADC-59-Report-PSF-PD-against-Indonesia-Thailand-and-Chinese-Taipei-30-07-2021-Non-Conf.pdf>.

<sup>116</sup> "Turkey: Temporary Suspension of Antidumping Duties," Global Trade Alert, accessed March 9, 2022, <https://www.globaltradealert.org/intervention/16520/anti-dumping/turkey-temporary-suspension-of-antidumping-duties-on-imports-of-polyester-synthetic-staple-fibre-from-indonesia-and-south-korea>; "Turkey: Temporary suspension of definitive antidumping duty," Global Trade Alert, accessed March 24, 2022, <https://www.globaltradealert.org/intervention/18487/anti-dumping/turkey-temporary-suspension-of-definitive-antidumping-duty-on-imports-of-polyester-synthetic-staple-fibres-from-chinese-taipei-india-and-thailand>.

## The global market

China is the world's largest producer of polyester staple fiber, with exports of over 2.2 billion pounds in 2021. Other producers include countries in Southeast Asia such as Thailand and Indonesia.

Table I-10 presents global export data for Synthetic Staple Fibers, Not Carded, Combed Or Otherwise Processed For Spinning, Of Polyesters, a category that includes certain PSF and out-of-scope products (by source in descending order of value for 2016-21).

**Table I-10**  
**Synthetic Staple Fibers of Polyesters: Quantity of global exports by country and period**

Quantity in 1,000 pounds

Exporting Country	2016	2017	2018	2019	2020	2021
China	2,219,563	2,210,516	2,263,343	2,157,141	1,754,296	2,048,379
South Korea	1,574,954	1,687,994	1,763,679	1,613,530	1,556,771	1,612,823
Taiwan	857,550	842,614	777,014	667,416	621,589	608,164
Thailand	575,526	608,875	674,832	732,432	830,015	795,554
India	458,294	486,692	554,398	604,670	632,770	829,770
Indonesia	320,521	311,871	396,938	583,637	553,722	--
Malaysia	236,965	260,238	227,751	287,746	251,548	--
Ireland	180,364	190,036	187,775	182,920	169,857	188,882
Vietnam	132,210	127,324	236,807	426,295	470,917	--
Belarus	124,512	131,849	125,367	168,008	220,615	--
All other exporters	967,480	1,021,196	1,014,601	893,913	868,900	732,380
All exporters	7,647,938	7,879,206	8,222,506	8,317,707	7,931,000	6,815,953

Source: Global Trade Information Services, Inc., Global Trade Atlas, Harmonized System ("HS") subheading 5503.20, accessed March 8, 2022. These data may be overstated as HS subheading 5503.20 may contain products outside the scope of these reviews.

Note: Because of rounding, figures may not add to totals shown. Figures for 2021 may be understated as GTA has not included all data for 2021 as of the writing of this report.

**APPENDIX A**  
**FEDERAL REGISTER NOTICES**





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

Citation	Title	Link
87 FR 76, January 3, 2022	<i>Initiation of Five-Year (Sunset) Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-01-03/pdf/2021-28405.pdf">https://www.govinfo.gov/content/pkg/FR-2022-01-03/pdf/2021-28405.pdf</a>
87 FR 119, January 3, 2022	<i>Polyester Staple Fiber From Korea and Taiwan; Institution of Five-Year Reviews</i>	<a href="https://www.govinfo.gov/content/pkg/FR-2022-01-03/pdf/2021-28353.pdf">https://www.govinfo.gov/content/pkg/FR-2022-01-03/pdf/2021-28353.pdf</a>



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



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**APPENDIX C**  
**SUMMARY DATA**

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Table C-1  
 Certain PSF: Summary data concerning the U.S. market, 1997-99

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

Item	Reported data			Period changes		
	1997	1998	1999	1997-98	1998-99	1997-99
<b>U.S. consumption quantity:</b>						
Amount .....	779,631	818,380	890,151	5.0	8.8	14.2
Producers' share (1) .....	65.7	57.2	59.6	-8.5	2.3	-6.2
<b>Importers' share (1):</b>						
Korea .....	***	***	***	***	***	***
Taiwan .....	***	***	***	***	***	***
Subtotal .....	***	***	***	***	***	***
Other sources .....	***	***	***	***	***	***
Total imports .....	34.3	42.8	40.4	8.5	-2.3	6.2
<b>U.S. consumption value:</b>						
Amount .....	510,783	483,214	471,253	-5.4	-2.5	-7.7
Producers' share (1) .....	66.2	60.2	59.6	-6.0	-0.5	-6.5
<b>Importers' share (1):</b>						
Korea .....	***	***	***	***	***	***
Taiwan .....	***	***	***	***	***	***
Subtotal .....	***	***	***	***	***	***
Other sources .....	***	***	***	***	***	***
Total imports .....	33.8	39.8	40.4	6.0	0.5	6.5
<b>U.S. shipments of imports from:</b>						
<b>Korea:</b>						
Quantity .....	***	***	***	***	***	***
Value .....	***	***	***	***	***	***
Unit value .....	***	***	***	***	***	***
Ending inventory quantity ...	***	***	***	***	***	***
<b>Taiwan:</b>						
Quantity .....	***	***	***	***	***	***
Value .....	***	***	***	***	***	***
Unit value .....	***	***	***	***	***	***
Ending inventory quantity ...	***	***	***	***	***	***
<b>Subtotal:</b>						
Quantity .....	***	***	***	***	***	***
Value .....	***	***	***	***	***	***
Unit value .....	***	***	***	***	***	***
Ending inventory quantity ...	***	***	***	***	***	***
<b>Other sources:</b>						
Quantity .....	***	***	***	***	***	***
Value .....	***	***	***	***	***	***
Unit value .....	***	***	***	***	***	***
Ending inventory quantity ...	***	***	***	***	***	***
<b>All sources:</b>						
Quantity .....	267,040	349,996	359,811	31.1	2.8	34.7
Value .....	172,695	192,466	190,183	11.4	-1.2	10.1
Unit value .....	\$0.65	\$0.55	\$0.53	-15.0	-3.9	-18.3
Ending inventory quantity ...	46,173	57,503	68,099	24.5	18.4	47.5

Table continued on next page.

Table C-1--Continued  
 Certain PSF: Summary data concerning the U.S. market, 1997-99

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

Item	Reported data			Period changes		
	1997	1998	1999	1997-98	1998-99	1997-99
<b>U.S. producers':</b>						
Average capacity quantity . . . . .	671,945	701,393	743,608	4.4	6.0	10.7
Production quantity . . . . .	550,890	510,212	548,703	-7.4	7.5	-0.4
Capacity utilization (1) . . . . .	82.0	72.7	73.8	-9.2	1.0	-8.2
<b>U.S. shipments:</b>						
Quantity . . . . .	512,591	468,384	530,340	-8.6	13.2	3.5
Value . . . . .	338,088	290,748	281,070	-14.0	-3.3	-16.9
Unit value . . . . .	\$0.66	\$0.62	\$0.53	-5.9	-14.6	-19.6
<b>Export shipments:</b>						
Quantity . . . . .	29,055	27,676	28,071	-4.7	1.4	-3.4
Value . . . . .	34,083	32,147	30,053	-5.7	-6.5	-11.8
Unit value . . . . .	\$1.17	\$1.16	\$1.07	-1.0	-7.8	-8.7
Ending inventory quantity . . . . .	52,646	66,798	57,090	26.9	-14.5	8.4
Inventories/total shipments (1) . . . . .	9.7	13.5	10.2	3.7	-3.2	0.5
Production workers . . . . .	1,445	1,351	1,241	-6.5	-8.1	-14.1
Hours worked (1,000s) . . . . .	2,287	2,018	1,957	-11.8	-3.0	-14.5
Wages paid (\$1,000s) . . . . .	40,036	38,576	37,976	-3.6	-1.6	-5.1
Hourly wages . . . . .	\$17.50	\$19.11	\$19.41	9.2	1.5	10.9
Productivity (pounds per hour) . . . . .	240.8	252.8	280.4	5.0	10.9	16.4
Unit labor costs . . . . .	\$0.07	\$0.08	\$0.07	4.0	-8.5	-4.8
<b>Net sales:</b>						
Quantity . . . . .	541,645	499,874	558,413	-7.7	11.7	3.1
Value . . . . .	372,745	324,659	311,143	-12.9	-4.2	-16.5
Unit value . . . . .	\$0.69	\$0.65	\$0.56	-5.6	-14.2	-19.0
Cost of goods sold (COGS) . . . . .	295,790	271,316	264,608	-8.3	-2.5	-10.5
Gross profit or (loss) . . . . .	76,955	53,343	46,535	-30.7	-12.8	-39.5
SG&A expenses . . . . .	44,314	41,913	41,046	-5.4	-2.1	-7.4
Operating income or (loss) . . . . .	32,641	11,430	5,489	-65.0	-52.0	-83.2
Capital expenditures . . . . .	23,320	16,298	7,396	-30.1	-54.6	-68.3
Unit COGS . . . . .	\$0.55	\$0.54	\$0.47	-0.6	-12.7	-13.2
Unit SG&A expenses . . . . .	\$0.08	\$0.08	\$0.07	2.5	-12.3	-10.2
Unit operating income or (loss) . . . . .	\$0.06	\$0.02	\$0.01	-62.1	-57.0	-83.7
COGS/sales (1) . . . . .	79.4	83.6	85.0	4.2	1.5	5.7
Operating income or (loss)/ sales (1) . . . . .	8.8	3.5	1.8	-5.2	-1.8	-7.0

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

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis.

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





**APPENDIX D**  
**PURCHASER QUESTIONNAIRE RESPONSES**



As part of their response to the notice of institution, interested parties were asked to provide a list of three to five leading purchasers in the U.S. market for the domestic like product. A response was received from domestic interested parties and it named the following three firms as top purchasers of polyester staple fiber: \*\*\*. Purchaser questionnaires were sent to these three firms and one firm (\*\*\*) provided a response, which is presented below.

1. Have there been any significant changes in the supply and demand conditions for polyester staple fiber that have occurred in the United States or in the market for polyester staple fiber in South Korea and/or Taiwan since January 1, 2016?

Purchaser	Yes / No	Discussion
***	***	***

2. Do you anticipate any significant changes in the supply and demand conditions for polyester staple fiber in the United States or in the market for polyester staple fiber in South Korea and/or Taiwan within a reasonably foreseeable time?

Purchaser	Yes / No	Discussion
***	***	***

