

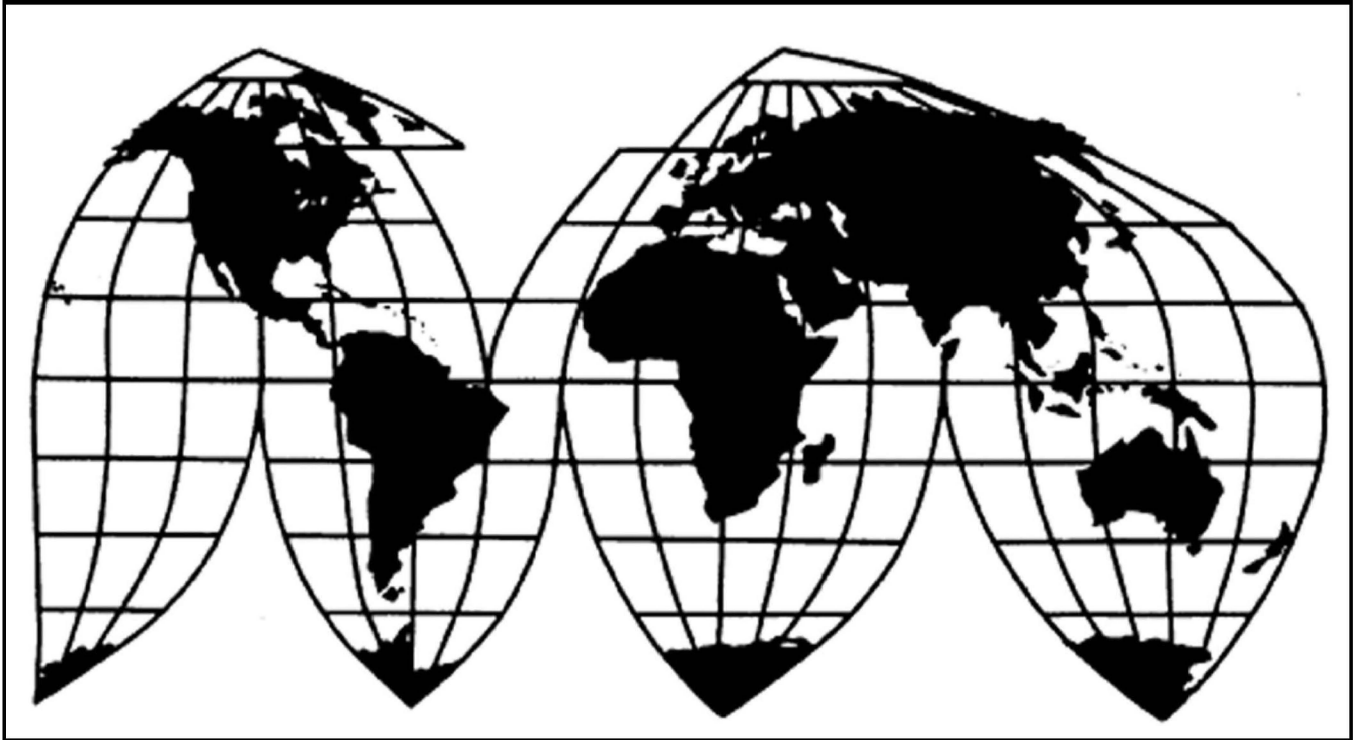
Steel Nails from India, Oman, Sri Lanka, and Turkey

Investigation Nos. 701-TA-673-675 and 677 (Final)

Publication 5370

October 2022

U.S. International Trade Commission



Washington, DC 20436

U.S. International Trade Commission

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Zara Bekkal, Accountant

Aaron Woodward, Statistician

Ravi Soopramanien, Attorney

Douglas Corkran, Supervisory Investigator

Address all communications to
Secretary to the Commission
United States International Trade Commission
Washington, DC 20436

U.S. International Trade Commission

Washington, DC 20436
www.usitc.gov

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Note.—Information that would reveal confidential operations of individual concerns may not be published.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

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation Nos. 701-TA-673-675 and 677 (Final)

Steel Nails from India, Oman, Sri Lanka and Turkey

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission (“Commission”) determines, pursuant to the Tariff Act of 1930 (“the Act”), that an industry in the United States is not materially injured or threatened with material injury by reason of imports of steel nails from India, Oman, and Turkey, provided for in subheadings 7317.00.55, 7317.00.65, and 7317.00.75 of the Harmonized Tariff Schedule of the United States, that have been found by the U.S. Department of Commerce (“Commerce”) to be subsidized by the governments of India, Oman, and Turkey.² The Commission further finds that imports of steel nails from Sri Lanka that Commerce has determined are subsidized by the government of Sri Lanka are negligible and terminates that investigation.

BACKGROUND

The Commission instituted these investigations effective December 30, 2021, following receipt of petitions filed with the Commission and Commerce by Mid Continent Steel & Wire, Inc., Poplar Bluff, Missouri. The Commission scheduled the final phase of the investigations following notification of preliminary determinations by Commerce that imports of steel nails from India, Oman, Sri Lanka, Thailand,³ and Turkey were being subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)). Notice of the scheduling of the final phase of the Commission’s investigations and of a public hearing to be held in connection therewith was

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

² 87 FR 51333, August 22, 2022; 78 FR 51335, August 22, 2022; and 87 FR 51339, August 22, 2022.

³ Commerce published notice in the *Federal Register* of a negative final determination of subsidies in connection with the investigation concerning steel nails from Thailand (87 FR 51343, August 22, 2022). Accordingly, effective August 22, 2022, the Commission terminated its countervailing duty investigation concerning steel nails from Thailand (87 FR 55036, September 8, 2022).

given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of June 21, 2022 (87 FR 36882). In light of the restrictions on access to the Commission building due to the COVID–19 pandemic, the Commission conducted its hearing through written testimony and video conference on August 17, 2022. All persons who requested the opportunity were permitted to participate.

Views of the Commission

Based on the record in the final phase of these investigations, we determine that an industry in the United States is not materially injured or threatened with material injury by reason of imports of steel nails from India, Oman, and Turkey found by the U.S. Department of Commerce (“Commerce”) to be subsidized by the governments of India, Oman, and Turkey. We find that imports of steel nails from Sri Lanka found by Commerce to be subsidized by the government of Sri Lanka are negligible and terminate that investigation.

I. Background

Mid Continent Steel & Wire, Inc. (“Mid Continent” or “Petitioner”), a domestic producer of steel nails, filed the petitions in these investigations on December 30, 2021. Although the antidumping duty petitions for steel nails from India, Sri Lanka, Thailand, and Turkey and the countervailing duty petitions for steel nails from India, Oman, Sri Lanka, Thailand, and Turkey were filed on the same day, the investigation schedules became staggered when Commerce did not align its countervailing duty investigations with its antidumping duty investigations.¹ In addition, Commerce did not postpone the final determination for its antidumping duty investigation regarding Turkey while it did postpone the final determinations for its

¹ See *Certain Steel Nails From India: Preliminary Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 34,654 (June 7, 2022); *Certain Steel Nails From Sri Lanka: Preliminary Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 34,645 (June 7, 2022); *Certain Steel Nails From Thailand: Preliminary Negative Countervailing Duty Determination*, 87 Fed. Reg. 34,651 (June 7, 2022); and *Certain Steel Nails From the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 34,649 (June 7, 2022).

Commerce is required to align antidumping and countervailing duty investigations filed on the same day and for the same product where the petitioner requests such an alignment. See 19 U.S.C. § 1671d (a)(1); see also 19 C.F.R. § 351.210(b)(4)(i). Petitioner did not request an alignment of the investigations on steel nails from India, Sri Lanka, Thailand, or Turkey.

antidumping duty investigations regarding India, Sri Lanka, and Thailand.² Commerce published its final affirmative determinations in the countervailing duty investigations regarding steel nails from India, Oman, Sri Lanka, and Turkey on August 22, 2022.³ This necessitates that the Commission issue earlier determinations in the countervailing duty investigations regarding steel nails from India, Oman, Sri Lanka, and Turkey, than in the trailing antidumping duty investigations.⁴ Pursuant to the statutory provision on staggered investigations, the record for the trailing antidumping duty investigations will be the same as the record in the countervailing duty investigations except that, prior to the Commission's determinations in the antidumping

² See *Certain Steel Nails From India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 87 Fed. Reg. 47,719 (Aug. 4, 2022); *Certain Steel Nails From Sri Lanka: Preliminary Negative Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 87 Fed. Reg. 47,701 (Aug. 4, 2022); *Certain Steel Nails From Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 87 Fed. Reg. 47,708 (Aug. 4, 2022); and *Certain Steel Nails From the Republic of Turkey: Preliminary Affirmative Determination of Sales at Less Than Fair Value*, 87 Fed. Reg. 47,699, 47,701 (Aug. 4, 2022).

³ See *Certain Steel Nails From India: Final Affirmative Countervailing Duty Determination*, 87 Fed. Reg. 51,333 (Aug. 22, 2022); *Certain Steel Nails From the Sultanate of Oman: Final Affirmative Countervailing Duty Determination*, 87 FR 51,335 (Aug. 22, 2022); *Certain Steel Nails From Sri Lanka: Final Affirmative Countervailing Duty Determination*, 87 FR 51,337 (Aug. 22, 2022); and *Certain Steel Nails From the Republic of Turkey: Final Affirmative Countervailing Duty Determination*, 87 FR 51,339 (Aug. 22, 2022). Commerce published a final negative countervailing duty determination with respect to Thailand. See *Certain Steel Nails From Thailand: Final Negative Countervailing Duty Determination*, 87 Fed. Reg. 51,343 (Aug. 22, 2022). Consequently, the Commission terminated the countervailing duty investigation concerning steel nails imported from Thailand. See *Steel Nails from Thailand: Termination of Investigation*, 87 Fed. Reg. 55,036 (Sep. 8, 2022).

⁴ Commerce is currently scheduled to issue its final antidumping duty determination with respect to Turkey no later than October 18, 2022, and its final antidumping duty determinations with respect to India, Sri Lanka, and Thailand no later than December 19, 2022. See 87 Fed. Reg. 47,719, 47,720-47,721 (Aug. 4, 2022); 87 Fed. Reg. 47,701, 47,703 (Aug. 4, 2022); 87 Fed. Reg. 47,708, 47,710 (Aug. 4, 2022); and 87 Fed. Reg. 47,699, 47,701 (Aug. 4, 2022). The Commission's final determinations in the antidumping duty investigations must be made within 45 days after Commerce's final determinations, or no later than December 2, 2022, with respect to Turkey and no later than February 2, 2023, with respect to India and Thailand, and within 75 days after Commerce's final affirmative determination, or no later than March 6, 2023, with respect to Sri Lanka. See 19 U.S.C. § 1673d(b)(2) and (3).

duty investigations regarding India, Sri Lanka, Thailand, and Turkey, the Commission shall include in the record Commerce’s final dumping determinations and the parties’ final comments concerning those determinations.⁵

Petitioner appeared at the hearing accompanied by counsel and submitted prehearing and posthearing briefs.⁶ Several respondent entities participated in the final phase of the investigations, including the Hillman Group (“Hillman”), PrimeSource Building Products, Inc. (“PrimeSource”), Metropolitan Staple Corp. (“MSC”), Steel Products Company, Inc. (“SPC”), and Steel & Wire Northeast, LP (“SWN”), U.S. importers of subject merchandise, and Trinity Steel Pvt. Ltd. (“Trinity”), a producer of subject merchandise in Sri Lanka. PrimeSource, MSC, SPC, and SWN (collectively “Joint

Respondents”), and Trinity appeared at the hearing accompanied by counsel and submitted prehearing and posthearing briefs. Hillman appeared at the hearing accompanied by counsel and submitted a posthearing brief. A representative from the government of Turkey also appeared at the hearing.⁷

The period of investigation (“POI”) in the final phase of these investigations is January 2019 through March 2022. U.S. industry data are based on the questionnaire responses from nine firms that accounted for the vast majority of domestic production of steel nails during

⁵ See 19 U.S.C. § 1677(7)(G)(iii).

⁶ In light of the restrictions on access to the Commission building due to the COVID-19 pandemic, the Commission conducted its hearing through videoconference held on August 17, 2022, as set forth in procedures provided to the parties. See *Steel Nails From India, Oman, Sri Lanka, Thailand, and Turkey; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations*, 87 Fed. Reg. 36,882, 36,883 (June 7, 2022); see also *Hearing Procedures for August 17, 2022*, EDIS Doc. No. 777700 (Aug. 11, 2022).

⁷ The government of Turkey also filed a written statement following the hearing. See EDIS Doc. No. 780091 (Sep. 13, 2022).

2021.⁸ U.S. import data are based on official Commerce import statistics.⁹ The Commission received responses to its questionnaires from four producers of subject merchandise in India, believed to account for more than *** of production of subject merchandise in India during 2021.¹⁰ The Commission received a response from one producer of subject merchandise in Oman, believed to account for approximately *** percent of production of subject merchandise in Oman during 2021.¹¹ The Commission received a response from one producer of subject merchandise in Sri Lanka, believed to account for approximately *** percent of production of subject merchandise in Sri Lanka during 2021.¹² The Commission received a response from five producers of subject merchandise in Thailand, believed to account for approximately *** percent of production of subject merchandise in Thailand during 2021.¹³ Lastly, the Commission received a response from two producers of subject merchandise in Turkey, believed to account for approximately *** percent of production of subject merchandise in Turkey during 2021.¹⁴

⁸ Confidential Report, Memorandum INV-UU-086 (Sep. 6, 2022), as amended by Memorandum INV-UU-089 (Sep. 9, 2022) (“CR”); *Steel Nails from India, Oman, Sri Lanka, Thailand, and Turkey*, Inv. Nos. 701-TA-673-675 and 677 and 731-TA-1580-1583 (Final), USITC Pub. 5370 (Sep. 2022) (“PR”) at I-5 and III-1. A tenth producer, Specialty Fastening Systems, confirmed domestic production of less than *** short tons of steel nails in each year of the POI on ***. However, It was unable to complete the Commission’s questionnaire. CR/PR at III-1 Note 1.

⁹ CR/PR at I-5 and IV-1.

¹⁰ CR/PR at VII-3.

¹¹ CR/PR at VII-12.

¹² CR/PR at VII-20.

¹³ CR/PR at VII-28.

¹⁴ CR/PR at VII-37.

II. Domestic Like Product

A. In General

In determining whether an industry in the United States is materially injured or threatened with material injury by reason of imports of subject merchandise, the Commission first defines the “domestic like product” and the “industry.”¹⁵ Section 771(4)(A) of the Tariff Act of 1930, as amended (“the Tariff Act”), defines the relevant domestic industry as the “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”¹⁶ In turn, the Tariff Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation.”¹⁷

By statute, the Commission’s “domestic like product” analysis begins with the “article subject to an investigation,” *i.e.*, the subject merchandise as determined by Commerce.¹⁸ Therefore, Commerce’s determination as to the scope of the imported merchandise that is subsidized and/or sold at less than fair value is “necessarily the starting point of the Commission’s like product analysis.”¹⁹ The Commission then defines the domestic like product

¹⁵ 19 U.S.C. § 1677(4)(A).

¹⁶ 19 U.S.C. § 1677(4)(A).

¹⁷ 19 U.S.C. § 1677(10).

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

¹⁹ *Cleo Inc. v. United States*, 501 F.3d 1291, 1298 (Fed. Cir. 2007); *see also Hitachi Metals, Ltd. v. United States*, Case No. 19-1289, slip op. at 8-9 (Fed. Cir. Feb. 7, 2020) (the statute requires the Commission to start with Commerce’s subject merchandise in reaching its own like product determination).

in light of the imported articles Commerce has identified.²⁰ The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of “like” or “most similar in characteristics and uses” on a case-by-case basis.²¹ No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.²² The Commission looks for clear dividing lines among possible like products and disregards minor variations.²³

B. Product Description

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

{C}ertain steel nails having a nominal shaft or shank length not exceeding 12 inches. Certain steel nails include, but are not limited to, nails made from round

²⁰ *Cleo*, 501 F.3d at 1298 n.1 (“Commerce’s {scope} finding does not control the Commission’s {like product} determination.”); *Hosiden Corp. v. Advanced Display Mfrs.*, 85 F.3d 1561, 1568 (Fed. Cir. 1996) (the Commission may find a single like product corresponding to several different classes or kinds defined by Commerce); *Torrington Co. v. United States*, 747 F. Supp. 744, 748–52 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (affirming the Commission’s determination defining six like products in investigations where Commerce found five classes or kinds).

²¹ See, e.g., *Cleo Inc. v. United States*, 501 F.3d 1291, 1299 (Fed. Cir. 2007); *NEC Corp. v. Department of Commerce*, 36 F. Supp. 2d 380, 383 (Ct. Int’l Trade 1998); *Nippon Steel Corp. v. United States*, 19 CIT 450, 455 (1995); *Torrington Co. v. United States*, 747 F. Supp. 744, 749 n.3 (Ct. Int’l Trade 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991) (“every like product determination ‘must be made on the particular record at issue’ and the ‘unique facts of each case’”). The Commission generally considers a number of factors, including the following: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. See *Nippon*, 19 CIT at 455 n.4; *Timken Co. v. United States*, 913 F. Supp. 580, 584 (Ct. Int’l Trade 1996).

²² See, e.g., S. Rep. No. 96-249 at 90-91 (1979).

²³ *Nippon*, 19 CIT at 455; *Torrington*, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249 at 90-91 (Congress has indicated that the like product standard should not be interpreted in “such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not ‘like’ each other, nor should the definition of ‘like product’ be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.”).

wire and nails that are cut from flat-rolled steel or long-rolled flat steel bars. Certain steel nails may be of one piece construction or constructed of two or more pieces. Examples of nails constructed of two or more pieces include, but are not limited to, anchors comprised of an anchor body made of zinc or nylon and a steel pin or a steel nail; crimp drive anchors; split-drive anchors, and strike pin anchors. Also included in the scope are anchors of one piece construction.

Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank or shaft styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted.

Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material.

Excluded from the scope are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25, unless otherwise excluded based on the other exclusions below.

Also excluded from the scope are certain steel nails with a nominal shaft or shank length of one inch or less that are a component of an unassembled article, where the total number of nails is sixty (60) or less, and the imported unassembled article falls into one of the following eight groupings: (1) Builders' joinery and carpentry of wood that are classifiable as windows, French-windows and their frames; (2) builders' joinery and carpentry of wood that are classifiable as doors and their frames and thresholds; (3) swivel seats with variable height adjustment; (4) seats that are convertible into beds (with the exception of those classifiable as garden seats or camping equipment); (5) seats of cane, osier, bamboo or similar materials; (6) other seats with wooden frames (with the exception of seats of a kind used for aircraft or motor vehicles); (7) furniture (other than seats) of wood (with the exception of (i) medical, surgical, dental or veterinary furniture; and (ii) barbers' chairs and similar chairs, having rotating as

well as both reclining and elevating movements); or (8) furniture (other than seats) of materials other than wood, metal, or plastics (e.g., furniture of cane, osier, bamboo or similar materials). The aforementioned imported unassembled articles are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4418.10, 4418.20, 9401.30, 9401.40, 9401.51, 9401.59, 9401.61, 9401.69, 9403.30, 9403.40, 9403.50, 9403.60, 9403.81 or 9403.89.

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under HTSUS subheadings 7317.00.2000 and 7317.00.3000.

Also excluded from the scope of this investigation are nails suitable for use in gas-actuated hand tools. These nails have a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS subheading 7317.00.1000.

Also excluded from the scope are decorative or upholstery tacks.

Certain steel nails subject to this investigation are currently classified under HTSUS subheadings 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560 and 7317.00.7500. Certain steel nails subject to these investigations also may be classified under HTSUS subheadings 7318.15.5090, 7907.00.6000, 8206.00.0000 or other HTSUS subheadings. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.²⁴

²⁴ See 87 Fed. Reg. 51,333, 51,334-51,335 (Aug. 22, 2022); 87 FR 51,335, 51,336-51,337 (Aug. 22, 2022); 87 FR 51,337, 51,338-51,339 (Aug. 22, 2022); and 87 FR 51,339, 51,341 (Aug. 22, 2022). The scope, which is unchanged since Commerce's preliminary determinations, is identical in the antidumping and countervailing duty investigations. See 87 Fed. Reg. 47,719, 47,721 (Aug. 4, 2022); 87 Fed. Reg. 47,701, 47,703-47,704 (Aug. 4, 2022); 87 Fed. Reg. 47,708, 47,710-47,711 (Aug. 4, 2022); and 87 Fed. Reg. 47,699, 47,701 (Aug. 4, 2022).

Steel nails are small steel bars that are pointed on one end and have some type of head at the other end. They are typically produced from low-carbon, stainless, or medium- to high-carbon steel. They are packaged for shipment in bulk (loose in a container) or collated (joined into strips for use in pneumatic nailing tools, *i.e.*, nail guns). Although most nails are produced from a single piece of steel, some are produced from two or more pieces (such as nails with decorative heads). To produce nails from wire, the steel wire is fed from a large coil into a nail machine that automatically straightens the wire, forms the head of the nail, and cuts the nail from the wire, simultaneously forming the point and ejecting the finished nail. Cut nails, which are used primarily for joining to masonry or concrete, are produced from steel sheet or plate that is sheared into strips that are fed into specially designed nail machines, which shape the nails and form the heads. Nails are produced with a number of finishes, depending upon the intended use. For example, nails with galvanized coatings are intended for uses where corrosion and staining resistance are important, resin coatings are used to aid in driving the nail, and cement coatings are used to increase the resistance of the nail to withdrawal by increasing the friction between the nail and the wood into which it has been driven.²⁵

C. Arguments of the Parties

Petitioner argues that the Commission should define a single domestic like product coextensive with the scope, as it did in the preliminary phase of these investigations.²⁶

Respondents state that they do not contest the domestic like product definition.²⁷

²⁵ CR/PR at I-16-I-20.

²⁶ Petitioner's Prehearing Br. at 6-8.

²⁷ See Joint Respondents' Prehearing Br. at 5-6.

D. Analysis

In the preliminary phase of these investigations, the Commission defined a single domestic like product consisting of all steel nails within the scope.²⁸ It found that all domestically produced steel nails corresponding to the scope definition shared the same basic characteristics and general use, are produced to the same industry-wide standards, and are sold through the same channels of distribution. While recognizing that there were some differences among domestically produced steel nail products in terms of production processes, interchangeability, customer and producer perception, and price, the Commission viewed these differences as consistent with a continuum of nail products within a single domestic like product.

The record in the final phase of these investigations does not contain any new information concerning the characteristics and uses of steel nails suggesting that the Commission should revisit its definition of the domestic like product from the preliminary phase of the investigations.²⁹ Accordingly, we again define a single domestic like product consisting of all steel nails, coextensive with Commerce's scope.

III. Domestic Industry

The domestic industry is defined as the domestic “producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.”³⁰ In defining the domestic

²⁸ *Steel Nails from India, Oman, Sri Lanka, Thailand, and Turkey*, Inv. Nos. 701-673-677 and 731-TA-1580-1583 (Preliminary), USITC Pub. 5283 (Feb. 2022) (“*Preliminary Determinations*”) at 10-13.

²⁹ See generally CR/PR at I-16-I-20.

³⁰ 19 U.S.C. § 1677(4)(A).

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.³¹ Exclusion of such a producer is within the Commission's discretion based upon the facts presented in each investigation.³²

A. Arguments of the Parties

Petitioner argues that the Commission should define the domestic industry to include all domestic producers of steel nails, as it did in the preliminary phase of these investigations.³³

Respondents state that they do not contest the domestic industry definition.³⁴

³¹ 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).

³² 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.

³³ Petitioner's Prehearing Br. at 8.

³⁴ See Joint Respondents' Prehearing Br. at 5-6.

B. Analysis

Domestic producers *** and *** qualify as related parties subject to possible exclusion from the domestic industry under the related parties provision.³⁵ *** is *** percent owned by ***, which has a *** percent ownership stake in ***, a U.S. importer of subject merchandise.³⁶ *** is *** percent owned by ***, which has a *** percent ownership stake in ***, a U.S. importer of subject merchandise.³⁷ Additionally, *** is subject to the related party provision because it imported subject merchandise.³⁸

In its preliminary determinations, the Commission found that appropriate circumstances did not exist to exclude either *** or *** from the domestic industry under the related parties provision because imports of subject merchandise by their affiliated importers were small in relation to their domestic production and their principal interest appeared to be in domestic production.³⁹

In the final phase of the investigations, we again find that appropriate circumstances do not exist to exclude either U.S. producer based on the following analysis.

***. The record in the final phase of these investigations indicates that ***, was responsible for *** percent of U.S. production of steel nails in 2021, and was the *** of the nine responding U.S. producers that year in terms of quantity of U.S. production.⁴⁰ The ratio of *** imports of subject merchandise to *** domestic production was *** percent in 2019, ***

³⁵ CR/PR at Tables III-2, III-10.

³⁶ CR/PR at Table III-2.

³⁷ CR/PR at Table III-2.

³⁸ Specifically, *** reported imports of subject imports from ***. CR/PR at Table III-10.

³⁹ See *Confidential Preliminary Views*, EDIS Doc. No. 763812 (Feb. 23, 2022) at 18-20. *** also imported subject merchandise from ***. *Id.*

⁴⁰ CR/PR at Table III-1.

percent in 2020, *** percent in 2021, *** percent in January-March (“interim”) 2021, and *** percent in interim 2022.⁴¹

As *** is the *** in this investigation and its related importer’s imports of subject merchandise were small, albeit increasing over the POI, relative to *** domestic production, we find that its principal interest is in domestic production. The record also does not suggest that *** affiliation with *** caused it to be affected differently by subject imports than other domestic producers. We therefore find that appropriate circumstances do not exist to exclude *** from the domestic industry under the related parties provision.

***. The record in the final phase of these investigations indicates that *** was responsible for *** percent of U.S. production of steel nails in 2021, and was the *** largest of the nine reporting U.S. producers that year in terms of quantity of U.S. production.⁴² It *** the petitions.⁴³ *** imports of subject merchandise were *** short tons in 2019, *** short tons in 2020, and *** short tons in 2021; they were *** short tons in interim 2022, compared to *** short tons in interim 2021.⁴⁴ The ratio of *** imports of subject merchandise to *** domestic production was *** percent in 2019, *** percent in 2020, and *** percent in 2021; they were *** percent in interim 2022 compared to *** percent in interim 2021.⁴⁵

⁴¹ CR/PR at Table III-11. *** imports of subject merchandise totaled *** short tons in 2019, *** short tons in 2020, *** short tons in 2021, *** short tons in interim 2021, and *** short tons in interim 2022. *Id.*

⁴² CR/PR at Table III-1.

⁴³ CR/PR at Table III-1.

⁴⁴ CR/PR at Table III-10.

⁴⁵ CR/PR at Table III-10. During the POI, *** directly imported subject merchandise from a ***, and the ratio of the firm’s direct imports to domestic production was *** throughout the POI. CR/PR at Table III-10.

Although *** imports of subject merchandise and the ratio of those imports to *** domestic production increased from 2019 to 2020, they declined to relatively low levels in 2021, and interim 2022. Given this information, *** principal interest appears to be in domestic production, and the record does not suggest that it benefitted overall from its affiliation with *** and its ***. We therefore find that appropriate circumstances do not exist to exclude *** from the domestic industry under the related parties provision.

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

IV. Negligible Imports

Pursuant to Section 771(24) of the Tariff Act, imports from a subject country of merchandise corresponding to a domestic like product that account for less than 3 percent of all such merchandise imported into the United States during the most recent 12 months for which data are available preceding the filing of the petition shall be deemed negligible. 19 U.S.C. §§ 1671b(a), 1673b(a), 1677(24)(A)(i), 1677(24)(B); see also 15 C.F.R. § 2013.1 (developing countries for purposes of 19 U.S.C. § 1677(36)). The statute further provides that subject imports from a single country which comprise less than 3 percent of total such imports of the product may not be considered negligible if there are several countries subject to investigation with negligible imports and the sum of such imports from all those countries collectively accounts for more than 7 percent of the volume of all such merchandise imported into the United States. 19 U.S.C. § 1677(24)(A)(ii). In the case of countervailing duty investigations involving developing countries (as designated by the United States Trade

Representative), the statute indicates that the negligibility limits are 4 percent and 9 percent, rather than 3 percent and 7 percent. 19 U.S.C. § 1677(24)(B).

Additionally, even if subject imports are found to be negligible for purposes of present material injury, they shall not be treated as negligible for purposes of a threat analysis should the Commission determine that there is a potential that subject imports from the country concerned will imminently account for more than 3 percent (4 percent for countervailing duty investigations of developing countries) of all such merchandise imported into the United States.⁴⁶ The Commission also assesses whether there is a potential that the aggregate volumes of subject imports from all countries with currently negligible imports will imminently exceed 7 percent of all such merchandise imported into the United States.⁴⁷ The threshold is 9 percent for developing countries.

A. Arguments of the Parties

Petitioner's Arguments. Petitioner contends that the Commission should not terminate any of the current investigations on the basis of negligibility. While Petitioner does not argue that subject imports from Sri Lanka subject to the countervailing duty investigation exceeded the 4 percent negligibility threshold for purposes of the present material injury determination, it does argue that there is a potential that subject imports from Sri Lanka will imminently exceed the 4 percent threshold based on increases in Trinity's production, export, and capacity utilization figures between 2019 and 2021, monthly U.S. import data, and Sri Lanka's share of total imports, which exceeded the four percent threshold in 2019 and 2020, and increased in

⁴⁶ 19 U.S.C. § 1677(24)(A)(iv).

⁴⁷ 19 U.S.C. § 1677(24)(A)(iv).

April through May 2022 relative to January through March 2022.⁴⁸ Petitioner also disputes Trinity's argument that political, economic, and social unrest in Sri Lanka will likely keep subject imports from Sri Lanka under the negligibility threshold, citing evidence that, in its view, indicate that subject imports from Sri Lanka will imminently exceed the negligibility threshold.⁴⁹

Respondents' Arguments. Trinity argues that subject imports from Sri Lanka subject to the countervailing duty investigation are negligible, and there is no potential that they will imminently exceed the 4 percent negligibility threshold, citing Sri Lanka's declining share of monthly U.S. imports before and after the filing of the petitions. It characterizes the increase in Sri Lanka's share of U.S. imports in May 2022 as an anomaly caused by the clearing of a large portion of backlogs at U.S. ports that month.⁵⁰ Trinity also contends that severe political, economic, and social unrest in Sri Lanka has hindered its ability to produce and export steel nails, and will prevent subject imports from Sri Lanka from exceeding the negligibility threshold.⁵¹

B. Analysis

During the most recent 12-month period preceding the filing of the petitions for the countervailing duty investigations (December 2020 through November 2021), subject imports from India accounted for 4.67 percent of total imports, subject imports from Oman accounted

⁴⁸ Petitioner's Prehearing Br. at 9-10, 13-14; Petitioner's Posthearing Br., Exh. 1, Answers to Commissioners' Questions, at 33-34; Petitioner's Final Comments at 2, 4-5.

⁴⁹ Petitioner's Posthearing Br., Exh. 1 at 35-40, Petitioner's Final Comments at 2-4, 6-7.

⁵⁰ Trinity provided its own production and export data through July 2022 to demonstrate that the data were lower in July 2022 than July totals for 2019 through 2021, and that production and exports declined from May through July 2022. Trinity's Prehearing Br. at 6-7, Exh. 1.

⁵¹ Trinity's Prehearing Br. at 5-15; Trinity's Posthearing Br. at 1-9; Trinity's Final Comments at 1-7.

for 10.23 percent of total imports, subject imports from Sri Lanka accounted for 3.95 percent of total imports, and subject imports from Turkey accounted for 6.55 percent of total imports.⁵² Because subject imports from India, Oman, and Turkey were above the 3 percent negligibility threshold applicable to countervailing duty investigations, we find that subject imports from India, Oman, and Turkey are not negligible.

Because subject imports from Sri Lanka were below the 4 percent negligibility threshold applicable to countervailing duty investigations involving developing countries,⁵³ we find that imports from Sri Lanka subject to the countervailing duty investigation are negligible for purposes of our present material injury analysis.

We next consider whether subject imports from Sri Lanka have the potential imminently to exceed the 4 percent negligibility threshold for purposes of determining threat of material injury. The record indicates that subject imports from Sri Lanka declined as a share of total imports over the POI, falling below the negligibility threshold towards the end of the period. Subject imports from Sri Lanka declined as a share of total imports from 4.2 percent in 2019 to 4.1 percent in 2020 and to 3.9 percent in 2021; they were 3.5 percent in interim 2022, compared to 4.0 percent in interim 2021.⁵⁴ Based on the rolling 12-month average import data from January 2020 through June 2022, subject imports from Sri Lanka did not exceed the four percent negligibility threshold after February 2021 (4.04 percent), with the exceptions of May (4.03 percent) and June (4.01 percent) 2022, when the clearing of backlogs at U.S. ports in May

⁵² CR/PR at Table IV-5.

⁵³ CR/PR at Table IV-5.

⁵⁴ CR/PR at Table IV-2.

appeared to have resulted in a temporary increase in subject imports from Sri Lanka that rolled over into June.⁵⁵

The record also indicates that the declining trend in subject imports from Sri Lanka as a share of total imports is unlikely to be reversed in the imminent future. Data provided by Trinity indicate that Trinity's production and exports to the United States in July 2022 were *** percent lower than in July 2021.⁵⁶ These data are consistent with Trinity's projected declines to its production and export shipments in 2022 and 2023.⁵⁷ In addition, information on the record suggests that strong demand trends seen during the latter portion of the POI are not likely to change imminently.⁵⁸

⁵⁵ CR/PR at Table IV-6. See also *id.*, at Table IV-10. Based on its share of individual month by month data, imports from Sri Lanka post-petition totaled: 3.56 percent in December 2021, 4.30 percent in January 2022, 3.12 percent in February 2022, 2.97 percent in March 2022, 3.58 percent in April 2022, and 5.35 percent in May 2022. *Derived from* Table IV-10. Trinity submitted email correspondence with its logistics provider and a summary of its import entries into the United States in May 2022 that correspond to its invoices dating back to December 2021 and January 2022. Trinity's Posthearing Br. at 8-9, Exhs. 14-15. Trinity reported that its lead time for shipments of steel nails produced-to-order (which constitutes *** of its sales in 2021) is ***. See Response of Trinity Steel (Pvt) Ltd. To U.S. Importers' Questionnaire, EDIS Doc. No. 775191 (July 12, 2022) at III-8. As such, exports shipments by Trinity in December 2021 and January 2022, under "normal" circumstances, would have been expected to make entry into the U.S. by March or April 2022. Rather, these shipments made entry in May 2022. Thus, the increase in subject imports from Sri Lanka in May of 2022 appear to reflect the clearing of a backlog of exports from Sri Lanka to the United States over the preceding months, rather than an increase in new exports from Sri Lanka to the United States.

⁵⁶ Trinity's Posthearing Br., Exh. 1. U.S. importers reported arranging for a declining level of imports from Sri Lanka in the imminent future; arranged imports from Sri Lanka were *** short tons in the third quarter of 2022, *** short tons in the fourth quarter of 2022, and *** short tons in the first quarter of 2023. CR/PR at Table VII-34.

⁵⁷ CR/PR at Table VII-15.

⁵⁸ U.S. shipments data collected through June 2022 shows that apparent U.S. consumption was higher in January through June 2022 than in July through December 2021 or January through June 2021. *Derived from* CR/PR Table IV-15. See also Joint Respondents' Posthearing Br., Exhs. 1 (containing U.S. Census Bureau and U.S. Department of Housing and Urban Development data showing an increase in housing starts from 2010 to the first half of 2022), 2 (containing Leading Indicator of Remodeling Activity growth projections for the remainder of 2022 through mid-2023), 3 (containing a National Association of Home Builders/Westlake Remodeling Market Index score of 77 for the second quarter of 2022,

Moreover, Trinity's end-of-period inventories decreased by *** percent and were lower by *** percent during interim 2022 than in interim 2021.⁵⁹

Trinity accounted for *** Sri Lankan steel nail exports to the United States in 2021, and exports to the United States accounted for *** of Trinity's total shipments throughout the POI.⁶⁰ Trinity's ability to produce steel nails for export to the United States has been severely undermined by political and economic instability in Sri Lanka that began in April 2022 and is likely to continue in the imminent future. Specifically, record evidence suggests the following: (1) Sri Lanka has experienced power cuts due to a lack of fuel and water, which it struggles to import due to insufficient available foreign currency;⁶¹ (2) these power cuts, which may persist for the next several years, have led to a decline in Trinity's average monthly electricity consumption of *** percent, an increase in electricity tariffs, and interruptions to two shifts of its steel production to date;⁶² (3) public transportation has ceased to operate, and social unrest and curfew orders have further reduced the number of available production workers;⁶³ (4) Trinity has struggled to access financing for export sales as overseas counterparties have declined to honor letters of credit drawn on Sri Lankan banks, including its own bank;⁶⁴ (5) U.S. customers have canceled orders with Trinity that had been scheduled for delivery in 2022

indicating that more remodelers viewed the remodeling market as good than poor in that period), and 14 (PrimeSource internal forecast projecting increased demand for certain steel nails in 2023).

⁵⁹ Trinity's end-of-period inventories totaled *** short tons in 2019, *** short tons in 2020, *** short tons in 2021, *** short tons in interim 2021, and *** short tons in interim 2022. CR/PR at Table VII-15.

⁶⁰ CR/PR at Table VII-13.

⁶¹ Trinity's Prehearing Br. at 12, Exh. 7a. *See also* Hearing Tr. at 149-151 (Miranda).

⁶² Trinity's Prehearing Br. at 12-13, Exhs. 7b, 8; Trinity's Posthearing Br. at 2, Exhs. 1-3.

⁶³ Trinity's Prehearing Br. at 13; Trinity's Posthearing Br. at 3-4, Exhs. 4-5.

⁶⁴ Trinity's Posthearing Br. at 4, Exhs. 6-7.

because of Trinity's *** due to long and unreliable delivery times;⁶⁵ and lastly (6) Trinity's costs for staffing services, cleaning services, food services, security services, and vehicle leases, and fuel, have increased by *** percent, reflective of high and rising inflation.⁶⁶ This evidence suggests that economic and political instability in Sri Lanka will likely continue to impede Trinity's ability to produce and export steel nails in the imminent future.

In light of the above, including that subject imports from Sri Lanka remained below the negligibility threshold after February 2021 (with the exception of two months due to the clearing of import backlogs at U.S. ports), that Trinity's exports to the United States in July 2022 were *** percent lower than in July 2021, and that the record demonstrates that economic and political instability in Sri Lanka is likely to limit Trinity's production and exports of steel nails in the imminent future, we find that subject imports from Sri Lanka do not have the potential imminently to exceed the four percent threshold. We therefore terminate the countervailing duty investigation concerning steel nails from Sri Lanka.

V. Cumulation

For purposes of evaluating the volume and effects for a determination of material injury by reason of subject imports, section 771(7)(G)(i) of the Tariff Act requires the Commission to cumulate subject imports from all countries as to which petitions were filed and/or investigations self-initiated by Commerce on the same day, if such imports compete with each other and with the domestic like product in the U.S. market. In assessing whether subject

⁶⁵ Trinity's Posthearing Br. at 9, Exh. 16.

⁶⁶ Trinity's Posthearing Br. at 5, Exhs. 8a-8e.

imports compete with each other and with the domestic like product, the Commission generally has considered four factors:

- (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 geographic markets of subject 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 the subject imports are simultaneously present in the market.⁶⁷

While no single factor is necessarily determinative, and the list of factors is not exclusive, these factors are intended to provide the Commission with a framework for determining whether the subject imports compete with each other and with the domestic like product.⁶⁸ Only a “reasonable overlap” of competition is required.⁶⁹

A. Arguments of the Parties

Petitioner’s Arguments. Petitioner argues that the Commission should cumulate subject imports, as it did in the preliminary determinations. It contends that the petitions were filed on

⁶⁷ See *Certain Cast-Iron Pipe Fittings from Brazil, the Republic of Korea, and Taiwan*, Inv. Nos. 731-TA-278-280 (Final), USITC Pub. 1845 (May 1986), *aff’d*, *Fundicao Tupy, S.A. v. United States*, 678 F. Supp. 898 (Ct. Int’l Trade), *aff’d*, 859 F.2d 915 (Fed. Cir. 1988).

⁶⁸ See, e.g., *Wieland Werke, AG v. United States*, 718 F. Supp. 50 (Ct. Int’l Trade 1989).

⁶⁹ The Statement of Administrative Action (SAA) to the Uruguay Round Agreements Act (URAA), expressly states that “the new section will not affect current Commission practice under which the statutory requirement is satisfied if there is a reasonable overlap of competition.” H.R. Rep. No. 103-316, Vol. I at 848 (1994) (*citing Fundicao Tupy, S.A. v. United States*, 678 F. Supp. at 902; *see Goss Graphic Sys., Inc. v. United States*, 33 F. Supp. 2d 1082, 1087 (Ct. Int’l Trade 1998) (“cumulation does not require two products to be highly fungible”); *Wieland Werke, AG*, 718 F. Supp. at 52 (“Completely overlapping markets are not required.”)).

the same day and there is a reasonable overlap of competition between and among subject imports from each source and the domestic like product.⁷⁰ Petitioner also submits that the Commission should cumulate subject imports from Thailand with subject imports from India, Oman, and Turkey, as subject imports from Thailand remain subject to the antidumping duty investigation and may be cross-cumulated with imports subject to these countervailing duty investigations.⁷¹

Respondents' Arguments. Joint Respondents argue that Thailand should be excluded from the subject country category in these investigations due to Commerce's zero percent countervailing duty margin in its final determinations. Instead, Thailand should be considered a nonsubject supplier for purposes of the Commission's determinations, such that imports from Thailand should not be cumulated with other imports subject to these countervailing duty investigations.⁷²

B. Analysis

The statutory threshold for cumulation is satisfied in these investigations because Petitioners filed the antidumping and countervailing duty petitions with respect to all four

⁷⁰ Petitioner's Prehearing Br. at 10-15.

⁷¹ Petitioner's Final Comments at 1-2.

⁷² Joint Respondents' Posthearing Br., Exh. 1, Response to Commission Questions, at 5. The Commission notes that imports from Thailand remain subject to an antidumping investigation, and cumulates those imports with imports from Oman subject to the countervailing duty investigation, and imports from India and Turkey subject to the antidumping and countervailing duty investigations. *See, e.g., Polyethylene Terephthalate (PET) Resin from Canada, China, India, and Oman*, Inv. Nos. 701-TA-531-532 and 731-TA-1270-1273 (Final), USITC Pub. 4604 at 9-11 (April 2016); *Circular Welded Carbon-Quality Steel Pipe from India, Oman, the United Arab Emirates, and Vietnam*, Inv. Nos. 701-TA-482 to 484 (Final), USITC Pub. 4362 at 12 n.59 (Dec. 2012); *Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Final), USITC Pub. 3509 at 29-31 (May 2009); *Bingham & Taylor v. United States*, 815 F.2d 982 (Fed. Cir. 1987).

subject countries on the same day, December 31, 2021.⁷³ As discussed below, the record in the final phase of these investigations continues to demonstrate that there is a reasonable overlap of competition between the domestic like product and imports from India, Oman, Thailand and Turkey, and among imports from each subject country.⁷⁴

Fungibility. The record indicates that domestically produced steel nails and imports of steel nails from each subject country of the same type are fungible.⁷⁵ Most responding U.S. producers, importers, and purchasers reported that subject imports from each subject country are always or frequently interchangeable with each other as well as with domestically produced steel nails.⁷⁶

In 2021, domestically produced steel nails and subject imports from all sources were sold in overlapping forms and finishes, with the largest volume of U.S. shipments of steel nails from all sources consisting of bright steel nails.⁷⁷ Consequently, the record indicates that the domestic like product and steel nails from each subject source are fungible.

⁷³ Statutory exceptions apply to preclude cumulation of imports from Sri Lanka subject to both the countervailing and antidumping duty investigations. Pursuant to 19 U.S.C. § 1677(7)(G)(ii)(II), the Commission shall not cumulate imports for an investigation that is terminated; therefore, we are precluded from cumulating steel nail imports from Sri Lanka subject to the countervailing duty investigation on the basis that such imports are negligible for purposes of both present and threat of material injury. Pursuant to 19 U.S.C. § 1677(7)(G)(ii)(I), the Commission shall not cumulate imports for an investigation in which Commerce has made a preliminary negative determination, unless it subsequently has made a final affirmative determination; Commerce has made a preliminary negative antidumping duty determination with respect to imports of steel nails from Sri Lanka, and thus such imports cannot be cumulated at this time. See 87 Fed. Reg. 47,701.

⁷⁴ For purposes of the present material injury analysis, cumulation involves imports from Oman subject to the countervailing duty investigation, imports from Thailand subject to the antidumping duty investigation (as the countervailing duty investigation with respect to Thailand has been terminated), and imports from India and Turkey with respect to the antidumping and countervailing duty investigations.⁷⁵ CR/PR at II-17.

⁷⁵ CR/PR at II-17.

⁷⁶ CR/PR at Tables II-11-II-13.

⁷⁷ CR/PR at Tables IV-7, F-1.

Channels of Distribution. During the POI, domestically produced steel nails and subject imports were sold primarily to distributors.⁷⁸ The remainder of domestically produced steel nails supplied end-users, followed by retailers, whereas the remainder of subject imports from each source supplied retailers, followed by end users, with the exception of subject imports from Thailand.⁷⁹ Thus, the record shows overlapping channels of distribution with respect to domestically produced and subject imported steel nails.

Geographic Overlap. Domestically produced steel nails and imports from each subject country were sold in all geographic market areas of the United States.⁸⁰ In addition, imports from each subject country entered the United States through all borders of entry in substantial volumes in 2021.⁸¹ The record thus shows that imports from each subject country and domestically produced steel nails were sold in overlapping geographical areas.

Simultaneous Presence in Market. Official U.S. import statistics indicate that imports of steel nails from each subject source were present in the U.S. market with the domestic like product in every month of the POI.⁸²

Conclusion. The record shows that imports from each eligible subject country are fungible with the domestic like product and with each other, and that subject imports from each subject country and the domestic like product overlapped in terms of channels of distribution and geographic markets. The record also indicates that imports from each subject country and the domestic like product were simultaneously present in the U.S. market.

⁷⁸ CR/PR at Table II-1.

⁷⁹ CR/PR at Table II-1.

⁸⁰ CR/PR at Table II-2.

⁸¹ CR/PR at Table IV-9.

⁸² CR/PR at Table IV-10.

Because the record indicates that there is a reasonable overlap of competition between and among imports from each subject country and the domestic like product, we cumulate subject imports from India, Oman, Thailand, and Turkey for purposes of our material injury analysis.

VI. No Material Injury by Reason of Subject Imports

Based on the record in the final phase of these investigations, we find that an industry in the United States is not materially injured by reason of imports of steel nails from India, Oman, and Turkey found by Commerce to be subsidized by the governments of India, Oman, and Turkey.

A. Legal Standards

In the final phase of antidumping and countervailing duty investigations, the Commission determines whether an industry in the United States is materially injured or threatened with material injury by reason of the imports under investigation.⁸³ In making this determination, the Commission must consider the volume of subject imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.⁸⁴ The statute defines “material injury” as “harm which is not inconsequential, immaterial, or unimportant.”⁸⁵ In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United

⁸³ 19 U.S.C. §§ 1671d(b), 1673d(b).

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

⁸⁵ 19 U.S.C. § 1677(7)(A).

States.⁸⁶ No single factor is dispositive, and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”⁸⁷

Although the statute requires the Commission to determine whether the domestic industry is “materially injured or threatened with material injury by reason of” unfairly traded imports,⁸⁸ it does not define the phrase “by reason of,” indicating that this aspect of the injury analysis is left to the Commission’s reasonable exercise of its discretion.⁸⁹ In identifying a causal link, if any, between subject imports and material injury to the domestic industry, the Commission examines the facts of record that relate to the significance of the volume and price effects of the subject imports and any impact of those imports on the condition of the domestic industry. This evaluation under the “by reason of” standard must ensure that subject imports are more than a minimal or tangential cause of injury and that there is a sufficient causal, not merely a temporal, nexus between subject imports and material injury.⁹⁰

⁸⁶ 19 U.S.C. § 1677(7)(C)(iii).

⁸⁷ 19 U.S.C. § 1677(7)(C)(iii).

⁸⁸ 19 U.S.C. §§ 1671d(b), 1673d(b).

⁸⁹ *Angus Chemical Co. v. United States*, 140 F.3d 1478, 1484-85 (Fed. Cir. 1998) (“{T}he statute does not ‘compel the commissioners’ to employ {a particular methodology}.”), *aff’g*, 944 F. Supp. 943, 951 (Ct. Int’l Trade 1996).

⁹⁰ The Federal Circuit, in addressing the causation standard of the statute, observed that “{a}s long as its effects are not merely incidental, tangential, or trivial, the foreign product sold at less than fair value meets the causation requirement.” *Nippon Steel Corp. v. USITC*, 345 F.3d 1379, 1384 (Fed. Cir. 2003). This was further ratified in *Mittal Steel Point Lisas Ltd. v. United States*, 542 F.3d 867, 873 (Fed. Cir. 2008), where the Federal Circuit, quoting *Gerald Metals, Inc. v. United States*, 132 F.3d 716, 722 (Fed. Cir. 1997), stated that “this court requires evidence in the record ‘to show that the harm occurred “by reason of” the LTFV imports, not by reason of a minimal or tangential contribution to material harm caused by LTFV goods.’” *See also Nippon Steel Corp. v. United States*, 458 F.3d 1345, 1357 (Fed. Cir. 2006); *Taiwan Semiconductor Industry Ass’n v. USITC*, 266 F.3d 1339, 1345 (Fed. Cir. 2001).

In many investigations, there are other economic factors at work, some or all of which may also be having adverse effects on the domestic industry. Such economic factors might include nonsubject imports; changes in technology, demand, or consumer tastes; competition among domestic producers; or management decisions by domestic producers. The legislative history explains that the Commission must examine factors other than subject imports to ensure that it is not attributing injury from other factors to the subject imports, thereby inflating an otherwise tangential cause of injury into one that satisfies the statutory material injury threshold.⁹¹ In performing its examination, however, the Commission need not isolate the injury caused by other factors from injury caused by unfairly traded imports.⁹² Nor does

⁹¹ SAA at 851-52 (“{T}he Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.”); S. Rep. 96-249 at 75 (1979) (the Commission “will consider information which indicates that harm is caused by factors other than less-than-fair-value imports.”); H.R. Rep. 96-317 at 47 (1979) (“in examining the overall injury being experienced by a domestic industry, the ITC will take into account evidence presented to it which demonstrates that the harm attributed by the petitioner to the subsidized or dumped imports is attributable to such other factors;” those factors include “the volume and prices of nonsubsidized imports or imports sold at fair value, contraction in demand or changes in patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry”); *accord Mittal Steel*, 542 F.3d at 877.

⁹² SAA at 851-52 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports.”); *Taiwan Semiconductor Industry Ass’n*, 266 F.3d at 1345 (“{T}he Commission need not isolate the injury caused by other factors from injury caused by unfair imports Rather, the Commission must examine other factors to ensure that it is not attributing injury from other sources to the subject imports.” (emphasis in original)); *Asociacion de Productores de Salmon y Trucha de Chile AG v. United States*, 180 F. Supp. 2d 1360, 1375 (Ct. Int’l Trade 2002) (“{t}he Commission is not required to isolate the effects of subject imports from other factors contributing to injury” or make “bright-line distinctions” between the effects of subject imports and other causes.); *see also Softwood Lumber from Canada*, Inv. Nos. 701-TA-414 and 731-TA-928 (Remand), USITC Pub. 3658 at 100-01 (Dec. 2003) (Commission recognized that “{i}f an alleged other factor is found not to have or threaten to have injurious effects to the domestic industry, *i.e.*, it is not an ‘other causal factor,’ then there is nothing to further examine regarding attribution to injury”), *citing Gerald Metals*, 132 F.3d at 722 (the statute “does not suggest that an importer of LTFV goods can escape countervailing duties by finding some tangential or minor cause unrelated to the LTFV goods that contributed to the harmful effects on domestic market prices.”).

the “by reason of” standard require that unfairly traded imports be the “principal” cause of injury or contemplate that injury from unfairly traded imports be weighed against other factors, such as nonsubject imports, which may be contributing to overall injury to an industry.⁹³ It is clear that the existence of injury caused by other factors does not compel a negative determination.⁹⁴

Assessment of whether material injury to the domestic industry is “by reason of” subject imports “does not require the Commission to address the causation issue in any particular way” as long as “the injury to the domestic industry can reasonably be attributed to the subject imports.”⁹⁵ The Commission ensures that it has “evidence in the record” to “show that the harm occurred ‘by reason of’ the LTFV imports,” and that it is “not attributing injury from other sources to the subject imports.”⁹⁶ The Federal Circuit has examined and affirmed various Commission methodologies and has disavowed “rigid adherence to a specific formula.”⁹⁷

⁹³ S. Rep. 96-249 at 74-75; H.R. Rep. 96-317 at 47.

⁹⁴ See *Nippon Steel Corp.*, 345 F.3d at 1381 (“an affirmative material-injury determination under the statute requires no more than a substantial-factor showing. That is, the ‘dumping’ need not be the sole or principal cause of injury.”).

⁹⁵ *Mittal Steel*, 542 F.3d at 876 &78; see also *id.* at 873 (“While the Commission may not enter an affirmative determination unless it finds that a domestic industry is materially injured ‘by reason of’ subject imports, the Commission is not required to follow a single methodology for making that determination ... {and has} broad discretion with respect to its choice of methodology.”) citing *United States Steel Group v. United States*, 96 F.3d 1352, 1362 (Fed. Cir. 1996) and S. Rep. 96-249 at 75. In its decision in *Swift-Train v. United States*, 793 F.3d 1355 (Fed. Cir. 2015), the Federal Circuit affirmed the Commission’s causation analysis as comporting with the Court’s guidance in *Mittal*.

⁹⁶ *Mittal Steel*, 542 F.3d at 873 (quoting from *Gerald Metals*, 132 F.3d at 722), 877-79. We note that one relevant “other factor” may involve the presence of significant volumes of price-competitive nonsubject imports in the U.S. market, particularly when a commodity product is at issue. In appropriate cases, the Commission collects information regarding nonsubject imports and producers in nonsubject countries in order to conduct its analysis.

⁹⁷ *Nucor Corp. v. United States*, 414 F.3d 1331, 1336, 1341 (Fed. Cir. 2005); see also *Mittal Steel*, 542 F.3d at 879 (“*Bratsk* did not read into the antidumping statute a Procrustean formula for determining whether a domestic injury was ‘by reason’ of subject imports.”).

The question of whether the material injury threshold for subject imports is satisfied notwithstanding any injury from other factors is factual, subject to review under the substantial evidence standard.⁹⁸ Congress has delegated this factual finding to the Commission because of the agency's institutional expertise in resolving injury issues.⁹⁹

B. Conditions of Competition and the Business Cycle

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

1. Demand Considerations

Steel nails are used in various carpentry and construction applications, and to produce housing, wooden fencing, furniture, and pallets.¹⁰⁰ U.S. demand for steel nails is driven by demand for construction activity, particularly in residential housing, and is also influenced by overall economic activity.¹⁰¹ Demand for steel nails exhibits some seasonality, declining during the winter months due in part to decreased construction activity in colder regions.¹⁰²

Most responding firms reported that demand for steel nails increased during the POI; at the staff conference, representatives of Mid Continent and Kyocera-Senco, along with respondents' counsel and economist, characterized demand for steel nails at that time as

⁹⁸ We provide in our discussion below a full analysis of other factors alleged to have caused any material injury experienced by the domestic industry.

⁹⁹ *Mittal Steel*, 542 F.3d at 873; *Nippon Steel Corp.*, 458 F.3d at 1350, citing *U.S. Steel Group*, 96 F.3d at 1357; S. Rep. 96-249 at 75 ("The determination of the ITC with respect to causation is ... complex and difficult, and is a matter for the judgment of the ITC.").

¹⁰⁰ CR/PR at II-1, II-15. Most firms reported that there are no substitutes for steel nails. *Id.*, at II-17. Screws, staples, and adhesives were noted as possible substitutes in certain applications. *Id.*

¹⁰¹ CR/PR at II-14-II-15. Between January 2019 and March 2022, seasonally adjusted housing under construction increased 41.2 percent; since March 2022 it has increased by 3.1 percent. *Id.*, at II-14. Data also indicate that the number of housing permits issued generally increased on an annual basis between 2019 and the first half of 2022. See worksheet, EDIS Doc. No. EDIS 779866 (Sep. 13, 2022).

¹⁰² CR/PR at II-16.

“strong,” “soaring,” “increasing,” and “skyrocketing.”¹⁰³ The parties generally agree that the COVID-19 pandemic increased demand for steel nails for construction and home improvement activities as lockdown and stay-at-home restrictions issued, and for steel nails used in retail and end-use application as these restrictions eased.¹⁰⁴ The record indicates that apparent U.S. consumption of steel nails increased throughout the POI, from 806,843 short tons in 2019 to 881,972 short tons in 2020 and 1.03 million short tons in 2021, a level 27.1 percent higher than in 2019; it was 10.3 percent higher in interim 2022, at 265,527 short tons, than in interim 2021, at 240,721 short tons.¹⁰⁵

Regarding future demand, the record indicates that demand for steel nails is likely to remain strong. Monthly data concerning the U.S. shipments of domestic producers and importers collected through June 2022 indicate that apparent U.S. consumption was 5.0 percent higher in January through June 2022 than in January through June 2021, and 10.5 percent higher than in July through December 2021.¹⁰⁶ Further, U.S. housing permits, a forward indicator of steel nails demand, generally increased on an annual basis between 2019 and 2021, and were *** percent higher in January through July 2022 than in January through July 2021.^{107 108}

¹⁰³ CR/PR at II-16 and Table II-4.

¹⁰⁴ CR/PR at II-1, Hearing Tr. at 37 (Stachowiak), 98 (Kanna), 135-136 (Prusa). *See also* Conf. Tr. at 16 (Kanna), 57 (Skarich), 59 (Jeong), 164-166 (Buedel), 172 (Rogowsky), 203 (Smith), 222-223 (Kastner), 224 (Mazur).

¹⁰⁵ CR/PR at Tables IV-11, C-1.

¹⁰⁶ CR/PR at Table IV-15, Figure IV-9.

¹⁰⁷ CR/PR Table IV-15; Worksheet, EDIS Doc. No. 779866 (Sep. 9, 2022). As housing permits must be issued before construction may begin, such permits represent a forward-looking indicator of demand for construction activity and, by extension, steel nails.

¹⁰⁸ The parties disagree on future demand trends. Petitioner contends that housing starts and the issuance of new housing permits are down in 2022, such that demand is slowing from the elevated levels seen throughout the second half of the POI. Petitioner’s Posthearing Br., Exh. 1 at 21-22. Hillman

2. Supply Considerations

The domestic industry, cumulated subject imports, and other imports not subject to cumulation (*i.e.*, imports from Sri Lanka and nonsubject imports) supplied steel nails to the U.S. market during the POI.

The domestic industry held the smallest share of the U.S. steel nails market throughout the POI, by quantity and by value; as measured by quantity, its share of apparent U.S. consumption declined irregularly from 14.9 percent in 2019 to 12.9 percent in 2021; it was lower in interim 2022, at 11.1 percent, than in interim 2021, at 14.9 percent.¹⁰⁹

The domestic industry currently consists of ten firms.¹¹⁰ Petitioner is the largest U.S. producer, accounting for *** percent of domestic production in 2021.¹¹¹ The domestic industry underwent several changes during the POI. Wire Mesh Corp. ceased producing steel nails in 2019.¹¹² Legacy Fasteners LLC (“Legacy”), which entered the market in 2017 by acquiring the assets of former domestic producer ***, increased its production of steel nails during the POI in Poplar Bluff, Missouri, near Petitioner’s production facility.¹¹³ During the POI, ***.¹¹⁴

forecasts that demand in 2023 and 2024 will be “somewhat flat.” Hillman’s Posthearing Br., Att. 1, Responses to Commission Questions, at 1, Exh. 1. Joint Respondents characterize the drop-off in new housing starts in the first half of 2022 as modest, and contend that home remodeling data and its internal forecasts project strong demand through 2023. Joint Respondents’ Prehearing Br. at 72-73, Exhs. 1, 2, 3, 14. We recognize that the rate of growth in demand may moderate in the imminent future even as demand remains strong.

¹⁰⁹ CR/PR at Tables IV-11, C-1.

¹¹⁰ CR/PR at III-1. As indicated above, nine domestic producers provided usable data on their steel nail operations in the final phase of these investigations. *Id.*

¹¹¹ CR/PR at Table III-1.

¹¹² Petitioner’s Prehearing Br. at 32.

¹¹³ Astrotech and Trinity’s Postconf. Br. at 16-17; CR/PR at II-7 n.16.

¹¹⁴ CR/PR at Table III-3.

Subject imports were the second largest source of steel nails in the U.S. market, by quantity. Cumulated subject imports, as a share of apparent U.S. consumption, fluctuated over the POI; they declined irregularly between 2019 and 2021, from 24.2 percent in 2019 to 24.0 percent in 2021, and were higher in interim 2022, at 24.9 percent, than in interim 2021, at 23.6 percent.¹¹⁵

Imports not subject to cumulation (*i.e.*, nonsubject imports and imports from Sri Lanka), were the largest source of steel nails in the U.S. market, by quantity. Their share of apparent U.S. consumption increased throughout the POI, from 60.9 percent in 2019 to 63.1 percent in 2021; they were higher in interim 2022, at 64.0 percent, than in interim 2021, at 61.5 percent.¹¹⁶ The largest sources of nonsubject imports were China, Malaysia, South Korea, Taiwan, as well as Mexico and Canada.¹¹⁷

Most responding domestic producers, importers, and purchasers reported experiencing supply constraints that increased in frequency throughout the POI, which they attributed to labor shortages, production shutdowns, and supply chain disruptions caused by the COVID-19 pandemic, including a lack of available ocean carrier transport and bottlenecks at offloading U.S. port facilities.¹¹⁸ Out of 46 responding purchasers, 28 reported experiencing supply constraints from domestic producers and 21 reported experiencing supply constraints from

¹¹⁵ CR/PR at Tables IV-11, C-1.

¹¹⁶ CR/PR at Tables IV-11, C-1.

¹¹⁷ CR/PR at IV-4. Steel nails imported from China, the United Arab Emirates, Korea, Malaysia, Oman, Taiwan, and Vietnam are subject to antidumping duty orders; steel nails imported from Vietnam are subject to a countervailing duty order. *Id.*, at Table I-2.

¹¹⁸ CR/PR at II-9-II-13, Figures II-2-II-4, Tables E-2-E-4.

importers of subject merchandise.¹¹⁹ Purchasers reported that their “fill rate” (*i.e.*, the share of their desired purchases satisfied by domestic producers and importers) declined from 98.2 percent in 2019 to 93.9 percent in 2020, and 89.5 percent in 2021 and 89.3 percent in interim 2022.¹²⁰

The domestic industry’s overall installed capacity¹²¹ increased irregularly during the POI, from 353,357 short tons in 2019 to 352,299 short tons in 2020 and 359,77 short tons in 2021, a level 1.8 percent lower than in 2019; it was 2.4 percent higher in interim 2022, at 92,195 short tons, than in interim 2021, at 89,955 short tons.¹²² The domestic industry’s

¹¹⁹ CR/PR at Tables E-5-6. Reported constraints concerning domestic producers included refusals to supply, allocations and, in two instances, longer lead times due to shipping delays. Reported constraints concerning subject imports included allocations, and longer lead times due to shipping delays. *Id.*, at Table E-6. Twenty-five of the 46 responding purchasers reported experiencing nonsubject import supply constraints during this period. *Id.* Five of these purchasers reported nonsubject import supply constraints in the form of longer lead times due to shipping delays. *Id.*

¹²⁰ CR/PR at Figure II-1, Table E-1. *See also* Joint Respondents’ Prehearing Br. at 18-19, Exh. 6 (showing declines in *** fill rates, which it defines, differently, as “{t}he ability to provide the product that customers order,” from pre-pandemic levels from April 2020 through January 2022).

¹²¹ Commission staff collected U.S. and foreign producers’ production capacity on both of the following bases:

i) Installed overall production capacity, which is the level of production that the establishment(s) could have attained, assuming the firm’s optimal product mix, and based solely on existing capital investments, *i.e.*, machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as “nameplate” or “theoretical” capacity.

ii) Practical overall production capacity is the level of production that the establishment(s) could reasonably have expected to attain, taking into account the firm’s actual product mix over the period. This capacity measure is based on not only existing capital investments, *i.e.*, machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) the firm’s existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited the firm’s ability to produce the reported products. This capacity measure is the maximum “practical” production the firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period. CR/PR at Notes to Tables III-4, VII-5, VII-11, VII-24, VII-30.

¹²² CR/PR at Table III-4.

practical production capacity declined irregularly during the POI, from 182,291 short tons in 2019 to 149,362 short tons in 2020 and 158,238 short tons in 2021, a level 13.2 percent lower than in 2019; it was 7.2 percent higher in interim 2022, at 42,043 short tons, than in interim 2021, at 39,223 short tons.¹²³ According to Petitioner, the domestic industry experienced a “capacity constriction” between 2019 and 2021 owing in part to a “sharp decline” in the number of production and related workers (“PRWs”) and labor shortages that hindered its ability to hire additional PRWs as demand increased after 2020.^{124 125}

Five of nine responding U.S. producers, which accounted for *** percent of domestic production in 2021, reported supply constraints during the POI.¹²⁶ Responding domestic producers generally attributed their supply constraints to a combination of increased demand, labor shortages, and supply chain disruptions resulting from the COVID-19 pandemic.

Petitioner reported that “***.”¹²⁷ Domestic producer Kyocera-Senco reported “***.”¹²⁸

¹²³ CR/PR at Tables III-5, C-1.

¹²⁴ Petitioner’s Prehearing Br. at 15, 33-34. *See also* CR/PR at Tables III-6, C-1.

¹²⁵ We observe that the entire decline in the domestic industry’s employment between 2019 and 2021, from 796 PRWs in 2019 to 736 PRWs in 2021, was driven by ***, which reduced its employment by *** PRWs over the period while all other U.S. producers reported increased employment. CR/PR at Tables III-16, III-17. Similarly, *** accounted for *** of the reduction in the domestic industry’s PRWs in interim 2022 compared to interim 2021 (*** of the *** PRW reduction). *Id.* Of all responding domestic producers, only *** had fewer PRWs in 2019 than in 2021 or interim 2022. *Id.* We note that Legacy, which entered the market in 2017 and is *** located in Poplar Bluff, Missouri, *** its number of PRWs from *** to *** between 2019 and 2021 and *** of PRWs between the interim periods. *Id.*

As discussed below, the domestic industry’s declining employment was accompanied by increasing hours worked per PRW and productivity during this period. *Id.*

¹²⁶ *See* CR/PR at Tables III-1, E-5 (the narrative responses of ***, reporting COVID-related supply chain disruptions affecting availability of raw materials and labor shortages).

¹²⁷ CR/PR at Table E-5.

¹²⁸ CR/PR at Table E-5. We note that ***, refers in its questionnaire to Kyocera-Senco’s *** questionnaire at II-4.

Domestic producer Legacy reported that “***.”¹²⁹ Similarly, domestic producer Tree Island reported that “***.”¹³⁰

The severity of the supply constraints affecting domestic producers is also reflected in hearing testimony from domestic and respondent witnesses as to the limitations on domestic supplies of steel nails,¹³¹ with Mid Continent reporting that it put customers on allocation, reducing volumes available and/or eliminating certain offerings of products altogether, due to a lack of sufficient capacity. Email correspondence between Petitioner and prospective purchasers dated from February 2019 to January 2022 show that Petitioner declined new business owing to a stated lack of capacity, COVID-related supply chain disruptions, and labor shortages.¹³² For example, in an email dated October 7, 2021, Petitioner’s sales representative indicated to a Boise Cascade representative that “***.”¹³³ In another email, dated September 15, 2020, Petitioner’s sales representative told a PrimeSource representative that of the ***

¹²⁹ CR/PR at Table E-5.

¹³⁰ CR/PR at Table E-5. Tree Island “***.” *Id.*

¹³¹ See Hearing Tr. at 132-133 (Buedel) (stating that “{i}n 2021, Mid Continent told us that they had recently reviewed their capacity and that they were putting customers on allocation due to a lack of capacity.”); Conf. Tr. at 87 (Skarich) (indicating that “we had to go to allocation 12 months ago because we had too many people wanting too many nails that we couldn’t produce because of the lack of labor.”); 140-141 (Ippoliti) (stating that “{b}etween 2020 and 2021, SouthernCarlson’s units sold increased over 15 percent, but the domestic industry has placed us on allocation, reduced volumes available, and/or eliminated nail line offerings altogether.”); 164 (Buedel) (indicating that “the fact that Mid Continent has been turning away business the past two years is a well-known fact to all”).

¹³² See Joint Respondents’ Prehearing Br. at 13-15, Exh. 4; Hillman’s Posthearing Br., Exh. 4. See also Coalition of U.S. Importers’ Postconf. Br., Exhs. 1, 4, 6, 8; Oman Fasteners’ Postconf. Br., Exh. 2; Joint Respondents’ Postconf. Br., Exhs. 5-6.

¹³³ Coalition of U.S. Importers’ Postconf. Br., Exh. 8.

types of nails marketed by Mid Continent, it had *** types of nails, could only produce *** tons for ***, and could only produce the other *** types of nails at *** percent capacity.^{134 135}

While both domestic producers and subject imports were affected by supply constraints, particularly in the later portion of the POI, the percentage of U.S. purchasers reporting domestic supply constraints was higher than those reporting constraints on subject imports.¹³⁶

3. Substitutability and Other Conditions

We find that there is a moderate-to-high degree of substitutability between domestically produced steel nails and subject imported nails of the same type.¹³⁷ As discussed above, most responding domestic producers, importers, and purchasers reported that domestic and subject steel nails are always or frequently interchangeable, and domestic and subject steel nails from all sources were sold in overlapping forms and finishes.¹³⁸ Most responding purchasers reported that the domestic like product and subject imports from each source were

¹³⁴ Joint Respondents' Prehearing Br., Exh. 4.

¹³⁵ Eleven of 30 responding U.S. importers, which accounted for *** percent of imports of subject merchandise in 2021, reported supply constraints from subject sources during the POI. CR/PR at Tables IV-1, E-6. They generally attributed their supply constraints to production and supply chain disruptions resulting from the COVID-19 pandemic. *Id.*, at Table E-6. For example, importer Astrotech reported that *** *Id.* Importer SouthernCarlson reported that *** *Id.* Similarly, importer Fasteners Afloat reported that *** *Id.*

¹³⁶ CR/PR at Tables E-2 and E-3. In the first half of 2021, 52 percent of purchasers reported frequent supply constraints by domestic producers, compared to only 35 percent that reported frequent supply constraints by subject sources. In the second half of 2021, 50 percent of purchasers reported frequent domestic supply constraints, while the percentage for subject sources remained lower, at 40 percent. By the interim 2022 period, 50 percent of purchasers continued to report frequent domestic supply constraints, while the percentage fell to 32 percent for subject sources. *Id.*

¹³⁷ CR/PR at II-17.

¹³⁸ See Section VI.B. above.

comparable in terms of most purchasing factors.¹³⁹ However, substitutability between domestically produced steel nails and subject imports is limited by domestic availability to produce steel nails.¹⁴⁰

We also find that while price is an important factor in purchasing decisions, availability is the most important factor as reported by purchasers. The number of firms (37) that ranked availability as being among the top-three factors influencing their purchasing decisions was greater than the number of firms that ranked quality (34) and price (31) as being among their top-three purchasing factors.¹⁴¹ Responding purchasers cited availability/lead times, quality, and price most frequently as the top-three factors influencing their purchasing decisions,¹⁴² with quality cited most frequently as the first-most important purchasing factor, followed by availability/lead times cited most frequently as the second-most important factor and price most frequently as the third-most important factor.¹⁴³ When asked to rate the importance of 16 factors in their purchasing decisions, purchasers cited the following non-price factors as very important more frequently than price: availability, product consistency, quality meets industry standards, reliability of supply, and delivery time.^{144 145}

¹³⁹ CR/PR at Table II-10. Further, most purchasers reported that domestic, subject, and nonsubject steel nails always or usually met minimum quality specifications. *Id.*, at Table II-8.

¹⁴⁰ CR/PR at II-17.

¹⁴¹ CR/PR at Table II-6. Price was the third-most frequently cited “first-most important purchasing factor,” as well as the third-most frequently cited “second-most important purchasing factor” (in both cases behind quality and availability/lead time). *Id.*

¹⁴² CR/PR at Table II-6.

¹⁴³ CR/PR at Table II-6.

¹⁴⁴ CR/PR at Table II-7. Whereas between 40-45 purchasers rated these non-price factors as very important only 28 purchasers rated price as very important. *Id.*

¹⁴⁵ Eighteen of 44 responding purchases reported that they require their suppliers to become certified or qualified; the time to qualify a new supplier typically ranged from one to 180 days. CR/PR at II-21.

Steel nails are predominantly sold on a produced-to-order basis, although U.S. producers and importers reported significant U.S. shipments from inventory. Responding U.S. producers reported lead times averaging 55 days for steel nails produced to order and 11 days for steel nails shipped from inventory; responding importers reported lead times of 134 days for steel nails produced to order and seven days for steel nails shipped from inventory.¹⁴⁶ Steel nails are sold primarily ***.¹⁴⁷ Both responding domestic producers and importers reported selling the vast majority of their steel nails in the spot market, although certain U.S. producers and importers also reported using contracts.¹⁴⁸

As discussed above, the COVID-19 pandemic caused global disruptions to steel nail producing industries.¹⁴⁹ Disruptions affecting imports of steel nails included production shutdowns at the height of the pandemic, shipping container delays, increased freight costs, and congestion and resulting delays at U.S. ports.¹⁵⁰ Petitioner contends that these disruptions are temporary, and that their effects are already receding.¹⁵¹ However, the record indicates

¹⁴⁶ CR/PR at II-20.

¹⁴⁷ CR/PR at Table V-4.

¹⁴⁸ CR/PR at Table V-5.

¹⁴⁹ See CR/PR at Tables VI-14, VII-2, VII-14, VII-27.

¹⁵⁰ See Joint Respondents' Prehearing Br. at 17-22, Exh. 5; Hillman's Posthearing Br., Att. 1 at 1-6, 8; Trinity's Prehearing Br., Exhs. 2a-2b,

¹⁵¹ Petitioner's Prehearing Br. at 23 n.88; Petitioner's Posthearing Br., Exh. 1 at 40-43. See also Hearing Tr. at 46-47 (Lutz), 34-35, 96-97 (Skarich).

that shipping container delays¹⁵² and congestion at U.S. ports may continue beyond 2022,¹⁵³ while freight costs are likely to remain elevated through 2023.¹⁵⁴

The main raw material used to produce steel nails is steel wire drawn primarily from wire rod or steel plate and strips.¹⁵⁵ Imports of wire rod from various sources are subject to antidumping and/or countervailing duty orders.¹⁵⁶ Imports of wire rod from sources other than Argentina, Australia, Brazil, Canada, Korea, and Mexico, are subject to additional tariffs of 25

¹⁵² U.S producer *** reported container shortages in its questionnaire response; importer *** likewise identified *** as a supply constraint in its questionnaire response. CR/PR at V-6 and Tables E-5, E-6. Information submitted by respondents indicates that subject import lead times have been increasing throughout the POI. See Trinity's Posthearing Br., Exh. 16 (containing an email from SouthernCarlson to Trinity dated August 12, 2022, projecting shipping delays reaching 300 days by end-2022); Hillman's Posthearing Br., Att. 1 at 9, Exh. 7 (indicating increasing lead times for two of its vendors, including one based in Thailand); and Joint Respondents' Posthearing Br., Exh. 1 at 1-2, Exhs. 5-6 (containing lead times data compiled by *** and *** for their vendors indicating growing lead times towards the end of the POI, particularly for vendors overseas); see also Hearing Tr. at 155-56 (Buedel), 193 (Rhodus).

¹⁵³ Trinity's Prehearing Br., Exh. 2b. See also Petitioner's Posthearing Br., Exh. Q10-2 (indicating that rail backlogs are "becoming a growing problem" and looming labor disputes "may further disrupt ground transportation.").

¹⁵⁴ See Joint Respondents' Posthearing Br., Exh. 1 at 13-14, Exhs. 3 (showing PrimeSource's actual freight costs from 2018 through 2023), 4 (containing a consulting firm's forecasts regarding shipping costs, which are projected to remain elevated into 2023). See also Hillman's Posthearing Br., Exh. 6; Trinity's Posthearing Br. at 8-9, Exh. 14. Petitioner appended a report to its posthearing brief by a logistics provider indicating that shipping container costs declined by three percent in the week of August 18, 2022, and by 35 percent compared to the same week of 2021. Petitioner's Posthearing Br., Exh. Q13-1. We note that other information filed by Petitioner, namely a report from a separate logistics provider, corroborates this year-on-year decline in container costs but notes that current rates are "still more than 4X the pre-pandemic norm" and may increase if higher diesel prices caused by the war in Ukraine are passed to shippers. *Id.*, at Exh. Q10-2. This figure is in line with Joint Respondents' indication that, while freight costs are expected to fall between 2022 and 2023, they will remain *** percent higher than in 2018 to 2019. Joint Respondents' Posthearing Br., Exh. 1 at 14; see also Hearing Tr. at 186-87 (Smith).

¹⁵⁵ CR/PR at V-1 and Table VI-4.

¹⁵⁶ See *Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, and Trinidad and Tobago*, Inv. Nos. 701-TA-417 and 731-TA-953, 957-959, and 961 (Third Review), USITC Pub. 5100 (Aug. 2020) at I-28 and I-29 and app. F.

percent *ad valorem* under Section 232 of the Trade Expansion Act of 1972 (“Section 232”).¹⁵⁷

Imports of wire rod from China are also subject to additional tariffs of 7.5 percent *ad valorem* under Section 301 of the Trade Act of 1974 (“Section 301”).¹⁵⁸

Wire rod prices declined throughout 2019, stabilized through most of 2020, then increased from late 2020 through April 2022.¹⁵⁹ Raw materials as a share of the domestic industry’s cost of goods sold (“COGS”) declined throughout the POI, from 81.9 percent in 2019 to 80.8 percent in 2020 and 74.7 percent in 2021; they were lower in interim 2022, at 72.7 percent, than in interim 2021, at 76.4 percent.¹⁶⁰

Imports of certain steel nails from sources other than Argentina, Australia, Brazil, Canada, Korea, and Mexico, including each of the countries subject to these investigations, became subject to additional tariffs of 25 percent *ad valorem* under Section 232 in February 2020, after those tariffs were extended to certain derivative steel articles, including a subset of

¹⁵⁷ CR/PR at I-13-I-15, app. D. These tariffs were issued on March 23, 2018. *Id.*, at app. D. Section 232 tariffs on steel nails and wire rod from Canada and Mexico, where Tree Island and Mid Continent have related operations, were rescinded on May 20, 2019. *Id.* at Table III-2, app. D. All U.S. producers and most importers and purchasers reported that the Section 232 tariffs increased steel nail prices during the POI. *Id.*, at Table V-2.

¹⁵⁸ CR/PR at I-15 n.31. A plurality of U.S. producers and most importers and purchasers reported that the Section 301 tariffs impacted the steel nails market during the POI, with increased steel nail prices or increased costs to produce steel nails noted as the most frequent impacts during the POI. CR/PR at V-5-V-6, Table V-3.

¹⁵⁹ CR/PR at V-1, Figure V-1, Table V-1. We observe that wire rod prices are published in indices, including the ***. *Id.*, at Table V-1 Note.

¹⁶⁰ CR/PR at Tables VI-1, C-1.

the steel nails products included in the scope of these investigations.¹⁶¹ Imports of steel nails from China are also subject to tariffs of 25 percent *ad valorem* under Section 301.¹⁶²

C. Volume of Subject Imports

Section 771(7)(C)(i) of the Tariff Act provides that the “Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.”¹⁶³

The volume of cumulated subject imports increased from 195,077 short tons in 2019 to 201,034 short tons in 2020 and 246,413 short tons in 2021, a level 26.3 percent higher than in 2019. Cumulated subject import volume was higher in interim 2022, at 66,232 short tons, than in interim 2021, at 56,763 short tons.¹⁶⁴

Cumulated subject imports fluctuated as a share of apparent U.S. consumption during the POI.¹⁶⁵ Cumulated subject imports’ share of apparent U.S. consumption declined from 24.2 percent in 2019 to 22.8 percent in 2020, then increased to 24.0 percent in 2021, a level 0.2 percentage points lower than in 2019. Cumulated subject imports’ share of apparent U.S.

¹⁶¹ CR/PR at I-13-I-15, app. D. In February 2020, three importers initiated litigation seeking suspension of collection of these duties with respect to their imports of steel nails. In April 2021, the U.S. Court of International Trade (“USCIT”) issued a decision holding that the Section 232 tariffs on steel nails were invalid and contrary to law. *PrimeSource Building Products, Inc. v. United States*, Slip Op. No. 21-36 (Ct. Int’l Trade Apr. 5, 2021). In June 2021, the United States appealed this decision to the U.S. Court of Appeals for the Federal Circuit, and obtained a partial stay of the USCIT judgment. CR/PR, at I-15. Although the three importers (PrimeSource, Oman Fasteners, and Huttig Building Products) obtained injunctions from the USCIT enjoining the collection of cash deposits of Section 232 duties on their imports, they were required to increase the liability on their bonds to reflect the additional Section 232 duties they would have deposited as a condition of the injunctions. *Id.* at I-15 n.29. All other U.S. importers have had to deposit Section 232 duties directly with U.S. Customs and Border Protection. *Id.*

¹⁶² CR/PR at I-15-I-16.

¹⁶³ 19 U.S.C. § 1677(7)(C)(i).

¹⁶⁴ CR/PR at Table IV-2.

¹⁶⁵ The Commission utilized Commerce's official import statistics for its shipments data. CR/PR at Table IV-11 Note.

consumption was higher in interim 2022, at 24.9 percent, than in interim 2021, at 23.6 percent.¹⁶⁶

Cumulated subject imports increased irregularly as a ratio to domestic industry production during the POI. The ratio of cumulated subject imports to domestic industry production declined from 161.5 percent in 2019 to 148.5 percent in 2020, then increased to 188.0 percent in 2021; it was higher in interim 2022, at 203.9 percent, than in interim 2021, at 165.4 percent.¹⁶⁷

We find that the volume and the increase in volume of cumulated subject imports were significant in absolute terms and that the volume of cumulated subject imports was also significant relative to U.S. consumption and production in the United States. For the reasons discussed below, however, we do not find that cumulated subject imports had either significant price effects or a significant impact on the domestic industry.^{168 169}

D. Price Effects of the Subject Imports

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

¹⁶⁶ CR/PR at Table IV-11.

¹⁶⁷ CR/PR at Table IV-2.

¹⁶⁸ Petitioner requests that the Commission consider 2018 for pre-pandemic context in determining material injury in the final phase of these investigations, claiming that the increase in demand driven by the COVID-19 pandemic misrepresents the injurious effects of subject imports on the domestic industry since 2018. Petitioner's Prehearing Br. at 16-17; Petitioner's Posthearing Br. at 2-4. As explained in more detail in section VI.E below, we do not find it appropriate to consider 2018 data from the preliminary phase of these investigations for purposes of our material injury analysis due to the lack of comparability.

¹⁶⁹ Commissioner Kearns observes that, in his view, consideration of 2018 data that is available on the record would not result in a different finding with respect to a lack of market share shift, price effects, and significant impact by reason of subject imports, as discussed in more detail *infra* at notes 177, 225, and 226.

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

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.¹⁷⁰

As discussed in section VI.B.3 above, we have found a moderate-to-high degree of substitutability between domestically produced steel nails and subject imports of the same type, and that price is an important factor in purchasing decisions, but other factors like availability are more important.¹⁷¹

The Commission requested U.S. producers and importers to provide quarterly data for the total quantity and f.o.b. value of seven pricing products that were sold at arm's length to unrelated U.S. customers during the first quarter of 2019 through the first quarter of 2022.¹⁷²

Six U.S. producers and 19 importers provided usable pricing data for sales of the requested

¹⁷⁰ 19 U.S.C. § 1677(7)(C)(ii).

¹⁷¹ See Section VI.B.3 above.

¹⁷² CR/PR at V-9. Consistent with how nails are sold in the market, the Commission collected data for pricing products 1 through 6 in units of 1,000 nails and data for pricing product 7 in short tons. See *id.* at Tables V-6-V-12. The seven pricing products were defined as follows:

Product 1.—Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors;

Product 2.—Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic strip collated nails sold to distributors;

Product 3.—Nominal 2" x 0.099" (12.5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors;

Product 4.—Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors;

Product 5.—Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers;

Product 6.—Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers;

Product 7.—Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users. *Id.* at V-9-V-10.

products, although not all firms reported pricing data for all products for all quarters.¹⁷³ Pricing data reported by these firms accounted for approximately 24.3 percent of the value of U.S. producers' U.S. shipments of steel nails during the POI, 21.6 percent of the value of U.S. shipments of subject imports from India, 26.7 percent of the value of U.S. shipments of subject imports from Oman, and 24.0 percent of the value of U.S. shipments of subject imports from Turkey in 2021.¹⁷⁴

According to these pricing data, imports across all subject sources undersold the domestic like product in 122 of 195 quarterly comparisons amounting to (***) nails and (***) short tons), at margins ranging from 0.2 to 91.9 percent and averaging *** percent.¹⁷⁵ Subject import underselling accounted for 62.6 percent of quarterly comparisons, which encompassed 83.7 percent of the volume of subject imports in the pricing comparisons. Subject imports oversold the domestic like product in the remaining 73 quarterly comparisons amounting to (***) nails and (***) short tons), at margins ranging from 0.0 to 35.6 percent and averaging *** percent. Subject import overselling accounted for 37.4 percent of the quarterly comparisons, which encompassed 16.3 percent of the volume of subject imports.¹⁷⁶

¹⁷³ CR/PR at V-10. There were few reported domestic sales for pricing product 4, which is a specialized product that is not normally sold; no reported domestic sales for pricing product 6; and only one available quarter of comparison for pricing product 7. *See id.* at V-27 n.23, Tables V-6-V-12.

¹⁷⁴ CR/PR at V-10. ***. U.S. producer ***, the only domestic producer that submitted data for *** reported that its *** (which has very low quantities) is a "very specialized product and not part of {its} regular collated nail offering." *Id.*

¹⁷⁵ CR/PR at Tables V-14-V-15.

¹⁷⁶ CR/PR at Tables V-14-V-15. While quarters in which there was underselling also accounted for *** of reported subject import sales volume with respect to short tons, this reflects the one available quarter for which a comparison for pricing product 7 was available. *See id.* at Table V-12.

We have also considered information regarding lost sales.¹⁷⁷ Twenty-nine of 42 responding purchasers reported buying subject imports instead of domestically produced steel nails.¹⁷⁸ Although 23 of 29 purchasers who switched to subject imports reported that subject imports were priced lower than the domestic like product, only eight of these 23 purchasers reported that price was a primary reason for purchasing subject imports instead of the domestic product.¹⁷⁹ These eight purchasers reported buying a total of *** short tons of subject steel nails instead of domestic steel nails primarily due to price.¹⁸⁰ This volume is equivalent to only *** percent of apparent U.S consumption during the POI, *** percent of the domestic industry's total sales, and *** percent of the *** short tons of cumulated subject imports these purchasers reported purchasing or importing during the POI.¹⁸¹ Purchasers who switched from domestic product to subject imports cited factors such as domestic availability or

¹⁷⁷ Petitioner argues that subject imports resulted in lost sales or lost market share because the industry was prevented from raising prices after Section 232 tariffs on steel inputs increased its costs of production in 2018, prompting U.S. producers to lose workers at the start of the POI that they subsequently struggled to rehire towards the end of the period due to labor shortages. Petitioner's Prehearing Br. at 25-26. Respondents argue that at the time of the workforce reductions, Petitioner attributed its loss of workers in 2018 and 2019 to the section 232 tariffs and not to subject imports. See *Astrotech and Trinity's Postconf. Br.*, Exh. 3; *Hillman's Posthearing Br.*, Exh. 3.

We are not persuaded by Petitioner's argument. Contemporaneous documents submitted by Petitioner do not establish that but for cumulated subject imports, the domestic industry would have been able to significantly increase sales or retain substantially more workers during the POI. Additionally, the record shows that *** reduced its employment over the POI, while all other domestic producers increased their employment and the domestic industry's hours worked per employee increased as the industry struggled to satisfy booming demand. See CR/PR at Table III-17. Indeed, domestic producer Legacy *** and nearly *** its production over the POI, even though its production operations were located in the same city as ***. CR/PR at Tables III-1, III-5. Thus, the record does not support Petitioner's argument that subject import competition in 2018 and 2019 materially contributed to the domestic industry's inability to increase its production and sales towards the end of the POI.

¹⁷⁸ CR/PR at V-33, Table V-17.

¹⁷⁹ CR/PR at Table V-17.

¹⁸⁰ CR/PR at Table V-17; EDIS Doc. Nos. 778836, 779838, 779839 (Sep. 9, 2022).

¹⁸¹ CR/PR at Tables III-8, IV-11, V-16-V-17.

capacity issues as their reasons for choosing subject imports over domestically produced steel nails, including 12 responding purchasers that reported a lack of available domestic product and long or unreliable domestic lead times as their reasons for choosing subject imports.^{182 183}

Notwithstanding the predominant underselling by subject imports, cumulated subject import market share declined by 0.2 percentage points between 2019 and 2021. As such, domestic producers did not lose market share over this period to subject imports; rather, imports not subject to cumulation including nonsubject imports account for the domestic

¹⁸² CR/PR at Table V-17. See the narrative explanations provided by ***. *Id.* As discussed above, this is corroborated by contemporaneous documentation on the record. See, e.g., Coalition of U.S. Importers' Postconf. Br., Exh. 8; Joint Respondents' Prehearing Br., Exh. 4.

¹⁸³ Petitioner contends that the record data concerning confirmed lost sales and lost revenue are understated, insofar as seven of 28 responding purchasers did not respond to the question of whether lower prices were the reason for purchasing subject imports instead of domestic product, and 34 of the 47 responding purchasers indicated that they did not know whether domestic producers lowered prices in order to compete with subject imports. Petitioner's Prehearing Br. at 26-27. Three of these purchasers properly did not answer this question, as instructed. We note that staff followed up with the four remaining purchasers that did not respond to the question concerning their reason for switching to subject imports, and received responses from two that price was a primary reason. See EDIS Doc. Nos. 779836, 779838 (Sep. 9, 2022). We have taken these revised responses into account in our examination of lost sales data. We do not find that purchasers reporting that they did not know whether domestic producers lowered their prices to compete with subject imports supports an inference that domestic producers did so.

Petitioner also appended a spreadsheet to its prehearing brief containing additional lost sales and lost revenue allegations that occurred during ***. Petitioner's Prehearing Br., Exh. 4; Petitioner's Posthearing Br., Exh. 1, 13-14, Exh. Q6-26. The Commission normally investigates allegations of lost sales and lost revenue made by the petitioner regarding transactions occurring before the petitions that are included in the petitions, while those occurring after the filing of the petitions are required of domestic producers in their questionnaire responses, to provide sufficient time for staff to investigate the allegations. See Domestic Producers' Questionnaire at Question IV-22(b). Because Petitioner's additional lost sales and revenue allegations identified no new purchasers, however, all purchasers subject to Petitioner's additional allegations previously received purchasers' questionnaires and were already given the opportunity to respond. As discussed, only eight of 42 responding purchasers confirmed that they switched to subject imports with price as a primary reason, for purchases of only *** short tons, and no responding purchaser reported that domestic producers lowered their prices to compete with subject imports. See CR/PR at V-33, Table V-17.

industry's market share loss.¹⁸⁴ Although cumulated subject import market share increased after 2020, while the domestic industry's market share declined, the domestic industry's supply constraints, discussed in section VI.B.2 above, prevented the industry from producing or selling significant additional volumes of steel nails towards the end of the POI, as domestic producers rejected new orders and placed existing customers on allocation.¹⁸⁵ Thus, the record does not support the conclusion that subject import underselling caused a significant market share shift from the domestic industry to subject imports.

We have also examined price trends over the POI. The domestic industry's sales prices for all pricing products for which data were available generally declined from the first quarter of 2019 through the second quarter of 2020, then increased through the remainder of the POI, finishing much higher at the end of the POI than the beginning.¹⁸⁶ Domestic producer prices for pricing products 1, 2, 3, 5, and 7 increased by *** percent, *** percent, *** percent, *** percent, and *** percent respectively, over the POI.¹⁸⁷ The sales prices for imports from each subject country for all pricing products for which data were available, with the exception of sales prices of imports from *** for pricing product 1, likewise increased irregularly over the POI.¹⁸⁸ Consistent with these data, no responding purchasers reported that U.S. producers had reduced their prices to compete with lower-priced subject imports from any subject country.¹⁸⁹

¹⁸⁴ The domestic industry's share of apparent U.S. consumption declined by two percentage points between 2019 and 2021, from 14.9 percent in 2019 to 12.9 percent in 2021, and reached a period low of 11.1 percent in interim 2022. CR/PR at Tables IV-11, C-1.

¹⁸⁵ CR/PR at II-9-II-13, Figure II-2, Tables IV-11, E-1-E-2. *See also* Section IV.B.2 above.

¹⁸⁶ CR/PR at Tables V-6-V-13.

¹⁸⁷ CR/PR at Tables V-6-V-13.

¹⁸⁸ CR/PR at Tables V-6-V-13.

¹⁸⁹ CR/PR at V-33. Fourteen purchasers reported that U.S. producers did not reduce prices in order to compete with lower-priced subject imports; all other purchasers responding to this question indicated they did not know. *Id.*

In light of the above, we do not find that subject imports depressed prices for the domestic like product to a significant degree.

Nor do we find that cumulated subject imports prevented price increases which otherwise would have occurred to a significant degree. The domestic industry's COGS-to-net sales ratio declined throughout the POI, from 81.9 percent in 2019 to 80.8 percent in 2020, and 74.7 percent in 2021, a level 7.2 percentage points lower than in 2019; the ratio was 72.7 percent in interim 2022, down from 76.4 percent in interim 2021.¹⁹⁰ The decline in this ratio indicates that U.S. producers were successful in increasing their net sales average unit values ("AUVs") by a greater amount than the increase to their unit COGS over the POI.¹⁹¹ Specifically, between 2019 and 2021, the domestic industry's net sales AUVs increased by \$385.70 per short ton, while its unit COGS increased by \$159.60 per short ton.¹⁹² In interim 2022, the industry's net sales AUV was \$965.70 per short ton higher than in interim 2021, while its unit COGS was

¹⁹⁰ CR/PR at Tables VI-1, C-1.

¹⁹¹ CR/PR at Tables VI-1-VI-2. We also note that the domestic industry's AUVs went up by more than AUVs of subject and nonsubject imports in every channel of distribution. CR/PR at app. G.

¹⁹² CR/PR at Tables VI-1-VI-2.

\$635.40 per short ton higher.^{193 194} We have also considered the domestic industry's gross, operating and net profits and margins, which each improved substantially over the POI.¹⁹⁵

In light of the foregoing, including the steadily increasing prices and steadily decreasing COGS to net sales ratios, we find that the record indicates that subject imports did not prevent price increases for the domestic like product that otherwise would have occurred to a significant degree.

In sum, we find that cumulated subject imports did not have significant price effects on the domestic like product during the POI.

¹⁹³ CR/PR at Tables VI-1-VI-2.

¹⁹⁴ In response to a question at the hearing regarding contemporaneous evidence of price suppression, Petitioner filed email communications from July 2018 through February 2022 that, in its view, demonstrate the constant pricing pressures that domestic producers faced from low-priced subject imports throughout the POI. Petitioner's Posthearing Br., Exhs. 1 at 10-16, Q6-1-Q6-25, Q6-29. While these emails corroborate underselling by subject imports seen in the pricing data, they do not negate other evidence that domestic prices were not depressed or suppressed to a significant degree, including the domestic industry's declining COGS to net sales ratio during the POI. In fact, information on the record indicates that domestic producers announced numerous price increases throughout the POI, including ***, effective November 2, 2020, January 18, 2021, July 1, 2021, and August 1, 2021, *** effective October 12, 2020, November 16, 2020, December 14, 2020, February 1, 2021, February 15, 2021, April 15, 2021, May 10, 2021, June 11, 2021, July 12, 2021, August 9, 2021, September 6, 2021, October 11, 2021, November 8, 2021, December 13, 2021, January 10, 2021, and April 11, 2022, and *** effective March 12, 2022. Joint Respondents' Prehearing Br., Exh. 4; Petitioner's Posthearing Br., Exh. Q6-27; Coalition of U.S. Importers' Postconf. Br., Exh. 6. Further, these announcements allowed U.S. producers to increase their net sales AUVs by \$226.10 per short ton from 2019 to 2021 – an amount that exceeded the increase in their average unit COGS of \$159.60 per short ton by a factor of close to ***. *Derived from* CR/PR at Tables VI-1-VI-2. Insofar as Petitioner contends that subject imports prevented them from fully realizing these announced price increases, we note that the price increases domestic producers were able to realize were sufficient to reduce the domestic industry's increase in COGS and improve its financial performance markedly during the POI. See section VI.E below.

¹⁹⁵ CR/PR at Table VI-1. In response to questions at the hearing about how much more the COGS to net sales ratio, and therefore the financial performance of the domestic industry as a whole, should have improved, an industry witness cited to 25 to 30 percent gross profit margins for the wider products industry. See Hearing Tr. at 108 (Commissioner Schmidlein) and 111 (Skarich). The gross profit margin obtained by the domestic industry in the latter portion of the POI *** with this expectation: *** percent in 2019; *** percent in 2021; *** percent in interim 2022. CR/PR at Table VI-1.

E. Impact of the Subject Imports

Section 771(7)(C)(iii) of the Tariff Act provides that in examining the impact of subject imports, the Commission “shall evaluate all relevant economic factors which have a bearing on the state of the industry.”¹⁹⁶ These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, gross profits, net profits, operating profits, cash flow, return on investment, return on capital, ability to raise capital, ability to service debts, research and development, and factors affecting domestic prices. No single factor is dispositive and all relevant factors are considered “within the context of the business cycle and conditions of competition that are distinctive to the affected industry.”¹⁹⁷

The record shows that the domestic industry’s performance improved from 2019 through 2021 according to virtually all measures, in general alignment with the increase in apparent U.S. consumption over the POI.¹⁹⁸ Although many of the industry’s output measures were weaker in interim 2022 than in interim 2021, all of the industry’s financial performance measures improved throughout the POI.

The domestic industry’s production increased irregularly from 2019 to 2021, increasing from 120,782 short tons in 2019 to 135,410 short tons in 2020 before declining to 131,039 short tons in 2021; it was lower in interim 2022, at 32,481 short tons, than in interim 2021, at 34,321 short tons. The domestic industry’s capacity utilization and U.S. shipments followed the

¹⁹⁶ 19 U.S.C. § 1677(7)(C)(iii); *see also* SAA at 851 and 885 (“In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.”).

¹⁹⁷ 19 U.S.C. § 1677(7)(C)(iii). This provision was amended by the Trade Preferences Extension Act of 2015, Pub. L. 114-27.

¹⁹⁸ CR/PR at Tables III-5, III-8-III-9, III-16, VI-1, VI-7, VI-12, C-1.

same trend as its production. The domestic industry's practical production capacity declined irregularly from 2019 to 2021, declining from 182,291 short tons in 2019 to 149,362 short tons in 2020 before increasing to 158,238 short tons in 2021; it was higher in interim 2022, at 42,043 short tons, than in interim 2021, at 39,223 short tons.¹⁹⁹ Its capacity utilization increased from 66.3 percent in 2019 to 90.7 percent in 2020 before declining to 82.8 percent in 2021, a level 16.5 percentage points higher than in 2019; it was 77.3 percent in interim 2022 compared to 87.5 percent in interim 2021.²⁰⁰ The industry's U.S. shipments increased from 120,333 in 2019 to 136,855 short tons in 2020 before declining to 132,287 short tons in 2021, a level 9.9 percent higher than in 2019; its U.S. shipments were 29,383 short tons in interim 2022, compared to 35,866 short tons in interim 2021.²⁰¹ The domestic industry's end-of-period inventories declined from 21,562 short tons in 2019 to 18,626 short tons in 2020, and 15,792 short tons in 2021, a level 26.8 percent lower than in 2019; it was higher in interim 2022, at 18,817 short tons, than in interim 2021, at 16,573 short tons.²⁰² As discussed above, the domestic industry's share of apparent U.S. consumption increased from 14.9 percent in 2019 to 15.5 percent in 2020 before declining to 12.9 percent in 2021, a level 2.0 percentage points lower than in 2019, it was lower in interim 2022, at 11.1 percent, than in interim 2021, at 14.9 percent.²⁰³

With the exception of the number of PRWs, which declined throughout the POI,²⁰⁴ the domestic industry's employment-related performance measures generally improved during the

¹⁹⁹ CR/PR at Tables III-5, C-1.

²⁰⁰ CR/PR at Tables III-5, C-1 (measured on the basis of practical overall production capacity).

²⁰¹ CR/PR at Tables III-8, C-1.

²⁰² CR/PR at Tables III-9, C-1.

²⁰³ CR/PR at Tables IV-11, C-1.

²⁰⁴ The number of PRWs in the domestic industry was 796 in 2019, 711 in 2020, and 736 in 2021. It was lower in interim 2022, at 725, than in interim 2021, at 754. CR/PR at Tables III-16, III-17, C-1.

period. Productivity²⁰⁵ and unit labor costs²⁰⁶ increased irregularly over the period. Total hours worked,²⁰⁷ hours worked per PRW,²⁰⁸ and wages paid²⁰⁹ increased from 2019 to 2021, but were lower in interim 2022 compared to interim 2021.

The domestic industry's financial performance improved during the POI by every measure. The industry's net sales revenue increased from \$215.0 million in 2019, to \$226.7 million in 2020, and \$288.2 million in 2021; it was \$82.2 million in interim 2022, which was higher than in interim 2021, at \$65.5 million.²¹⁰ The domestic industry's gross profits increased from \$38.9 million in 2019, to \$43.6 million in 2020, and \$73.0 million in 2021; it was \$22.4 million in interim 2022, which was higher than in interim 2021, at \$15.5 million.²¹¹ As a ratio to net sales, the industry's gross profit margin increased from 18.1 percent in 2019 to 19.2 percent in 2020 and 25.3 percent in 2021; it was higher in interim 2022, at 27.3 percent, than in interim 2021, at 23.6 percent.²¹² The domestic industry's operating income margin increased from

As discussed above, the declines in the number of PRWs employed by the domestic industry were driven by Mid Continent, whose number of PRWs declined from *** workers in 2019 to *** workers in 2020, *** workers in 2021, and *** workers in interim 2022, down from *** workers in interim 2021. *Id.*, at Table III-17. All other U.S. producers reported increasing employment during the POI, with the exception of ***. *See id.*

²⁰⁵ Productivity was 81.4 short tons per 1,000 hours in 2019, 87.4 short ton per 1,000 hours in 2020, and 81.6 short tons per 1,000 hours in 2021; it was higher in interim 2022, at 84.6 short tons per 1,000 hours, than in interim 2021, at 82.7 short tons per 1,000 hours. CR/PR at Tables III-16, C-1.

²⁰⁶ Unit labor costs were \$205 in 2019, \$185 in 2020, and \$215 in 2021; they were higher in interim 2022, at \$222, than in interim 2021, at \$212. CR/PR at Tables III-16, C-1.

²⁰⁷ Total hours worked totaled 1.48 million in 2019, 1.55 million in 2020, 1.61 million in 2021, 415,000 in interim 2021, and 384,000 in interim 2022. CR/PR at Tables III-16, C-1.

²⁰⁸ Hours worked per PRW totaled 1,864 in 2019, 2,179 in 2020, 2,181 in 2021, 550 in interim 2021, and 530 in interim 2022. CR/PR at Table III-16.

²⁰⁹ Wages paid totaled \$24.8 million in 2019, \$25.1 million in 2020, \$28.2 million in 2021, \$7.3 million in interim 2021, and \$7.2 million in interim 2022. CR/PR at Tables III-16, C-1.

²¹⁰ CR/PR at Tables VI-1, C-1.

²¹¹ CR/PR at Tables VI-1, C-1.

²¹² CR/PR at Table VI-1.

\$12.1 million in 2019, to \$18.3 million in 2020, and \$44.4 million in 2021; it was \$15.0 million in interim 2022, which was higher than in interim 2021, at \$8.9 million.²¹³ As a ratio to net sales, the domestic industry's operating income margin increased from 5.6 percent in 2019, to 8.1 percent in 2020 and 15.4 percent in 2021; it was 18.3 percent in interim 2022, which was the highest level achieved over the POI and 13.7 percent in interim 2021.²¹⁴ The domestic industry's net income, which exceeded its operating income throughout the POI, increased from \$12.6 million in 2019, to \$18.9 million in 2020, and \$45.0 million in 2021; it was \$15.3 million in interim 2022, which was higher than in interim 2021, at \$9.4 million.²¹⁵ The domestic industry's net income margin steadily increased from 5.9 percent in 2019, to 8.3 percent in 2020, and 15.6 percent in 2021; it was 18.6 percent in interim 2022, which again was the highest level achieved over the POI, and 14.4 percent in interim 2021.²¹⁶ Net assets increased from 2019 to 2021, from \$272.6 million in 2019 to \$286.2 million in 2020 and \$329.2 million in 2021.²¹⁷ Return on assets also increased during this period, from 4.4 percent in 2019 to 6.4 percent in 2020 and 13.5 percent in 2021.²¹⁸

Although several responding domestic producers reported actual and anticipated negative effects on investment, growth, and development due to subject imports,²¹⁹ the domestic industry's capital expenditures increased irregularly during the POI, from \$5.1 million in 2019 to \$7.4 million in 2020 and \$6.9 million in 2021; they were \$1.7 million in interim 2022,

²¹³ CR/PR at Tables VI-1, C-1.

²¹⁴ CR/PR at Tables VI-1, C-1.

²¹⁵ CR/PR at Tables VI-1, C-1.

²¹⁶ CR/PR at Tables VI-1, C-1.

²¹⁷ CR/PR at Tables VI-9, C-1.

²¹⁸ CR/PR at Tables VI-9, C-1.

²¹⁹ CR/PR at Tables VI-12-VI-13.

which was higher than in interim 2021, at \$***.²²⁰ Research and development expenditures also increased throughout the POI, from \$*** in 2019 to \$*** in 2020 and \$*** in 2021; they were \$*** in interim 2022, which was higher than in interim 2021, at \$***.²²¹

The record in the final phase of these investigations does not indicate that cumulated subject imports had a significant impact on the domestic industry during the POI. We have found that cumulated subject imports did not cause the domestic industry to lose significant market share or a significant volume of sales due to price, or cause significant price depression or suppression. Although the domestic industry's market share was 2.0 percentage points lower in 2021 than in 2019, cumulated subject imports' market share was 0.1 percentage points lower.²²² While subject imports gained 1.2 percentage points of market share from the domestic industry between 2020 and 2021, and had 1.3 percentage points more market share in interim 2022 compared to interim 2021, the record indicates that supply constraints inhibited the domestic industry from producing and selling substantially more steel nails.²²³ Further, the domestic industry was able to benefit from growing U.S. demand, increasing sales prices and improving its financial performance according to virtually every measure, including increased profitability, operating and net income, and PRW hours worked. The industry's financial performance during the POI did not correlate with the modest variances in subject import market share of subject imports over the POI, and improved steadily as subject import

²²⁰ CR/PR at Tables VI-12, C-1.

²²¹ CR/PR at Tables VI-7, C-1.

²²² CR/PR at Table C-1.

²²³ See Tables IV-11, C-1, app. E.

volume increased.^{224 225 226} Contemporaneous documentation submitted by Petitioner do not establish that subject imports depressed domestic prices to a significant degree, prevented

²²⁴ CR/PR at Tables IV-2, IV-11, III-5, III-8, VI-1, C-1.

²²⁵ As mentioned above, Petitioner contends that the Commission should consider 2018 data from the preliminary phase investigation in determining material injury in the final phase of these investigations, claiming that consideration of such data provides necessary context to understand the injurious effects of subject imports on the domestic industry that otherwise would be obscured by the increase in demand driven by the COVID-19 pandemic. Petitioner's Prehearing Br. at 17; Petitioner's Posthearing Br. at 2-4. We do not find Petitioner's argument persuasive.

First, 2018 data collected in the preliminary phase are not comparable to POI data collected in the final phase due to differences in data coverage; data in the final phase of these investigations include questionnaire responses from two additional U.S. producers, ***, that accounted for a combined *** percent of domestic production in 2021. CR/PR at Table III-1. By Petitioner's own admission, "{a}s more U.S. producers provided usable data in the final phase of these investigations, it is not possible to directly compare the 2018 numbers from the Preliminary Determination to the 2019 numbers from the Prehearing Staff Report." Petitioner's Prehearing Br. At 25, n.93. Second, while Petitioner provides its own compilation of preliminary and final phase data, removing these producers from the final phase questionnaires (Petitioner's Posthearing Br., Exhibit Q8-1), Petitioner provides no legal basis for why this is appropriate and would have the Commission disregard information from these domestic producers in the final phase. While, as Petitioner correctly observes, these firms comprise a small part of the domestic industry and have relatively *** profits, absent indications on the record that reporting by these firms was inaccurate, we see no basis to exclude their data. Third, the Commission has considered the conditions of competition distinctive to the domestic steel nails industry, as required by statute, including changes in supply and demand as affected by the COVID-19 pandemic and, as discussed elsewhere, has considered evidence on the record of the final phase of these investigations regarding Petitioner's allegations of injury in 2018, without expanding the POI.

We find petitioner's reliance on the Commission's determinations in *Fresh Garlic and Orange Juice* misplaced. Petitioner's Prehearing Br. at n.64 and Petitioner's Posthearing Br. at n.2 (*citing Fresh Garlic from the People's Republic of China*, Inv. No. 731-TA-683 (Final), USITC Pub. 2825 (November 1994), and *Certain Orange Juice from Brazil*, Inv. No. 731-TA-1089 (Final), USITC Pub. 3838 (March 2006)). Notably, both of those investigations involved agricultural products, and relevant data for subject imports and the U.S. market were based on "crop years," rather than calendar years.

²²⁶ Commissioner Kearns observes that it may be appropriate at times to consider relevant data on the record outside the POI, for context, especially when there have been significant changes in the relevant market. *See, e.g., Urea Ammonium Nitrite Solutions from Russia and Trinidad and Tobago*, Inv. Nos. 701-TA-668-669 and 731-TA-1565-1566 (Final), USITC Pub. at 25, n.117 (Aug. 2022) (relying on historical import data for 2018 on the record to, at least in part, address Petitioner's argument that there was an inventory build-up between 2018 and 2019 leading to an "overhang" at the beginning of the POI, 2019). He deems the COVID-19 pandemic to be one such significant event that impacted supply and demand in the nails market. In this case, however, he is unpersuaded by Petitioner's argument that the 2018-2019 period demonstrates present material injury due to subject imports. While this argument has been somewhat skeletal and has shifted over time, at one point during the hearing, Petitioner argued that its theory of the case was specifically related to a market share shift from domestic producers to subject imports from 2018 to 2019, with repercussions that allegedly continued

price increases that otherwise would have occurred to a significant degree, or caused the domestic industry to lose a significant volume of sales.²²⁷ The record does not establish that subject imports prevented the domestic industry from benefiting from increasing U.S. demand for steel nails.²²⁸

For the reasons discussed above, we find that subject imports did not have a significant impact on the domestic industry. Accordingly, we find that an industry in the United States is not materially injured by reason of cumulated subject imports of steel nails from India, Oman, and Turkey.

throughout the remainder of the POI. *See Hearing Tr.* at 69 (Kearns and Lutz) (“I just want to be real clear on what specifically -- what your theory of the case is, what specifically you point to in terms of injury caused by subject imports. {...} you pointed to a market share shift from 2018 to 2019 from {...} domestics to subject imports. Is that sort of your focus then? Ms. Lutz: Yes. And that left the domestic industry unable to take advantage of these improvements toward the end of the POI.”), and that there was a cost-price squeeze due to subject imports during that period. *See, e.g.,* Petitioners’ Prehearing Br. at 25-26. In fact, data from the preliminary phase of these investigations indicate that there was only a *** percentage point shift in market share from domestic producers to subject imports, and that the COGS/sales ratio increased from *** percent to *** percent during that period (as unit COGS rose after 232 duties were imposed in 2018, at a faster rate than net sales average unit values). *See Confidential Preliminary Views* at 42-44. However, by 2020, the domestic industry’s market share was even higher than in 2018 or 2019, and its COGS/sales ratio was even lower than in 2018 or 2019, with operating and net margins at their highest level over that three-year period as well. *Id.* at 44, 47-48. That is why the Commission was unable to conclude that subject imports caused adverse price effects in the preliminary investigation and instead found that the Commission could not rule out the possibility of adverse price effects at that time, as required under *American Lamb Co. v. United States*, 785 F.2d 994 (Fed. Cir. 1986). And, now, based on more recent and comprehensive information on the record in the final phase of these investigations, Petitioner was unable to sustain a coherent argument that the minimal market share loss from 2018 to 2019 constitutes present material injury by reason of subject imports, particularly when the domestic industry was able to continue to raise prices, resulting in increased profitability throughout the POI. In short, in his view, the one-year trend in those data, from 2018 to 2019 – *i.e.*, before the POI began to the first year of the POI – fail to establish present material injury due to subject imports, and fail to explain the supply constraints later in the POI that impacted the domestic industry’s ability to increase production and sales.

²²⁷ *See* Petitioner’s Posthearing Br., Exhs. 1 at 10-16, Q6-1-Q6-25, Q6-29.

²²⁸ As discussed above in n. 177, the record does not establish that subject imports caused the domestic industry to lose workers in 2018 or 2019 following the imposition of Section 232 duties.

VII. No Threat of Material Injury by Reason of Subject Imports

A. Legal Standard

Section 771(7)(F) of the Tariff Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing whether “further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted.”²²⁹ The Commission may not make such a determination “on the basis of mere conjecture or supposition,” and considers the threat factors “as a whole” in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order is issued.²³⁰ In making our determination, we consider all statutory threat factors that are relevant to these investigations.²³¹

²²⁹ 19 U.S.C. § 1677(7)(F)(ii).

²³⁰ 19 U.S.C. § 1677(7)(F)(ii).

²³¹ These factors are as follows:

(I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement) and whether imports of the subject merchandise are likely to increase,

(II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,

(III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,

(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices and are likely to increase demand for further imports,

(V) inventories of the subject merchandise,

(VI) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,

...

B. Cumulation for Threat

Under section 771(7)(H) of the Tariff Act, the Commission may “to the extent practicable” cumulatively assess the volume and price effects of subject imports from all countries as to which petitions were filed on the same day if the requirements for cumulation in the material injury context are satisfied.²³²

Petitioner argues that the Commission should exercise its discretion to cumulate subject imports for purposes of its threat analysis as there is a reasonable overlap among subject imports from each subject source and the domestic like product, subject imports from the subject countries are likely to compete in the U.S. market under similar conditions of competition in the imminent future, and there is no information on the record to suggest that

(VIII) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and

(IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).

19 U.S.C. § 1677(7)(F)(i). To organize our analysis, we discuss the applicable statutory threat factors using the same volume/price/impact framework that applies to our material injury analysis. Statutory threat factors (I), (II), (III), (V), and (VI) are discussed in the analysis of subject import volume. Statutory threat factor (IV) is discussed in the analysis of subject import price effects. Statutory factors (VIII) and (IX) are discussed in the analysis of impact. Statutory factor (VII) concerning agricultural products is inapplicable to this investigation.

²³² 19 U.S.C. § 1677(7)(H). As discussed above, a statutory exception (19 U.S.C. § 1677(7)(G)(ii)(I)) applies to cumulation of imports from Sri Lanka subject to the antidumping duty investigation because Commerce has made a preliminary negative antidumping duty determination with respect to imports of steel nails from Sri Lanka, and thus such imports cannot be cumulated at this time. *See* 87 Fed. Reg. 47,701. Moreover, since we find imports from Sri Lanka subject to the countervailing duty investigation do not have the potential to imminently exceed the negligibility threshold, we have terminated that investigation, and are precluded from cumulating such imports, pursuant to 19 U.S.C. § 1677(7)(G)(ii)(II).

For purposes of its threat of material injury analysis, the Commission cumulates imports from Oman subject to the countervailing duty investigation, imports from Thailand subject to the antidumping duty investigation, and imports from India and Turkey subject to both the countervailing duty and antidumping duty investigations.

the overlap of competition between and among subject imports and the domestic like product will not continue in the imminent future.²³³

Respondents do not address cumulation for threat of material injury in their briefs.

As discussed in section V.B. above, we have found that there is a reasonable overlap of competition between and among subject imports from India, Oman, Thailand, and Turkey and the domestic like product. There is no information or argument on the record indicating that the reasonable overlap we have found will change in the imminent future.

We also find no differences in the likely conditions of competition pertaining to subject imports from India, Oman, Thailand, and Turkey in the imminent future that would warrant the consideration of subject imports from any country or countries separately for purposes of our threat analysis. Moreover, the volume of subject imports from each subject source was significant and increasing over the POI, subject imports from every subject source but Thailand undersold the domestic like product in a majority of quarterly comparisons, and the sales prices of subject imports from each subject source increased over the POI.²³⁴

Based on the likely reasonable overlap of competition between subject imports and the domestic like product, and the absence of any likely differences in the conditions of competition between imports from different subject countries in the imminent future, we exercise our discretion to cumulate subject imports from India, Oman, Thailand, and Turkey for purposes of our threat analysis.

²³³ Petitioner's Prehearing Br. at 38-40.

²³⁴ CR/PR at Tables IV-2, V-6-V-13, V-15. While pricing product 1 from *** declined in price over the period, the pricing for this product in the first quarter was attributable solely to *** whereas the pricing for the final quarter was attributable solely to ***. Moreover, the trend in pricing for each of these firms' data separately was increasing. *Id.*, at V-25 n.22 and Table V-6.

C. Likely Volume of the Cumulated Subject Imports

In section VI.C. above, we found the volume and the increase in volume of cumulated subject imports to be significant in absolute terms, and that the volume of cumulated subject imports was also significant relative to U.S. consumption and production in the United States during the POI. We also found that cumulated subject imports as a share of apparent U.S. consumption fluctuated during the POI, declining slightly from 2019 to 2021, but higher in interim 2022 relative to interim 2021. We attributed the small increases in subject imports' market share at the end of the POI to significant supply constraints that affected the domestic industry.²³⁵

The record indicates that subject producers are unlikely to substantially increase their exports to the United States in the imminent future. Although the capacity of the subject industries increased by *** percent on a cumulated basis between 2019 and 2021,²³⁶ the production of the subject industries increased by *** percent, causing their capacity utilization to increase by *** percentage points to *** percent in 2021.²³⁷ The subject industries' capacity

²³⁵ See *supra* Section VI.B.2 & text accompanying note 222. Additionally, as discussed *infra* at notes 252 and 254, the labor supply shortages that Petitioner has identified as a major factor constraining domestic supply are reported to continue. See also *** final questionnaire response at II-6 to II-7 (***).

²³⁶ The capacity of the subject industries increased from *** short tons in 2019 to *** short tons in 2020 and *** short tons in 2021; was higher in interim 2022, at *** short tons, than in interim 2021, at *** short tons; and is projected to increase to *** short tons in 2022 and *** short tons in 2023. *Calculated from* CR/PR at Tables VII-15, VII-32.

²³⁷ The production of the subject industries increased from *** short tons in 2019 to *** short tons in 2020 and *** short tons in 2021; was higher in interim 2022, at *** short tons, than in interim 2021, at *** short tons; and is projected to increase to *** short tons in 2022 before declining to *** short tons in 2023. *Calculated from* CR/PR at Tables VII-15, VII-32.

Their capacity utilization increased from *** percent in 2019 to *** percent in 2020 and *** percent in 2021; was higher in interim 2022, at *** percent, than in interim 2021, at *** percent; and is projected to decline to *** percent in 2022 and *** percent in 2023. *Id.*

utilization rate was higher, at *** percent in interim 2022, than in interim 2021, at *** percent 2021.²³⁸ Accordingly, in 2021, subject producers possessed excess capacity of only *** short tons, equivalent to only *** percent of apparent U.S. consumption that year.²³⁹ Although subject producers project that their capacity utilization will be lower in full year 2022 and 2023, their projected utilization rates in those years will remain above the levels observed in 2019 and 2020.^{240 241}

Subject producers' end-of-period inventories also do not indicate that substantially increased cumulated subject are likely in the imminent future. While end-of-period inventories of the subject industries increased over the POI, they remained low as a ratio of total shipments, peaking at *** percent in 2021; were lower as a ratio of total shipments in interim 2022 compared to interim 2021; and are projected to decline to 2019 levels by 2023.²⁴² U.S. importers' inventories of cumulated subject imports declined throughout the POI.²⁴³ Responding importers' reported arranged imports of *** short tons in the third quarter of

²³⁸ *Calculated from CR/PR at Tables VII-15, VII-32.*

²³⁹ *Calculated from CR/PR at Tables VII-15, VII-32.*

²⁴⁰ *Calculated from CR/PR at Tables VII-15, VII-32.*

²⁴¹ Petitioner argues that projected unused capacity poses a threat to the domestic industry, as this excess capacity can be directed towards the U.S. market. Petitioner's Posthearing Br., Exh. 1 at 30. We note that the subject producers' projected excess capacity, of *** short tons in 2022 and *** short tons in 2023, is less than their excess capacity in 2019 (*** short tons) and 2020 (*** short tons). *Calculated from CR/PR at Tables VII-15, VII-32.* Although subject producers shipped increasing quantities of steel nails to the U.S. market during the POI, these exports generally followed the increase in apparent U.S. consumption during the period, as evidenced by subject producers' fluctuating market shares throughout the period.

²⁴² Subject producers' end-of-period inventories increased from *** short tons in 2019 to *** short tons in 2020 and *** short tons in 2021; were higher in interim 2022, at *** short tons in interim 2022, than in interim 2021, at *** short tons; and are projected to decline to *** short tons in 2022 and *** short tons in 2023. *Calculated from CR/PR at Tables VII-15, VII-32.*

²⁴³ U.S. importers' end-of-period inventories declined from *** short tons in 2019 to *** short tons in 2020 and *** short tons in 2021 and were lower in interim 2022, at ***, than in interim 2021, at ***. *Derived from CR/PR at Table VII-33.*

2022, *** short tons in the fourth quarter of 2022, and *** short tons in the first quarter of 2023.²⁴⁴

Moreover, no responding subject producer reported the ability to shift production between steel nails and other products using the same equipment and/or labor.²⁴⁵ While producers in three of the four subject industries reported producing out-of-scope products on the same equipment they use to make in-scope steel nails, their out-of-scope production on this equipment generally accounted for a small share of total production on the equipment.²⁴⁶

We recognize that subject producers are export-oriented, and exported the vast majority of their total shipments to the U.S. market throughout the POI.²⁴⁷ This leaves subject producers with a limited ability to redirect sales from home market and third-country customers so as to imminently further increase exports to the United States. Furthermore, the record indicates that the subject industries' share of their total shipments exported to the

²⁴⁴ *Derived from* CR/PR at Table VII-34.

²⁴⁵ CR/PR at II-7-8, Table II-3.

²⁴⁶ CR/PR at Tables VII-5, VII-11, VII-30. In the steel nails industry in India, out-of-scope production on the same equipment used to produce in-scope nails accounted for less than *** percent of overall production throughout the POI. CR/PR at Table VII-5. In the steel nails industry in Oman, out-of-scope production on the same equipment used to produce in-scope nails accounted for *** percent in 2020, *** percent in 2021, and *** percent in interim 2022, which was higher than in interim 2021, at *** percent. *Id.*, at Table VII-11. As discussed above, data concerning the steel nails industry in Turkey is based on the response of two Turkish producers accounting for approximately *** percent of overall production of steel nails in Turkey, one of whom reported out-of-scope-production. These data indicate that out-of-scope production on the same equipment used to produce in-scope nails accounted for *** percent in 2019, *** percent in 2020, *** percent in 2021, and *** percent in interim 2022, which is lower than in interim 2021, at *** percent. *Id.*, at VII-37 and Table VII-30. As the production of in-scope steel nails already accounts for the large majority of production by these subject industries, subject producers have a limited ability to increase their production of steel nails through product shifting.

²⁴⁷ Subject producers' exports to the United States increased from *** short tons in 2019 to *** short tons in 2020 and *** short tons in 2021; were higher in interim 2022, at *** short tons, than in interim 2021, at *** short tons; and are projected to decline to *** short tons in 2022 and *** short tons in 2023. *Calculated from* CR/PR at Tables VII-15, VII-32.

United States is projected to decline in 2022 and 2023, as exports to third-country markets are projected to increase.²⁴⁸ Consistent with these projections, the record indicates that demand for subject producers' steel nails is expected to increase in Europe due to the war in Ukraine, as major suppliers of steel wire and wire rod in Ukraine, Russia, and Belarus are no longer supplying the European market with steel to manufacture nails.²⁴⁹ There are no antidumping or countervailing duty orders or investigations concerning steel nails from the subject countries in any other market that would make the U.S. market relatively more attractive to subject producers.²⁵⁰

Other conditions of competition will further likely limit the potential for cumulated subject imports to increase to cause material injury to the domestic industry in the imminent future. As discussed above, the record indicates that demand for steel nails is likely to remain strong, nonsubject imports from Sri Lanka are likely to recede from the market due to political and economic instability in the country, and ocean freight costs are expected to remain relatively high, likely maintaining the supply conditions in the U.S. market that benefitted the domestic industry towards the end of the POI.²⁵¹ The record does not indicate that the domestic industry's supply constraints are likely to ease in the imminent future, limiting the

²⁴⁸ Subject producers' exports to the United States, as a share of their total shipments, were *** percent in 2019, *** percent in 2020, and *** percent in 2021; higher in interim 2022, at *** percent, than in interim 2021, at *** percent; and are projected to decline to *** percent in 2022 and *** percent in 2023. *Calculated from CR/PR at Tables VII-15, VII-32.*

²⁴⁹ Joint Respondents' Prehearing Br. at 73-75, Exhs. 16-18.

²⁵⁰ CR/PR at VII-51.

²⁵¹ See Sections IV.C, VI.B.1, and VI.B.3 above. Further, as discussed above in Section VI.B.3, imports of subject steel nails from all subject sources are subject to Section 232 duties of 25 percent *ad valorem*.

likelihood that any possible increase in the subject imports would be injurious to the domestic industry.²⁵²

For all the foregoing reasons, we find that substantially increased cumulated subject import volume is not likely in the imminent future.²⁵³

²⁵² Responding domestic producers reported that their supply constraints increased over the POI and continued at an elevated level in 2022, CR/PR at Table E-2, and only one responding domestic producer, ***, reported that ***. *Id.* at Table E-5. Nor are the labor shortages that constrained Mid Continent’s production during the POI likely to significantly ease in the imminent future. In response to a hearing question asking about the likelihood of continued labor shortages, Mid Continent responded that the domestic industry’s ability to attract and retain workers will depend upon the industry reaching “sustainable financial health through a moderate growth in sales made at fairly traded prices.” Petitioner’s Posthearing Brief, Exh. 1 at 42. As the domestic industry’s operating income margin increased from 5.6 percent in 2019 to 15.4 percent in 2021, and to 18.3 percent in interim 2022 compared to 13.7 percent in interim 2021, every domestic producer but Mid Continent increased its employment. CR/PR at Tables III-17, VI-1. Mid Continent’s employment declined over the POI even as its operating income margin increased over the period to *** percent in 2021 and *** percent in interim 2022. *Id.* at Table VI-3. Undercutting the testimony of a Mid Continent official at the hearing that “our labor situation is slowly recovering as we’ve been able to hire more workers,” Hearing Tr. at 25 (Pratt), Mid Continent’s employment in interim 2022 was *** PRWs or *** percent lower than in interim 2021. CR/PR at Table III-17. Accordingly, there is little evidence on the record that the labor constraints affecting Mid Continent, which serve to constrain the domestic industry’s production due to Mid Continent’s large size, will significantly abate in the imminent future.

²⁵³ In our analysis, we have considered the nature of the subsidies Commerce has found to be countervailable, particularly whether the countervailable subsidies are ones described in Articles 3 or 6.1 of the WTO Agreement on Subsidies and Countervailing Measures, and whether imports of the subject merchandise are likely to increase. 19 U.S.C. § 1677(7)(F)(i)(I). We note that only a single foreign producer (Turkish producer Aslanbas Civi Tel Ve Celik Hasir San A.S (“Aslan Civi”) was assigned a final countervailable subsidy rate greater than 3 percent in the Commerce Department’s final determinations in the CVD investigations.

In its final countervailing duty determination concerning steel nails from India, Commerce found five subsidy programs to be countervailable, including a number of programs directed specifically towards exports, and calculated net subsidy rates of 2.93 percent for Astrotech Steels Pvt. Ltd, 2.73 percent for Geekay Wires Limited, and a rate of 2.85 percent for all other Indian producers. *See* 87 Fed. Reg. 51,333-51,334 (Aug. 22, 2022) and accompanying *Issues and Decision Memorandum for the Final Determination of the Countervailing Duty Investigation of Certain Steel Nails from India* (Aug. 15, 2022) at 3-5. In its final countervailing duty determination concerning steel nails from Oman, Commerce found two subsidy programs to be countervailable and calculated a subsidy rate of 2.49 percent for Oman Fasteners and all other Omani producers. *See* 87 Fed. Reg. 51,335-51,336 (Aug. 22, 2022) and accompanying *Issues and Decision Memorandum for the Final Determination of the Countervailing Duty Investigation of Certain Steel Nails from the Sultanate of Oman* (Aug. 15, 2022) at 3-4. In its final countervailing duty determination concerning steel nails from Turkey, Commerce found ten subsidy programs to be countervailable, including a number of programs directed specifically towards exports,

D. Likely Price Effects of Cumulated Subject Imports

In section VI.D. above, we found that, although the pricing data show that subject imports predominantly undersold the domestic like product, the domestic industry did not lose market share or a significant volume of sales to subject imports on the basis of price. We also found that cumulated subject imports neither depressed nor suppressed prices for the domestic like product during the POI.

The record does not indicate that subject import underselling is likely to intensify. Nor is there any evidence of a likely imminent change in the conditions of competition that would result in subject imports having significant price-depressive or suppressive effects on domestic industry prices, or entering at prices that are likely to increase demand for further subject imports. On the contrary, the record indicates that the strong demand and supply constraints that resulted in increased prices for steel nails towards the end of the POI are likely to persist.²⁵⁴ We consequently find that cumulated subject imports are not likely to enter at

and calculated subsidy rates of 3.88 percent for Aslanbas Civi, 1.52 percent for Sertel Vida Metal A.S., and 1.86 percent for all other Turkish producers. See 87 Fed. Reg. 51,339 (Aug. 22, 2022) and accompanying *Issues and Decision Memorandum for the Final Determination of the Countervailing Duty Investigation of Certain Steel Nails from the Republic of Turkey* (Aug. 15, 2022) at 3-6. We have taken these subsidy findings by Commerce into account in our analysis of likely subject import volume. Particularly probative for this analysis are the low subsidy rates calculated by Commerce, which would provide relatively little incentive for increased exports to the United States.

²⁵⁴ Data concerning supply constraints in the market indicate that these constraints increased as the POI progressed. CR/PR at Figures II-1-II-4; app. E. See also Hearing Tr. at 28 (Lockhart) (indicating that, despite Petitioner's best efforts "we've had trouble filling our open positions."). As already discussed, the supply constraints experienced by the domestic industry are likely to continue in the imminent future. In describing subject and nonsubject import supply constraints during the POI, responding importers and purchasers that experienced such constraints provided no indication that such constraints will subside in the imminent future, with the sole exception of importer Tree Island ***. See CR/PR at Tables E-6-7. On the contrary, many responding importers and purchasers emphasized that supply constraints on subject imports (Huttig, PrimeSource, ***) and nonsubject imports (***) are ongoing or likely to continue. See *id.* For example, responding purchaser *** reported that, ***, "****." *Id.* Responding purchaser *** reported, ***, that "****." *Id.* at Table E-7. Responding purchaser ***

prices that would be likely to have significant depressing or suppressing effects on domestic prices, or that would be likely to increase demand for further subject imports in the imminent future.

E. Likely Impact of Cumulated Subject Imports

In section VI.E. above, we found that subject imports had not prevented the domestic industry from benefiting from strong U.S. demand for steel nails during the POI. In light of the domestic industry's strong performance at the end of the POI, including levels of profitability substantially higher than those at the beginning of the period, we find that the domestic industry is not vulnerable to material injury by reason of subject imports.

We have found that substantially increased cumulated subject import volumes are not likely in the imminent future and that cumulated subject imports are not likely to have significant price effects. Given this, the industry's strong performance towards the end of the POI, and the likelihood that the industry will continue to benefit from relatively strong demand and tight supplies of steel nails, we find that cumulated subject imports will not likely have a significant impact on the domestic industry in the imminent future.²⁵⁵

reported that "****." *Id.* at Table E-6. Also with respect to subject imports, purchaser *** reported that "****," and purchaser *** reported that "****." *Id.* at Table E-6.

²⁵⁵ Although a majority of responding domestic producers reported actual or anticipated negative effects of subject imports on their investment, growth, and development, CR/PR at Table VI-12, we do not find that subject imports are likely to have significant negative effects on the domestic industry's existing development and production efforts in the imminent future. On this point, we note that the significant and increasing volume of subject imports during the POI, and their predominant underselling of the domestic like product, did not prevent the domestic industry from increasing its capital expenditures and research and development expenses over the POI (let alone the industry's steadily increasing gross, operating and net profits and margins). *See id.* at Tables VI-5, 7.

VIII. Conclusion

For the reasons stated above, we determine that an industry in the United States is not materially injured or threatened with material injury by reason of subject imports of steel nails from India, Oman, and Turkey found by Commerce to be subsidized by the governments of India, Oman, and Turkey. We also find that imports of steel nails from Sri Lanka found by Commerce to be subsidized by the government of Sri Lanka are negligible and terminate that investigation.

Part I: Introduction

Background

These investigations result from petitions filed with the U.S. Department of Commerce (“Commerce”) and the U.S. International Trade Commission (“USITC” or “Commission”) by Mid Continent Nail Corporation (“Mid Continent”), Poplar Bluff, Missouri on December 30, 2021, alleging that an industry in the United States is materially injured and threatened with material injury by reason of subsidized imports of certain steel nails (“steel nails”)¹ from India, Oman, Sri Lanka, Thailand, and Turkey and less-than-fair-value (“LTFV”) imports of steel nails from India, Sri Lanka, Thailand, and Turkey. Table I-1 presents information relating to the background of these investigations.^{2 3}

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

² Pertinent Federal Register notices are referenced in appendix A, and may be found at the Commission’s website (www.usitc.gov).

³ Appendix B presents the witnesses appearing at the Commission’s hearing.

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

Effective date	Action
December 30, 2021	Petitions filed with Commerce and the Commission; institution of Commission investigations (87 FR 993, January 7, 2022)
January 19, 2022	Commerce's notice of initiation (87 FR 3970 and 87 FR 3965, January 26, 2022)
February 14, 2022	Commission's preliminary determinations (87 FR 9378, February 18, 2022)
June 7, 2022	Commerce's preliminary CVD determinations (87 FR 34654, 87 FR 34639, 87 FR 34645, 87 FR 34651, 87 FR 34649, June 7, 2022); scheduling of final phase of Commission investigations (87 FR 36882, June 21, 2022)
August 4, 2022	Commerce's preliminary AD determinations (87 FR 47719, 87 FR 47701, 87 FR 47708, 87 FR 47699, August 4, 2022)
August 17, 2022	Commission's hearing
August 22, 2022	Commerce's final CVD determinations (87 FR 51333, 87 FR 51337, 87 FR 51335, 87 FR 51339, 87 FR 51343, August 22, 2022)
August 22, 2022	Commission's notice of termination for Thailand CVD investigation (87 FR 55036, September 8, 2022)
September 16, 2022	Commission's CVD vote
October 6, 2022	Commission's CVD views
December 16, 2022	Anticipated date for Commerce's final AD determinations

Statutory criteria

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

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

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

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

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

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

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

Organization of report

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

Market summary

Steel nails are generally used to fasten two pieces of material, typically wood or other solid building materials.⁶ The leading U.S. producers of steel nails are Mid Continent, Kyocera-Senco (“Kyocera”), Legacy Fasteners (“Legacy”), and Tree Island. Leading producers of steel nails in the subject countries include Astrotech of India, Oman Fasteners of Oman, Trinity of Sri Lanka, Comesbest of Thailand, and Aslanbas of Turkey. The leading U.S. importer of steel nails from India is ***. The leading importer of steel nails from Oman is ***. The leading importers of steel nails from Sri Lanka are ***. The leading importers of steel nails from Thailand are ***. The leading importers of steel nails from Turkey are ***. Leading importers of steel nails from nonsubject countries (primarily China, Mexico, Taiwan, South Korea, and Malaysia) include ***. U.S. purchasers of steel nails responding to the purchasers’ questionnaire included distributors (25), retailers (16), pallet manufacturers (10), and other (3).

Apparent U.S. consumption of steel nails totaled approximately 1.0 million short tons (\$1.6 billion) in 2021. Currently, nine firms have confirmed production of steel nails in the

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

⁶ Petition, p. 5.

United States. U.S. producers' U.S. shipments of steel nails totaled 132,287 short tons (\$281.5 million) in 2021, and accounted for 12.9 percent of apparent U.S. consumption by quantity and 17.6 percent by value. U.S. imports from subject sources totaled 281,044 short tons (\$381.2 million) in 2021 and accounted for 27.4 percent of apparent U.S. consumption by quantity and 23.8 percent by value. U.S. imports from nonsubject sources totaled 611,955 short tons (\$941.3 million) in 2021 and accounted for 59.7 percent of apparent U.S. consumption by quantity and 58.7 percent by value.

Summary data and data sources

A summary of data collected in these investigations is presented in appendix C, table C-1. Except as noted, U.S. industry data are based on useable questionnaire responses of nine firms that accounted for the vast majority of U.S. production of steel nails during 2021.⁷ U.S. imports are based on official import statistics.

Previous and related countervailing and antidumping duty investigations

Steel nails have been the subject of several prior countervailing and antidumping duty investigations in the United States. Table I-2 presents data on those proceedings.

⁷ In the preliminary phase of these investigations, two of the nine U.S. producers (***) submitted questionnaires too late in the proceeding to address reporting inconsistencies; these firm's data were not included in the preliminary phase staff report.

Table I-2**Steel nails: Previous and related Commission proceedings and status of orders**

Date	Number	Country	Determination	Current status of order
1977	AA19210-189	Canada	Affirmative preliminary	ITC negative final
1979	731-TA-26	Korea	Affirmative preliminary	ITC negative final
1981	731-TA-45	Japan	ITC terminated investigation	---
1981	731-TA-46	Korea	AD order issued	Revoked in October 1984
1981	731-TA-47	Yugoslavia	ITC negative preliminary	---
1982	701-TA-145	Korea	Investigation terminated	---
1985	731-TA-226	China	AD order issued	Revoked September 1987, retroactive to January 1986
1985	A-455-502	Poland	Terminated investigations	---
1985	A-479-501	Yugoslavia	Terminated investigations	---
1987	C-614-701	Thailand	Affirmative final	CVD revoked for Thailand in August 1995
1989	C-557-804	Malaysia	CVD investigation terminated by Commerce	---
1996	731-TA-757	China	AD orders issued	AD orders were revoked November 2002
1996	731-TA-758	Korea	Terminated investigation	AD orders were revoked November 2002
1996	731-TA-759	Taiwan	AD orders issued	AD orders were revoked November 2002
2007	731-TA-1114	China	AD order for China	Currently in effect
2007	731-TA-1115	United Arab Emirates	Terminated investigation	---
2011	731-TA-1185	United Arab Emirates	Affirmative final	Currently in effect
2014	701-TA-515 and 731-TA-1251	India	ITC terminated preliminary AD and CVD investigations	---
2014	701-TA-516 and 731-TA-1252	South Korea	Commerce negative final CVD determination; AD order issued	Currently in effect
2014	701-TA-517 and 731-TA-1253	Malaysia	Commerce negative final CVD determination; AD order issued	Currently in effect
2014	701-TA-518 and 731-TA-1254	Oman	Commerce negative final CVD determination; AD order issued	Currently in effect

Date	Number	Country	Determination	Current status of order
2014	701-TA-519 and 731-TA- 1255	Taiwan	Commerce negative final CVD determination; AD order issued	Currently in effect
2014	701-TA-520 and 731-TA- 1256	Turkey	ITC terminated preliminary AD and CVD investigations	---
2014	701-TA-521 and 731-TA- 1257	Vietnam	CVD and AD orders issued	Currently in effect

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

Note: Collated roofing nails have been subject to the following investigations: Collated Roofing Nails from China, Korea, and Taiwan, Inv. Nos. 731-TA-757-759 (Preliminary), January 1997 and Collated Roofing Nails from China and Taiwan, Inv. Nos. 731-TA-757 and 759 (Final), November 1997.

Note: "Date" refers to the year in which the investigation was instituted by the Commission.

Previous and related safeguard investigations

On January 24, 1984, the United Steelworkers of America, AFL-CIO/CLC, and Bethlehem Steel Corp. filed a petition under section 201 of the Trade Act of 1974 alleging that carbon and certain alloy steel products, including steel wire nails, were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported articles.⁸ Following the Commission's affirmative determinations in July 1984 for several of the products, including steel wire nails, the United States negotiated various agreements to limit the importation of steel products into the United States, such as the VRAs.⁹

Effective June 22, 2001, following a request from the United States Trade Representative ("USTR") and subsequently a request from the Senate Finance Committee, a section 201 investigation was initiated by the Commission to determine whether certain steel products were being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry. The Commission issued a negative determination with respect to carbon and alloy steel nails.¹⁰

⁸ Carbon and Alloy Steel Products, Investigation No. TA-201-51, USITC Publication 1553, July 1984, p. 7.

⁹ Carbon and Alloy Steel Products, Investigation No. TA-201-51, USITC Publication 1553, July 1984, p. 7.

¹⁰ Steel, Investigation No. TA-201-73, USITC Publication 3479, December 2001, pp. 7-8.

Nature and extent of subsidies and sales at LTFV

Subsidies

On August 22, 2022, Commerce published a notice in the Federal Register of its final affirmative determinations of countervailable subsidies for producers and exporters of steel nails from India,¹¹ Oman,¹² Sri Lanka,¹³ and Turkey.¹⁴ On August 22, 2022, Commerce published a notice in the Federal Register of its negative final determination of countervailable subsidies for producers and exporters of steel nails from Thailand.¹⁵ Tables I-3, I-4, I-5, I-6, and I-7 present Commerce's final subsidy determinations of steel nails in India, Oman, Sri Lanka, Thailand, and Turkey.

Table I-3
Steel nails: Commerce's final subsidy determination with respect to imports from India

Entity	Final countervailable subsidy rate (percent)
Astrotech Steels Pvt. Ltd	2.93
Geekay Wires Limited	2.73
All others	2.85

Source: 87 FR 51333, August 22, 2022.

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

Table I-4
Steel nails: Commerce's final subsidy determination with respect to imports from Oman

Entity	Final countervailable subsidy rate (percent)
Oman Fasteners LLC	2.49
All others	2.49

Source: 87 FR 51335, August 22, 2022.

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

¹¹ 87 FR 51333, August 22, 2022.

¹² 87 FR 51335, August 22, 2022.

¹³ 87 FR 51337, August 22, 2022.

¹⁴ 87 FR 51339, August 22, 2022.

¹⁵ 87 FR 51343, August 22, 2022

Table I-5**Steel nails: Commerce's final subsidy determination with respect to imports from Sri Lanka**

Entity	Final countervailable subsidy rate (percent)
Trinity Steel Private Limited	4.12
All others	4.12

Source: 87 FR 51337, August 22, 2022.

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

Table I-6**Steel nails: Commerce's final subsidy determination with respect to imports from Thailand**

Entity	Final countervailable subsidy rate (percent)
Come Best Thailand Co., Ltd	0.05 (de minimis)
Jinhai Hardware Co. Ltd	0.10 (de minimis)

Source: 87 FR 51343, August 22, 2022.

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

Table I-7**Steel nails: Commerce's final subsidy determination with respect to imports from Turkey**

Entity	Final countervailable subsidy rate (percent)
Aslanbas Civi Tel Ve Celik Hasir San A.S	3.88
Sertel Vida Metal A.S	1.52
All others	1.86

87 FR 51339, August 22, 2022.

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

Sales at LTFV

On August 4, 2022, Commerce published a notice in the Federal Register of its affirmative preliminary determinations of sales at LTFV with respect to imports from India,¹⁶ Thailand,¹⁷ and Turkey.¹⁸ On August 4, 2022, Commerce published a notice in the Federal Register of its negative preliminary determinations of sales at LTFV with respect to imports from Sri Lanka.¹⁹ Tables I-8, I-9, I-10, and I-11 present Commerce's dumping margins with respect to imports of steel nails from India, Sri Lanka, Thailand, and Turkey.

Table I-8

Steel nails: Commerce's preliminary weighted-average LTFV margins with respect to imports from India

Exporter/producer	Preliminary dumping margin (percent)
Astroech Steels Private Limited	2.91
Geekay Wires Limited	3.97
All others	3.31

Source: 87 FR 47719, August 4, 2022.

Table I-9

Steel nails: Commerce's preliminary weighted-average LTFV margins with respect to imports from Sri Lanka

Exporter/producer	Preliminary dumping margin (percent)
Trinity Steel Private Limited	0.0

Source: 87 FR 47701, August 4, 2022.

Table I-10

Steel nails: Commerce's preliminary weighted-average LTFV margins with respect to imports from Thailand

Exporter/producer	Preliminary dumping margin (percent)
Come Best (Thailand) Co. Ltd	17.12
Jinhai Hardware Co., Ltd	65.87
All others	17.12

Source: 87 FR 47708, August 4, 2022.

¹⁶ 87 FR 47719, August 4, 2022.

¹⁷ 87 FR 47708, August 4, 2022.

¹⁸ 87 FR 47699, August 4, 2022.

¹⁹ 87 FR 47701, August 4, 2022.

Table I-11
Steel nails: Commerce’s preliminary weighted-average LTFV margins with respect to imports from Turkey

Exporter/producer	Preliminary dumping margin (percent)
Aslambas Civi Tel Ve Celik Hasir San A.S.	22.72
Sertel Vida Metal A.S.	38.38
All others	35.77

Source: 87 FR 47699, August 4, 2022.

The subject merchandise

Commerce’s scope

In the current proceeding, Commerce has defined the scope as follows:²⁰

The merchandise covered by this investigation is certain steel nails having a nominal shaft or shank length not exceeding 12 inches. Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel or long-rolled flat steel bars. Certain steel nails may be of one piece construction or constructed of two or more pieces. Examples of nails constructed of two or more pieces include, but are not limited to, anchors comprised of an anchor body made of zinc or nylon and a steel pin or a steel nail; crimp drive anchors; split-drive anchors, and strike pin anchors. Also included in the scope are anchors of one piece construction.

Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank or shaft styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted.

Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material.

²⁰ 87 FR 51333, 87 FR 51335, 87 FR 51337, 87 FR 51339, 87 FR 51343, August 22, 2022.

Excluded from the scope are certain steel nails packaged in combination with one or more nonsubject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25. If packaged in combination with one or more nonsubject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25, unless otherwise excluded based on the other exclusions below.

Also excluded from the scope are certain steel nails with a nominal shaft or shank length of one inch or less that are a component of an unassembled article, where the total number of nails is sixty (60) or less, and the imported unassembled article falls into one of the following eight groupings: (1) Builders' joinery and carpentry of wood that are classifiable as windows, French-windows and their frames; (2) builders' joinery and carpentry of wood that are classifiable as doors and their frames and thresholds; (3) swivel seats with variable height adjustment; (4) seats that are convertible into beds (with the exception of those classifiable as garden seats or camping equipment); (5) seats of cane, osier, bamboo or similar materials; (6) other seats with wooden frames (with the exception of seats of a kind used for aircraft or motor vehicles); (7) furniture (other than seats) of wood (with the exception of (i) medical, surgical, dental or veterinary furniture; and (ii) barbers' chairs and similar chairs, having rotating as well as both reclining and elevating movements); or (8) furniture (other than seats) of materials other than wood, metal, or plastics (e.g., furniture of cane, osier, bamboo or similar materials). The aforementioned imported unassembled articles are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4418.10, 4418.20, 9401.30, 9401.40, 9401.51, 9401.59, 9401.61, 9401.69, 9403.30, 9403.40, 9403.50, 9403.60, 9403.81 or 9403.89.

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under HTSUS subheadings 7317.00.2000 and 7317.00.3000.

Also excluded from the scope of this investigation are nails suitable for use in gas-actuated hand tools. These nails have a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS subheading 7317.00.1000.

Also excluded from the scope are decorative or upholstery tacks.

Tariff treatment

Steel nails are currently provided for in HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75 of the Harmonized Tariff Schedule of the United States (“HTSUS” or “HTS”), and are imported under all statistical reporting numbers of those subheadings. Steel nails imported from India, Oman, Sri Lanka, Thailand, and Turkey enter the U.S. market at a column 1-general duty rate of “Free.”²¹ Decisions on the tariff classification and treatment of imported goods are within the authority of U.S. Customs and Border Protection.

Section 232 tariff treatment²²

Steel nails classifiable under HTS subheading 7317.00 were not originally included in the enumeration of steel mill products that were subject to the additional 25 percent ad valorem section 232 national-security duties under HTS chapter 99 as of March 23, 2018.²³ However, steel nails described in HTS statistical reporting numbers 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5560, 7317.00.5580, and 7317.00.6560 were included in the enumeration of derivative iron and steel articles that became subject to additional 25 percent ad valorem section 232 duties, as of February 8, 2020.²⁴ At this time, imports of steel

²¹ HTSUS (2022) Basic Edition (Revision 8), USITC publication 5345, July 2022, p. 73-30.

²² As described below, imports of carbon and certain alloy steel wire rod (an input for steel wire and nails) are subject to additional 25 percent ad valorem section 232 duties or, in certain cases, quotas, effective March 23, 2018 (FR 11625). More recently, certain sources have become subject to tariff rate quotas. See also Carbon and Certain Alloy Steel Wire Rod from Brazil, Indonesia, Mexico, Moldova, and Trinidad and Tobago, Investigation Nos. 701-TA-417 and 731-TA-953, 957-959, and 961 (Third Review), USITC Publication 5100, August 2020, pp. I-28 and I-29 and app. F.

²³ Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) authorizes the President, on advice of the Secretary of Commerce, to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. Adjusting Imports of Steel Into the United States, Presidential Proclamation 9705, March 8, 2018; 83 FR 11625, March 15, 2018.

²⁴ Adjusting Imports of Derivative Aluminum Articles and Derivative Steel Articles Into the United States, Presidential Proclamation 9980, January 24, 2020; 85 FR 5281, January 29, 2020.

nails described by these six HTS statistical reporting numbers originating in Argentina, Australia, Brazil, Canada, The European Union member countries, Japan, Korea, Mexico, and the United Kingdom are exempted from any duties on derivative iron and steel articles^{25,26}; but imports originating in all other countries are subject to these 25 percent additional duties.²⁷ In its postconference brief during the preliminary investigation, petitioners

²⁵ While exempt from duties for derivative iron and steel articles, Argentina, Brazil, South Korea, The European Union member countries, Japan, and the United Kingdom are subject to annual import quotas or tariff rate quotas from steel mill products subject to 232 duties.

²⁶ 87 FR 33595, June 3, 2022.

²⁷ The President also issued subsequent Proclamations to exempt or adjust these duties for selected U.S. trade partners:

- Presidential Proclamation 9711, March 22, 2018 (83 FR 13361, March 28, 2018) exempted iron and steel mill products originating in Argentina, Australia, Brazil, Canada, the EU member countries (including the United Kingdom), Korea, and Mexico, as of March 23, 2018.
- Presidential Proclamation 9740, April 30, 2018 (83 FR 20683, May 7, 2018) continued the duty exemptions for Argentina, Australia, Brazil, but with annual import quota limits on iron and steel mill products originating in Korea, as of May 1, 2018; and did not continue the duty exemptions on iron and steel mill products originating in Canada, Mexico, and the EU member countries (including the United Kingdom), as of June 1, 2018.
- Presidential Proclamation 9759, May 31, 2018 (83 FR 25857, June 5, 2018) continued the duty exemptions but with annual import quota limits on iron and steel mill products originating in Argentina, Brazil, and Korea, as of June 1, 2018.
- Presidential Proclamation 9772, August 10, 2018 (83 FR 40429, August 15, 2018) continued the duty exemptions on iron and steel mill products originating in Australia; continued the duty exemptions with annual import quota limits on iron and steel mill products originating in Argentina, Brazil, and Korea, as of June 1, 2018; but doubled the duty rate to 50 percent on such imported products originating in Turkey, as of August 13, 2018.
- Presidential Proclamation 9886, May 16, 2019 (84 FR 23421, May 21, 2019) restored the original additional duty rate of 25 percent on steel mill products originating in Turkey, as of May 21, 2019.
- Presidential Proclamation 9894, May 19, 2019 (84 FR 23987, May 23, 2019) restored the duty exemptions on steel mill products originating in Canada and Mexico, as of May 20, 2019.
- Presidential Proclamation 10328, December 27, 2021 (87 FR 11, January 3, 2022) provided duty exemptions with annual import quota limits on iron and steel mill products originating in EU member countries, including Belgium, as of January 1, 2022.
- Presidential Proclamation 10356, March 31, 2022 (87 FR 63, April 1, 2022) provided duty exemptions within annual TRQs on iron and steel mill products originating in Japan, effective April 1, 2022.
See also U.S. note 16(a)(ii) to subchapter III of HTS chapter 99.
- Presidential Proclamation 10406, May 31, 2022 (87 FR 107, June 3, 2022) provided duty exemptions within annual TRQs on iron and steel mill products originating in the United Kingdom, effective June 1, 2022.

(continued...)

estimated that 27 percent of all nail imports from all sources over the period of February 2020 to September 2021 fall under the HTS codes that would be subject to 232 duties.²⁸

While imports produced in all subject countries are subject to these 25 percent ad valorem duties under HTS statistical reporting numbers 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5560, 7317.00.5580, and 7317.00.6560, three large importers sought the suspension of collection of these duties through litigation. On February 4, 2020, PrimeSource Building filed a suit against the United States before the Court of International Trade (“CIT”), arguing that the imposition of the tariffs on steel derivative products failed to follow required statutory procedures. Huttig and Oman Fasteners filed similar suits. Plaintiffs subsequently obtained injunctions against the collection of Section 232 duties. In April 2021, the CIT issued a summary judgment determining that the presidential proclamation was “invalid as contrary to law. The United States appealed this decision in June 2021 before the U.S. Court of Appeals for the Federal Circuit (“CAFC”) and requested a partial stay of judgement with the CIT pending the appeal. The motion for a stay was granted in August 2021 and CIT ordered suspension of liquidation of the entries affected by the appeal.²⁹ As of September 2022, the case is currently pending decision by the CAFC.³⁰

Section 301 tariff treatment³¹

Steel nails originating in China, a nonsubject source, that are imported into the United States under HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75 are currently

See also HTS heading 9903.80.01 and U.S. notes 16(a), 16(b), 16(e), and 16(f) to subchapter III of chapter 99 and related tariff provisions for this duty treatment. USITC, HTSUS (2022) Basic Edition (Revision 8), USITC publication 5345, July 2022, pp. 99-III-5 – 99-III-7, 99-III-237, 99-III-241 – 99-III-242, 99-III-249 – 99-III-250.

²⁸ Petitioner’s postconference brief, p. 20, Exh. 1.

²⁹ In its prehearing brief, PrimeSource noted that while three companies (PrimeSource, Oman Fastener, and Huttig Building Products) did obtain injunctions from the U.S. Court of International Trade (“CIT”) enjoining the collection of cash deposits of Section 232 duties on their imports, they were still required increase the liability on their bonds to reflect the additional Section 232 duties they would have deposited as a condition of the injunctions. All other U.S. importers have had to deposit Section 232 duties directly with U.S. Customs and Border Protection.

³⁰ Petitioner’s postconference brief, pp. 21-23; Exh 1.

³¹ Imports from China of carbon and certain alloy steel wire rod (an input for steel wire and nails) are subject to additional 7.5 percent ad valorem section 301 duties, effective February 14, 2021 (84 FR 3741, January 22, 2020).

subject to additional 25 percent section 301 ad valorem duties,³² effective May 10, 2019.³³ See also U.S. notes 20(e) and 20(f), subchapter III of chapter 99.

The product

Description and applications³⁴

Steel nails are small steel bars that are pointed on one end and have some type of head at the other end. (Flat heads are the most common).³⁵ Steel nails are driven into wood or other materials to fasten or join them together. The pointed end is driven into the surface of the material it is fastening, while the head serves as a point from which to drive the nail in without damaging the material the nail is fastening. The head also serves as a point from which to grasp and remove the nail if the object it is fastening needs to be disassembled. Steel nails can also be used as hooks or pegs from which to hang things.

Although most steel nails are produced from low-carbon steel, steel nails are also produced from stainless steel (to resist corrosion) and from medium- to high-carbon steel which can be hardened. Nails are packaged for shipment in bulk (loose in a carton or other

³² Section 301 of the Trade Act of 1974, as amended (19 U.S.C. § 2411) authorizes the President to take appropriate action to respond to a foreign country's unfair trade practices. On August 18, 2017, USTR initiated an investigation into certain acts, policies, and practices of the Government of China related to technology transfer, intellectual property, and innovation (82 FR 40213, August 24, 2017). On April 6, 2018, USTR published its determination that the acts, policies, and practices of China under investigation are unreasonable or discriminatory and burden or restrict U.S. commerce, and are thus actionable under section 301(b) of the Trade Act (83 FR 14906, April 6, 2018).

³³ HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75 were included in the USTR's third enumeration ("Tranche 3") of products originating in China that became subject to an additional 10 percent ad valorem section 301 duties (Annexes A and C of 83 FR 47974), on or after September 24, 2018. Tranche 3 covered 6,031 tariff subheadings, with an approximate annual trade value of \$200 billion (83 FR 47974, September 21, 2018). Escalation of this duty to 25 percent ad valorem was rescheduled from January 1, 2019 (annex B of 83 FR 14906, April 6, 2018) to March 2, 2019 (83 FR 65198, December 19, 2018), but was subsequently postponed until further notice (84 FR 7966, March 5, 2019), and then was implemented as of May 10, 2019 (84 FR 20459, May 9, 2019). A subsequent modification was provided for subject goods exported from China prior to May 10, 2019, not to be subject to the escalated 25 percent duty, as long as such goods entered the United States prior to June 1, 2019 (84 FR 21892, May 15, 2019). USTR proposed raising this additional duty from 25 percent to 30 percent on such products imported from China, on or after October 1, 2019 (Annex C – (List 3 - \$200 Billion Action), Part 1, of 84 FR 46212, September 3, 2019).

³⁴ Unless otherwise noted, this information is based on Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, Investigation Nos. 701-TA-521 and 731-TA-1252-1255 and 1257 (Final), USITC Publication 4541, July 2015. p. I-12.

³⁵ Home Depot, "Types of Nails", [Types of Nails \(homedepot.com\)](https://www.homedepot.com/types-of-nails), retrieved January 26, 2022.

container) or collated (joined with wire, paper strips, plastic strips, or glue into coils or straight strips for use in pneumatic nailing tools). Although most nails are produced from a single piece of steel, some nails are produced from two or more pieces. Examples of nails produced from two or more pieces include a nail with a decorative head such as an upholstery nail; a nail with a large thin attached head (for nailing roofing felt, for example); and a nail with a rubber or neoprene washer assembled over its shaft (to seal the nail-hole in metal or fiberglass roofing, or siding).

Particular varieties of nails within the scope of these investigations include, but are not limited to, masonry anchors³⁶ and roofing nails. Masonry anchors can be made of nylon, carbon steel, or stainless steel. They are primarily used to fasten wood or metal to concrete, brick, or block where predrilling is required.³⁷ Anchors can be made of one piece or in two pieces with a body and a steel pin.³⁸ Roofing nails are used in construction or maintenance of roofs. They can be made of carbon or stainless steel and often have a larger head than common nails. Like anchors, they can be made of one piece or two. Examples of two-piece roofing nails include hand driven and power-driven cap nails, which have a plastic or metal cap.³⁹

Manufacturing processes⁴⁰

Most steel nails are produced from wire rod or steel wire, although a small proportion of steel nails are produced from steel sheet or plate and are referred to as “cut nails.” Non-integrated producers of wire nails use purchased steel wire as a starting raw material, whereas integrated producers utilize their own facilities to produce wire for nails, using steel wire rod as their starting material. Some producers are further integrated through the steelmaking process and produce steel wire rod from raw materials such as scrap, pig iron, and ferroalloys. Figure I-1 shows the general process for producing steel wire nails.

³⁶ In its postconference brief, the Hillman Group argued that masonry anchors are a separate domestic like product.

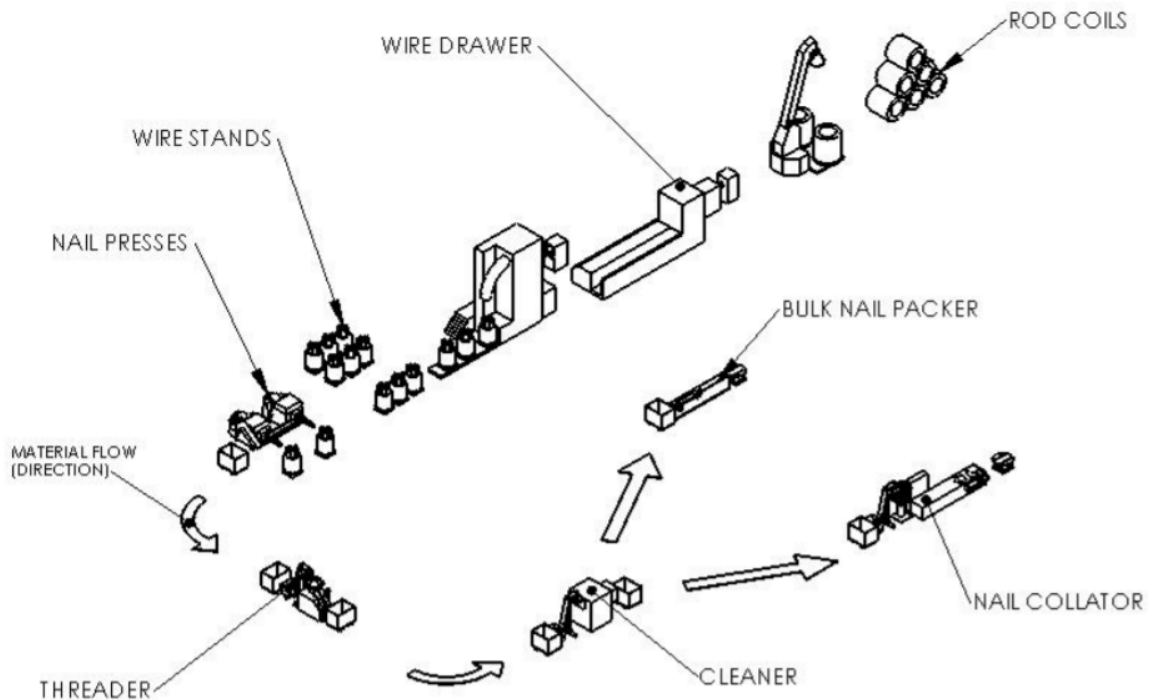
³⁷ Hillman Group’s postconference brief, pp. 4-6.

³⁸ For more information on types of masonry anchors, see Hillman Group’s postconference brief, Exh. 1, pp. 21-25.

³⁹ For more information on types of roofing nails as well as other types of nails, see Standard Specification for Driven Fasteners: Nails, Spikes, and Staples (ASTM F1667), petitioner’s postconference brief, exh. 17, pp. 334-382.

⁴⁰ Unless otherwise noted, this information is based on Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, Investigation Nos. 701-TA-521 and 731-TA-1252-1255 and 1257 (Final), USITC Publication 4541, July 2015, pp. I-12-I-15.

Figure I-1
Steel nails: General process of producing nails



Note: All collated nails are vinyl coated in-line on the collating machine. All bulk nails are coated in-line at the cleaning station if required.

Source: Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, Inv. Nos. 701-TA-521 and 731-TA-1252-1255 and 1257 (Final), USITC Publication 4541, July 2015, p. I-14.

To produce nails from wire, the wire is fed from a large coil into a nail machine that automatically straightens the wire, forms the head of the nail, and cuts the nail from the wire, simultaneously forming the point and ejecting the finished nail. Nail machines are of two general types: the first, known as a “cold-heading machine,” holds the wire near its end in gripper dies and forms the head by striking the leading end of the wire, forcing the end of the wire to fill a die cavity of the desired shape. The wire is fed through the grippers, and shape cutters form the point and cut the nail free from the wire coming off the coil. The process is repeated for each individual nail produced by the cold-heading process. In the second type of nail machine, known as a “rotary heading machine,” the wire is fed continuously and cutting rollers cut individual nail blanks, simultaneously forming the point. The nail blanks are then inserted into a die ring and the heads are formed by compression of the end of the nail between the rotating ring and a heading roller. The completed nails are then ejected from the machine. Both types of nail machines are used to produce all styles of nails, and some

manufacturers have both types in their facilities. These automatic machines are capable of producing a range of nail sizes and head and point styles by changing tooling and adjustment.

Nails that have helical twist, serrations, and other configurations on the shanks require an additional forming process. These nails are fed into other machines that roll, twist, stamp, or cut to required forms. These operations may also require heating of the nails before forming.

After forming, nails are tumbled on themselves in rotating drums to remove particles of head flash and the whiskers, which often remain on the cut and pointed ends. The drum may contain a medium (such as sawdust) which effects cleaning and polishing of the nails during tumbling, otherwise the tumbled nails can be transferred to units that clean the nails with solvents or vapor degreasers.

Nails are produced with a number of finishes, depending upon the intended use: uncoated,⁴¹ zinc-coated (galvanized), vinyl resin, and cement coated are the most common finishes. Nails with galvanized coatings are intended for uses where corrosion and staining resistance are important.⁴² Resin coatings are used to aid in driving the nail. Cement coating is used to increase the resistance of the nail to withdrawal by increasing the friction between the nail and the wood into which it has been driven. Zinc-coated, or galvanized, nails are produced by several methods: (1) produced using zinc-coated (galvanized) wire; (2) produced by a process of dipping formed nails into molten zinc and then spinning them in a centrifuge-like apparatus to throw off excess molten zinc; or (3) electroplated with zinc after forming. Nails for driving into concrete or other hard substances may be hardened by heat treatment. Nails for use in hand-held pneumatic nailing tools are processed through automatic equipment to collate the nails using paper strips, plastic strips, fine steel wire, or adhesive. Nails for use in nailing tools in some industrial applications—for the production of wooden pallets in particular—are packaged in bulk and fed to the nailing tools via automatic hopper-feeding systems. Nails for hand-driving are packaged in bulk (loose) in cartons or in smaller count boxes including one-pound and five-pound boxes for mass merchandise retail repair and modeling customers.

Cut nails are produced from steel sheet or plate rather than from wire and are rectangular rather than round. Cut nails are used primarily for joining to masonry or concrete. Although cut nails may be made for any carpentry use, the main use other than masonry is for flooring in applications where an antique appearance is required. Cut nails are made from high-carbon steel plate that is sheared into strips. The strips are fed into specially designed nail

⁴¹ Uncoated nails are also called “bright,” a term that refers to nails that have not undergone treatments affecting finish, such as hardening, bluing, coating, plating, etching, painting, etc. ASTM F547: Standard Terminology of Nails for Use with Wood and Wood-Base Materials.

⁴² Forest Products Society, Wood Handbook 2010 Edition, p. 8-3.

machines which shape the nails and form the heads. The cut nails are then-case hardened in a furnace and packed in fifty-pound cartons (also known as large-count industry standard boxes) on pallets for the construction trades or either one-pound or five-pound boxes for mass merchandise retail repair and modeling customers.

Domestic like product issues

The petitioner proposed a single domestic like products coextensive with the scope of the investigations.⁴³ Respondents PrimeSource, Metropolitan Staple, Steel Products Company and Steel & Wire Northeast stated that they did not contest a single domestic like product.⁴⁴ Respondent Hillman Group argued that anchors are a separate domestic like product.⁴⁵

In the preliminary phase of these investigations, the Commission found that differences between anchors and other nail products were “consistent with a continuum of nail products;” given this as well as the similarities between anchors and other types of steel nail products, the Commission found “a single domestic like product, consisting of all steel nails within the scope, for purposes of the preliminary phase of these investigations.”⁴⁶ The Commission issued draft questionnaires for comment in the final phase of these investigation on March 10, 2022. No party requested the collection of additional information regarding the domestic like product.

⁴³ Petitioner’s postconference brief, p. 3.

⁴⁴ Husch Blackwell prehearing brief, pp. 5-6.

⁴⁵ Hillman Group’s postconference brief, p. 9.

⁴⁶ Steel Nails from India, Oman, Sri Lanka, Thailand, and Turkey, Investigation Nos. 701-673-677 and 731-TA-1580-1583 (Preliminary), USITC Publication 5283, February 2022, p. 13.

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

U.S. market characteristics

Steel nails are predominantly manufactured from steel wire drawn from wire rod, but may also be produced from steel plate or strip. Different types of steel nails are sold for housing construction, constructing pallets and shipping crates, and making furniture, cabinets, or flooring. Steel nails are packaged in different sizes of boxes and containers with smaller packages normally being purchased by big box retailers and larger containers being sold to lumberyards and wholesale distributors. They may be sold in bulk or in paper- or plastic-collated strips to end users and distributors.¹

The construction industry is the single largest end user of steel nails. Therefore, demand for steel nails is primarily driven by the U.S. construction industry and is strongly influenced by residential housing construction.² Prices for steel nails are determined by a number of factors, including type of nail, physical dimensions of the nails, whether the nail is galvanized or coated, whether it is sold as a bulk or collated product, and if it is shank style.³

Apparent U.S. consumption of steel nails increased in terms of quantity by 27.1 percent during 2019-21, and was 10.3 percent higher in January-March 2022 than in January-March 2021. Apparent U.S. consumption of steel nails in terms of value increased by 45.5 percent during 2019-21, and was 63.6 percent higher in January-March 2022 than in January-March 2021. Domestic producers described a market for steel nails has been characterized by two periods of distinct market dynamics: before and during the COVID-19 pandemic.⁴ A representative of Mid Continent attributed the increase in apparent U.S. consumption during 2021 to effects of the COVID-19 pandemic and the resultant supply chain issues in addition to “unusual” ocean freight costs. These issues, he noted, allowed Mid Continent to increase prices. However, labor constraints have inhibited its ability to increase production and sales.⁵

¹ Petition, p. 6.

² Hearing transcript, p. 43 (Lutz).

³ Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam, Investigation Nos. 701-TA-521 and 731-TA-1252-1255 and 1257 (Final), USITC Publication 4541, July 2015, p. II-1.

⁴ Conference transcript, p. 98 (Kanna).

⁵ Hearing transcript, pp. 24-25 (Pratt).

U.S. purchasers

The Commission received 46 usable questionnaire responses from firms that have purchased steel nails since January 2019.^{6 7} Twenty-five responding purchasers are distributors, 16 are retailers, 10 are end users for pallets, 1 is an end user for other uses (***) , and 2 classified themselves as “other” (***) . Large purchasers of steel nails include *** which account for *** percent of reported purchases (including their direct imports) throughout the period.⁸

⁶ The following firms provided purchaser questionnaire responses: ***.

⁷ Of the 46 responding purchasers, 25 purchased domestic steel nails, 14 purchased imports of the subject merchandise from India, 11 purchased imports of the subject merchandise from Oman, 8 purchased imports of the subject merchandise from Sri Lanka, 10 purchased imports of the subject merchandise from Thailand, 18 purchased imports of the subject merchandise from Turkey, 26 purchased imports of steel nails from other known sources, and 21 purchased from unknown or unspecified sources.

Thirty-three purchasers reported marketing/pricing knowledge of domestic product, 21 of product imported from India, 17 of product imported from Oman, 9 of product imported from Sri Lanka, 18 of product imported from Thailand, 28 of product imported from Turkey, and 35 of product imported from other countries, notably Austria, Canada, China, Lithuania, Malaysia, Mexico, Poland, South Korea, and Taiwan.

⁸ One other purchaser, ***, was unable to provide quantity data for the volume of steel nails which it purchased; it provided value data. Based on the magnitude of the value data, *** is likely to be one of the largest purchasers as well.

Channels of distribution

Table II-1 presents distribution channels for steel nails in the U.S. market. Overall, approximately two-thirds of domestic and subject steel nails were sold to distributors, while the remainder was sold by domestic producers primarily to end users and by subject importers primarily to retailers. Importers of subject product from India and Oman sold primarily to distributors and secondarily to retailers. Importers of steel nails from Sri Lanka increased the proportion of their sales to distributors over the period as the proportion sold to retailers decreased. In contrast, importers of product from Thailand sold mainly to retailers. Approximately *** of the shipments of steel nails imported from Turkey were sold to retailers, and the remainder split between distributors and end users. The majority of shipments of steel nails imported from nonsubject sources were to retailers, and, increasingly, distributors.

Table II-1
Steel nails: Share of U.S. shipments by source, channel of distribution, and period

Shares in percent

Source	Channel	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
United States	Distributors	64.5	66.3	65.8	64.5	59.8
United States	Retailers	6.5	6.8	5.9	6.9	7.6
United States	End users	29.0	26.9	28.3	28.6	32.6
India	Distributors	***	***	***	***	***
India	Retailers	***	***	***	***	***
India	End users	***	***	***	***	***
Oman	Distributors	***	***	***	***	***
Oman	Retailers	***	***	***	***	***
Oman	End users	***	***	***	***	***
Sri Lanka	Distributors	***	***	***	***	***
Sri Lanka	Retailers	***	***	***	***	***
Sri Lanka	End users	***	***	***	***	***
Thailand	Distributors	***	***	***	***	***
Thailand	Retailers	***	***	***	***	***
Thailand	End users	***	***	***	***	***
Turkey	Distributors	***	***	***	***	***
Turkey	Retailers	***	***	***	***	***
Turkey	End users	***	***	***	***	***
Subject sources	Distributors	62.9	58.5	64.7	63.6	68.1
Subject sources	Retailers	34.3	37.3	33.4	34.7	28.7
Subject sources	End users	2.9	4.3	1.9	1.8	3.2
Nonsubject sources	Distributors	35.8	38.5	45.8	44.1	44.3
Nonsubject sources	Retailers	56.3	55.6	48.4	49.3	47.2
Nonsubject sources	End users	8.0	5.9	5.8	6.6	8.5
All import sources	Distributors	46.7	46.7	53.4	52.7	54.3
All import sources	Retailers	47.4	48.0	42.4	42.8	39.4
All import sources	End users	5.9	5.2	4.2	4.4	6.3

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

Geographic distribution

U.S. producers and importers reported selling steel nails to all regions in the United States (table II-2). For U.S. producers, 8.8 percent of sales were within 100 miles of their production facility, 75.8 percent were between 101 and 1,000 miles, and 15.4 percent were over 1,000 miles. Importers sold 39.2 percent within 100 miles of their U.S. point of shipment, 46.8 percent between 101 and 1,000 miles, and 14.0 percent over 1,000 miles.

Table II-2
Steel nails: Count of U.S. producers' and U.S. importers' presence in geographic markets, by source and by region

Region	U.S. producers	India	Oman	Sri Lanka	Thailand	Turkey	Subject sources
Northeast	8	10	7	4	9	9	18
Midwest	9	11	8	4	9	10	19
Southeast	9	12	8	4	8	11	20
Central Southwest	8	11	8	4	5	9	16
Mountains	8	9	8	4	8	7	16
Pacific Coast	7	11	8	4	9	8	17
Other	5	3	5	2	3	3	8
All regions (except Other)	6	7	7	4	4	5	13
Reporting firms	9	15	8	4	10	12	22

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

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

Supply and demand considerations

U.S. supply

Table II-3 provides a summary of the supply factors regarding steel nails from U.S. producers and from subject countries.

Table II-3
Steel nails: Supply factors that affect the ability to increase shipments to the U.S. market, by factor and by country

Quantity in short tons; ratio and share in percent

Factor	Measure	United States	India	Oman	Sri Lanka	Thailand	Turkey	Subject sources
Capacity 2019	Quantity	182,291	***	***	***	***	***	***
Capacity 2021	Quantity	158,238	***	***	***	***	***	***
Capacity utilization 2019	Ratio	66.3	***	***	***	***	***	***
Capacity utilization 2021	Ratio	82.8	***	***	***	***	***	***
Ending inventories 2019	Ratio	***	***	***	***	***	***	***
Ending inventories 2021	Ratio	***	***	***	***	***	***	***
Home market 2021	Share	***	***	***	***	***	***	***
Non-U.S. export markets 2021	Share	***	***	***	***	***	***	***
Ability to shift production	Count	***	***	***	***	***	***	***

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

Note: Responding U.S. producers accounted for the vast majority of U.S. production of steel nails in 2021. Responding foreign producer/exporter firms accounted for more than *** of U.S. imports of steel nails from India during 2021, *** U.S. imports of steel nails from Oman, Sri Lanka, and Thailand, and less than *** of U.S. imports of steel nails from Turkey. For additional data on the number of responding firms and their share of U.S. production and of U.S. imports from each subject country, please refer to Part I, "Summary Data and Data Sources."

Note: Home market and Non-U.S. export market shares are shares of total shipments.

Domestic production

Based on available information, U.S. producers of steel nails would have the ability to respond to changes in demand with moderate changes in the quantity of shipments of U.S.-produced steel nails to the U.S. market if they were able to secure enough labor to increase production, though some have struggled to do so.⁹ If the U.S. industry could secure the labor, its supply capability would approach its installed capacity which is substantial relative to production. The main contributing factors to this degree of responsiveness of supply are the availability of some unused capacity and inventories. Factors that may mitigate responsiveness of supply include labor constraints experienced by the largest producers, decreased inventory levels, limited ability to shift shipments from alternate markets and limited ability to shift production to or from alternate products. Domestic producers noted the lack of a readily available, skilled labor force, reportedly due to the effects of the COVID-19 pandemic and reductions in employees attributed to subject imports, that would be needed to produce more steel nails.¹⁰

U.S. producers' production capacity decreased by a 13.2 percent during 2019-21 and capacity utilization increased by 16.6 percentage points to 82.8 percent capacity utilization in 2021. Capacity utilization in January-March 2022, however, was lower (77.3 percent) than in January-March 2021 (87.5 percent). Petitioner's counsel submits that early in the relevant period, even without labor constraints, Mid Continent's capacity utilization for its installed capacity was "very low."¹¹ A representative for Mid Continent reported at the staff conference that "due to labor constraints and things of that nature, we are only able to operate at about 40

⁹ The two largest U.S. producers, Mid Continent and Tree Island, reported difficulty hiring and retaining an experienced workforce during the relevant period. Hearing transcript, p. 25 (Pratt) and p. 42 (Stachowiak). While only *** experienced a *** in production and in the number of production and related workers between 2019 and 2021, *** in the size of *** labor force was greater than the combined increases reported by the *** U.S. producers.

¹⁰ Hearing transcript, pp. 72-73 (Pratt). Domestic producers reported that these labor constraints are "significant" and have constrained the ability to increase production "in any significant volumes quickly." Conference transcript, p. 44 (Stachowiak) and hearing transcript, p. 73 (Pratt).

¹¹ Conference transcript, p. 49 (Jeong). In the preliminary phase, U.S. producers reported installed capacity at their locations. In the final phase, they were asked to provide both installed and practical capacity. Mid Continent reported practical capacity utilization of ***. For more information, see Part III.

percent of the {450 tons a day capacity at its Poplar Bluff location that it reached in 2017}.”^{12 13} Producers Mid Continent, Tree Island, and Kyocera each raised wages in 2021 in order to increase the number of workers.¹⁴ In its final phase questionnaire response, producer *** noted that labor difficulties have persisted: “current labor conditions make it difficult to increase workforce, even with offering increased wages.” Producers stated that one factor they have had to try to overcome in trying to increase production is the “availability of skilled, experienced people,” which “takes time” and is “not something money pays for,” particularly when those skilled employees were lost due to prior worker attrition.^{15 16}

U.S. producers’ inventories/total shipment ratio decreased from *** percent in 2019 to *** percent in 2021. *** of U.S. production is shipped domestically, and eight of nine U.S. producers reported that they are not able to shift production to other products.

Subject imports from subject countries

Based on available information, producers of steel nails from India, Oman, Sri Lanka, Thailand, and Turkey generally have the ability to respond to changes in demand with small changes in the quantity of shipments of steel nails to the U.S. market. Factors mitigating responsiveness of supply include, in general, a small amount of unused capacity, a limited

¹² Conference transcript, p. 48 (Pratt). The witness further noted that “if we had more profit on our nails, we would be able to raise our wages and possibly be able to increase our labor force.” Ibid. A representative of Tree Island added that, “Obviously, the availability of labor and the wages would require a significantly higher wage category, which would compress margins unless we could raise the prices substantially. But, absolutely, there is a significant amount of excess machine capacity that can support the market.” Ibid., p. 50 (Stachowiak).

¹³ Mid Continent is owned by Deacero USA, which is in turn owned by the Mexican firm Deacero S.A.P.I. de C.V., which produces steel nails. ***.

¹⁴ Hearing transcript, p. 28 (Lockhart) and p. 37 (Stachowiak). Conference transcript, p. 89 (Faron, Pratt, and Stachowiak), and Petitioner’s postconference brief, Answers to Commission Staff questions, p. 16. For additional information regarding installed versus practical capacity, please see Part III.

¹⁵ Conference transcript, p. 90 (Stachowiak) and p. 61 (Pratt).

¹⁶ In 2017, Legacy Fasteners LLC, which is owned by the former owners of Mid Continent, began production in the same city (Poplar Bluff, Missouri) as Mid Continent, having purchased the assets of Fuzion Fasteners from Hahn Industries, and competes with Mid Continent for skilled workers and customers. “Pallet People: Liblas Acquire Fuzion Fasteners, Launch Legacy Fasteners, LLC,” PalletEnterprise.com, submitted as part of Respondent Astrotech’s postconference brief, exhibit 3, and Ibid., pp. 17-18.

ability to shift shipments from alternate markets and no ability to shift production to or from alternate products for any subject country, along with relatively low inventory-to-production ratios.

The source with the greatest ability to respond to changes in demand is Turkey, which likely has a moderate ability to respond to changes in the U.S. steel nail market due to being the subject country with the most unused capacity, a ***, the second-largest percentage of sales to non-U.S. export markets, and the highest available inventory levels, although it maintains the largest percentage of home-market shipments among subject countries.¹⁷ India, Oman, Sri Lanka, and Thailand on the other hand, have somewhat less ability to increase exports to the U.S. market in response to price changes due to their high capacity utilization ratios, very low shipments to their home markets and third-country markets, and low inventory levels.

Production capacity in India, Oman, Sri Lanka, Thailand, and Turkey increased during 2019-21, with increases ranging from less than 5 percent (***) to more than 90 percent (***). At the end of 2020, *** held the largest amount of unused capacity among subject countries.¹⁸ Across all subject countries combined, despite capacity increasing by *** percent, capacity utilization increased by *** percentage points, and was *** percent in 2021. Capacity was higher in January-March 2022 (***) than in January-March 2021 (***) percent).

¹⁷ In the preliminary phase of these investigations, Turkish steel nails production capacity was substantially higher, and was ***. Foreign producer *** has not filed a response in the final phase of these investigations.

¹⁸ The effects of the COVID-19 pandemic on production in different countries was diverse during 2020 and 2021, due to both the effects of the virus itself as well as any interventions undertaken to combat the virus. With respect to imports, respondents noted that, “there have been shutdowns, there have been lockdowns that have inhibited sourcing and supply...” Conference transcript, p. 202 (Nagaranjan). At least one foreign producer in each country but Oman reported being affected by the COVID-19 pandemic.

The ratios of ending inventories held in subject countries by foreign producers to their total shipments of steel nails were generally smaller than the inventory ratios of domestic producers,¹⁹ although total ending inventory quantities increased each period. Ending inventory ratios in *** were never above *** percent. *** inventory ratios increased irregularly from *** to *** percent and *** inventory ratios increased from *** to *** percent from 2019 to 2021. *** inventory ratios increased irregularly from *** to *** percent. Inventories held by subject countries increased from *** short tons in 2019 to *** short tons in 2021.

Home market shipments for the steel nails industry in Turkey were *** percent in 2021 (a decrease from *** percent in 2019) but were *** percent or less for each of the other countries. Non-U.S. exports were less than *** percent for all countries. They were smallest for the steel nails industry in Sri Lanka (*** percent) and largest for the steel nails industry in India (*** percent) in 2021. No foreign producer reported being able to produce any other products on the same machinery and equipment used to make steel nails.²⁰

Imports from nonsubject sources

Imports of steel nails from nonsubject sources accounted for approximately 68.5 percent of total U.S. imports in 2021, according to official statistics. The largest source of nonsubject imports, and the largest source of all imports of steel nails was China by 2021 quantity, followed by Taiwan, South Korea, Canada, Mexico, and Malaysia. Combined, these countries accounted for over four-fifths of steel nail imports from nonsubject sources in 2021.

Supply constraints

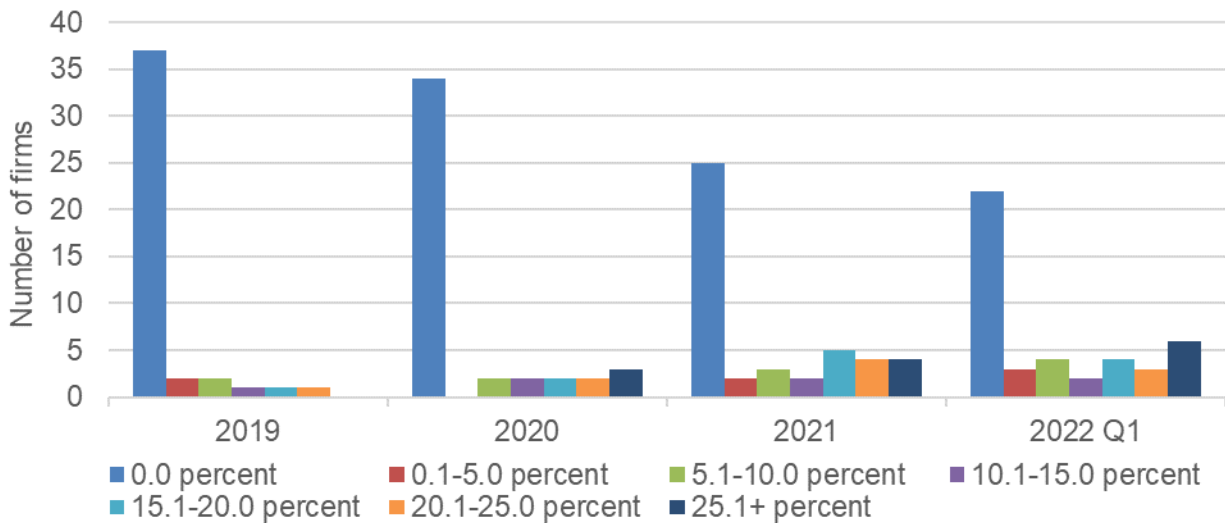
The U.S. steel nails market has been characterized by a number of supply constraints since January 1, 2019, including but not limited to unfulfilled orders, shipping delays, orders bypassed due to lack of production capacity, being placed on allocation, declining to accept new customers, delivering less than the quantity promised, etc.

Overall, purchasers reported increased difficulty purchasing all the steel nails they desired during the period. In 2019, purchasers were able to buy 98.2 percent of their desired purchases (with 37 of 44 purchasers having no unfulfilled desired purchases). This decreased to 93.6 percent in 2020, 89.5 percent in 2021, and 89.3 percent in the first quarter of 2022 (with 34, 25, and 22 purchasers having no unfulfilled desired purchases in these time periods, respectively. Figure II-1 and table E-1 in Appendix E show the number of purchasers with unfulfilled purchases by the percentage of their unfulfilled desired purchases in each period.

¹⁹ Domestic inventory ratios were above *** percent in each relevant period.

²⁰ One of four Indian foreign producers did note, however, producing of very small amounts (less than *** percent of annual capacity) of other products using the same equipment. ***. ***.

Figure II-1
Steel nails: Number of purchasers with unfulfilled desired purchases, by percentage of desired purchases



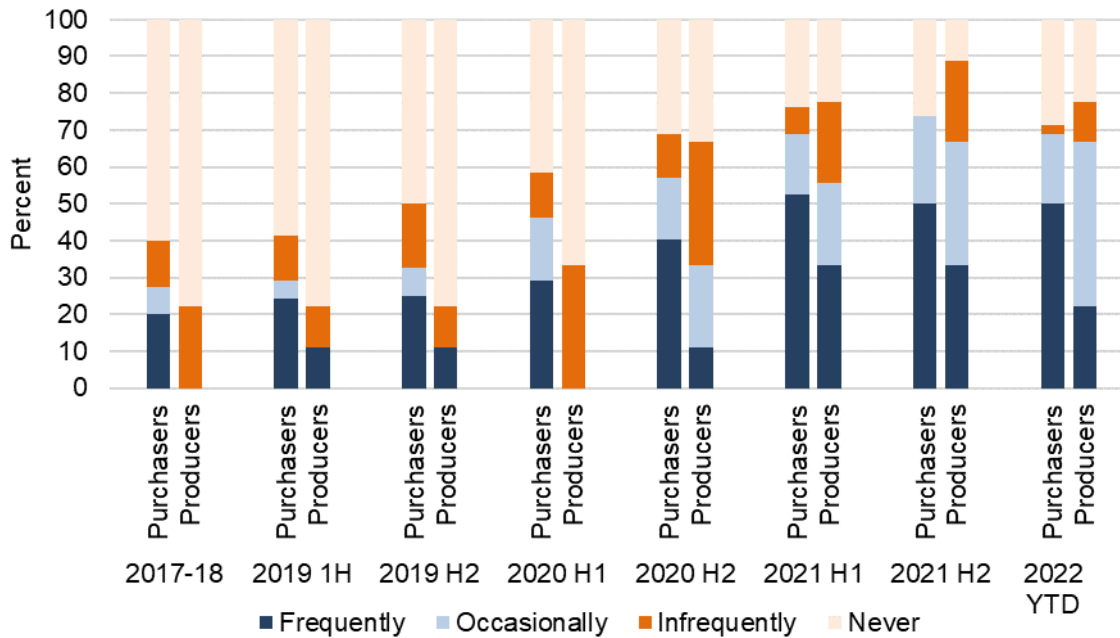
Source: Compiled from data submitted in response to Commission questionnaires.

In the producers', importers', and purchasers' questionnaires, firms were asked to indicate how frequently they experienced supply constraints in the steel nails market during various time frames.²¹ Figures II-2 through II-4 show that the frequency of supply constraints increased over the period. Firms were also asked to describe the type, timing, and duration of the constraint. Firms' responses are contained in Appendix E. In general, firms cited various reasons for the supply constraints: labor shortages, production shutdowns, supply chain issues, and shipping delays related to the COVID-19 pandemic for both U.S.-produced and imported steel nails.

Responding firms generally noted an increase in the frequency of supply constraints from all sources over time. Since 2021, approximately half of purchasers noted domestic supplies frequently being constrained. The proportion of purchasers noting frequent supply constraints has decreased slightly after peaking in the first half of 2021 for domestic and nonsubject sources, and in the second half of 2021 for subject sources. Trends were similar for both producers and importers, though the levels varied.

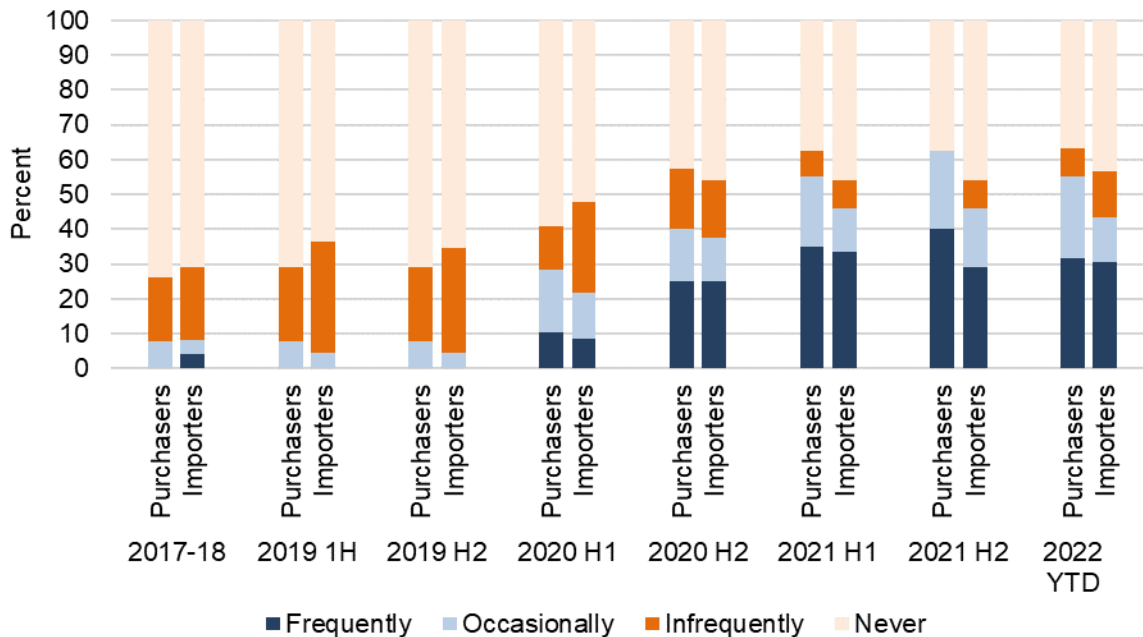
²¹ Producers were asked about domestic supply constraints, importers about subject and nonsubject supply constraints, and purchasers about all three. Firms were asked for information with respect to supply constraints before, during, and after January 2019 – March 2022.

Figure II-2
Steel nails: Firms' views on domestic supply constraints, by firm type



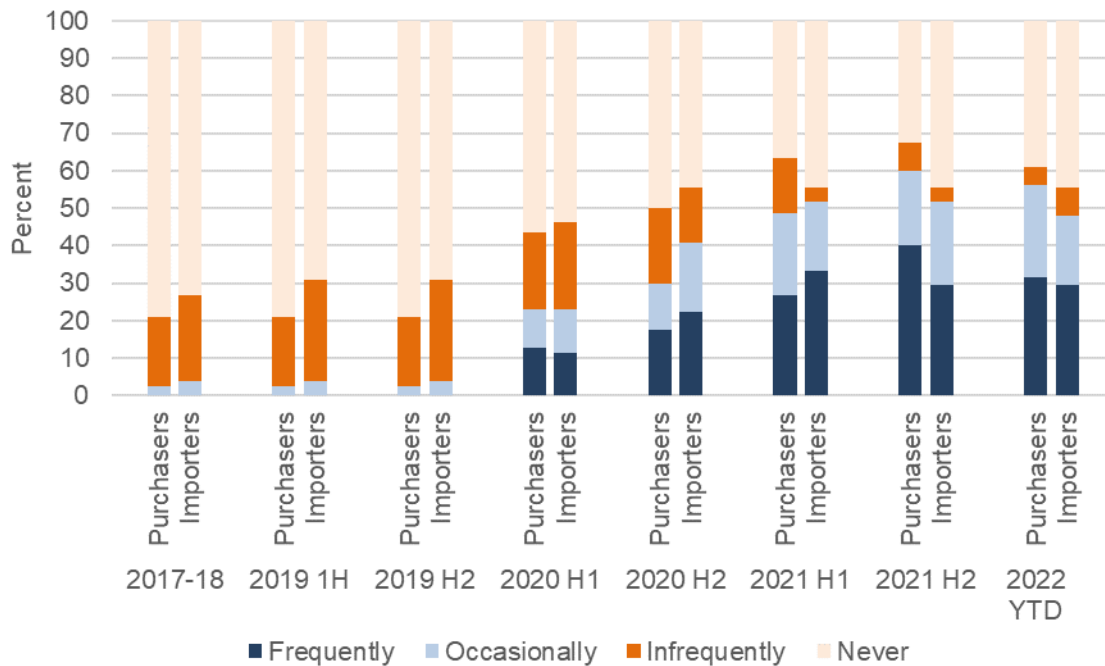
Source: Compiled from data submitted in response to Commission questionnaires.

Figure II-3
Steel nails: Firms' views on subject import supply constraints, by firm type



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

Figure II-4
Steel nails: Firms' views on nonsubject import supply constraints, by firm type



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

Five U.S. producers noted that the COVID-19 pandemic caused supply issues. The *** U.S. producer *** reported that its labor constraints were worsened because it had already reduced its workforce to compete with imports. It also reported that after the implementation of section 232 tariffs and an unsuccessful attempt to increase prices by approximately 19 percent in the spring of 2018, it lost 30 percent of its sales within the first 60 days, and by December of 2018, its shipments were down 60 percent from where they were in the first and second quarter of 2018.²² As a result of decreased shipments in 2018, *** reported that it reduced its workforce and has had difficulty attracting skilled labor back in order to satisfy demand in 2021.²³ U.S. producer *** reported that it allocated its volumes to avoid customers stockpiling nails to avoid price increases and to ensure availability to all customers. It reported disruptions with its raw material supply chain and “manpower constraints.” *** reported container issues, issues due to the COVID-19 pandemic, and “an extreme amount of new requests for business beyond our current labor force” caused it to have supply issues.

²² Conference transcript, p. 46 (Skarich).

²³ Conference transcript, p. 61 (Pratt).

Import supply disruptions have also impacted imports in the steel nails market. Plant shutdowns related to the COVID-19 pandemic, a lack of available ocean carrier transport, bottlenecks at offloading port facilities, a shortage of truck drivers, container shortages, and the war in Ukraine were all reported by firms as causing supply constraints for imports.

Purchasers' experiences varied. A few purchasers reported that some importers refused orders. In contrast, purchaser *** reported that "There have been supply issues and shipping delays in the past 2 years but as a whole, there are very few orders that are not accepted by the import mills." Similarly, purchaser *** noted that it has not been refused orders, but their suppliers have been unable to honor time commitments: "Mills used to promise 3 months from order placed to arrival. Now most mills will tell you 4-6 month lead time but in our experience they all take 8-12 months sometimes longer." On the other hand, purchasers like *** have been refused orders, and *** indicated that production capacity issues has caused it to be put on allocation for years. Purchaser *** stated that at various times it had run out of stock of numerous items.

New suppliers

Nine of 44 purchasers indicated that new suppliers entered the U.S. market since January 1, 2019. Purchasers reported that the Abyssinia Group from Kenya (3 firms), AJAX International from China, Coinalde Polska from Poland, Karam Industries from Angola, Nails of Flanders from Belgium, and Gunney Celik and Tema from Turkey had entered the U.S. market since January 1, 2019. Purchaser *** reported that unnamed producers from Angola and the United Arab Emirates had entered the market during the same period.²⁴

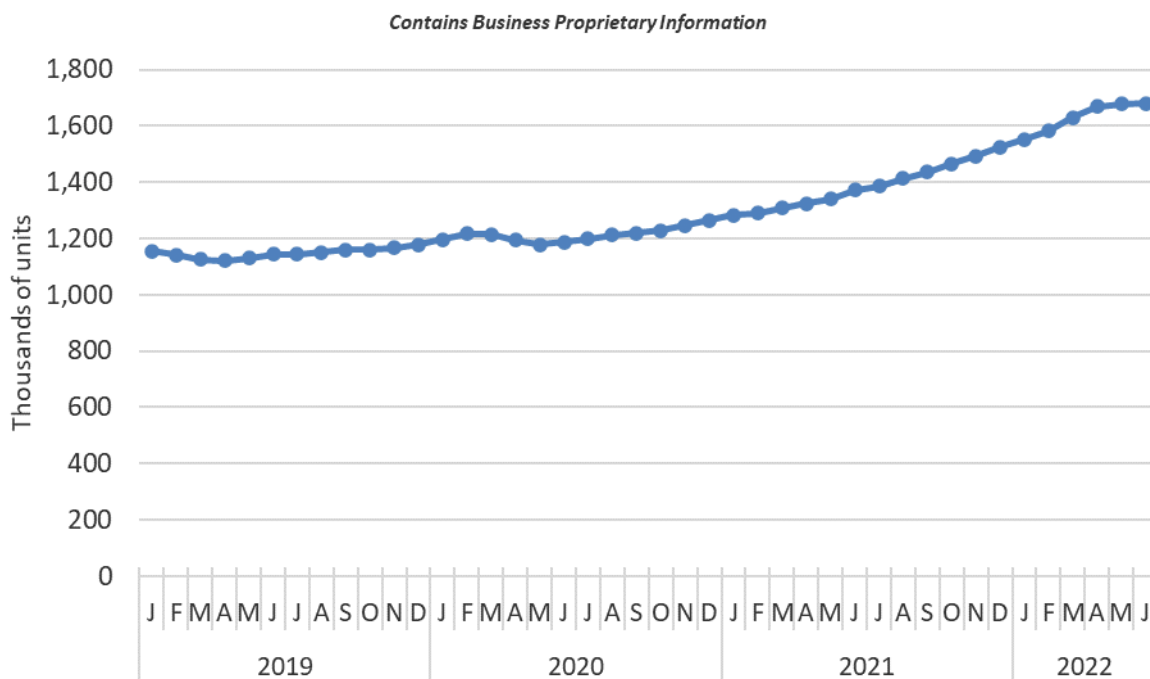
U.S. demand

Based on available information, the overall demand for steel nails is likely to experience small changes in response to changes in price. The main contributing factors are the lack of substitute products and the small cost share of steel nails in most of its end-use products.

²⁴ *** additionally noted Metalhouse, LLC, Sousa Deacero, and MicraGlobal had entered the market but staff were unable to verify origin countries for these sources.

Demand for steel nails is derived primarily from construction activity and is strongly influenced by construction in residential housing. As shown in figure II-5, residential construction activity in the United States has increased since January 2019, especially since Spring 2020.²⁵ Between January 2019 and March 2022, seasonally adjusted housing under construction increased 41.2 percent; since March 2022, it has increased by a 3.1 percent. Representatives for U.S. producers noted, however, that they believe demand will not be as robust in the remainder of 2022 and 2023 due to higher purchaser inventory levels and decreases in housing permits and starts.²⁶

Figure II-5
Housing under construction: New privately owned housing units under construction, monthly, seasonally adjusted annual rate, January 2019-June 2022



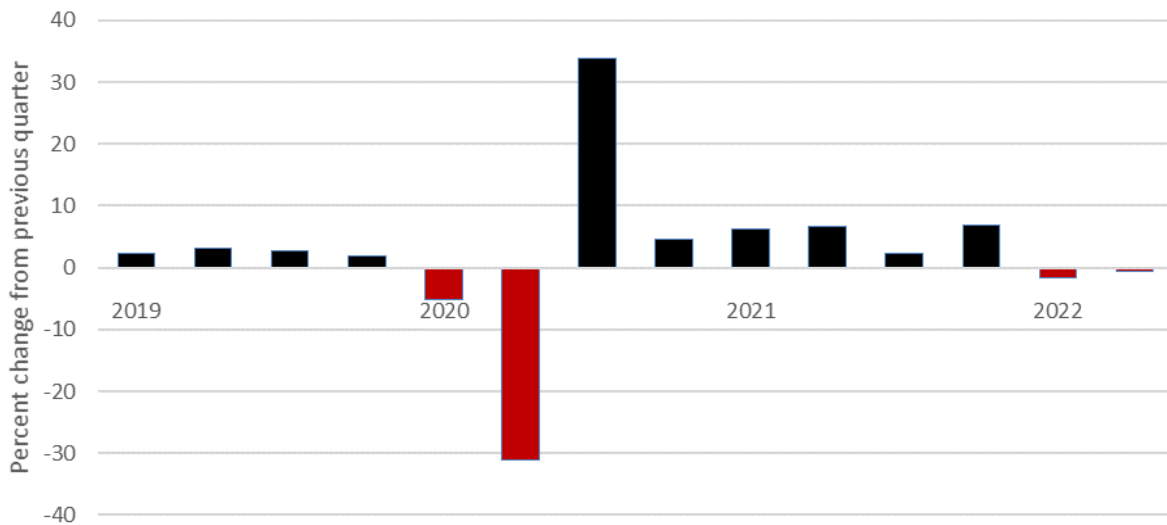
Source: U.S. Census Bureau, <https://www.census.gov/construction/nrc/index.html>, retrieved August 30, 2022.

²⁵ A representative for Mid Continent stated that “residential construction has gone from normal single-digit growth to, on average, 22 to 23 percent over a 16-month period of time, which blew all of us away, and that created all kinds of problems for everybody here. So, it has been constant growth since 2018,” and called this growth “unprecedented.” Conference transcript, pp. 20 and 57 (Skarich).

²⁶ Hearing transcript, p. 44 (Lutz) and pp. 115-116 (Stachowiak) and petitioner’s posthearing brief, answers to Commissioners’ questions, p. 22.

Demand for steel nails is also influenced by the general level of economic activity in the United States (figure II-6). For example, pallet demand growth generally follows trends in domestic GDP growth. One domestic industry representative noted that pallet demand normally runs at 2 to 3 percent growth per year.²⁷ A representative for respondents at the staff conference noted that in the past pallet demand growth may have been 1 to 2 percent, but after the spring of 2020, pallet growth had been much larger.²⁸

Figure II-6
Real U.S. GDP growth: Percentage change, quarterly, first quarter 2019 to second quarter 2022



Source: U.S. Bureau of Economic Analysis, <https://www.bea.gov/data/gdp/gross-domestic-product#gdp>, retrieved August 30, 2022

End uses and cost share

U.S. demand for steel nails depends on the demand for U.S.-produced downstream products including various carpentry and construction applications, housing, wooden fencing, furniture, and pallets. Steel nails account for a very small share of the cost of the end-use products in which they are used. Reported cost shares for some end uses typically ranged from 1 to 5 percent, depending on how specific the reported end use was.

²⁷ Conference transcript, p. 77 (Skarich).

²⁸ Current-price, or nominal, GDP had increased 13.5 percent between the third quarter of 2020 and the fourth quarter of 2021 according to official U.S. statistics. FRED, St. Louis Federal Reserve, <https://fred.stlouisfed.org/release/tables?rid=53&eid=12998&od=2021-04-01#>, retrieved July 22, 2022. (Due to the two middle quarters of 2020 being impacted substantially by the start of the COVID-19 pandemic, 18-month comparison data would be overshadowed by these economic effects.) In 2022, there has been two quarters of quarterly negative GDP growth, though the decline was smaller in the second quarter than in the first quarter.

Business cycles

Six of 9 responding U.S. producers, 13 of 29 responding importers, and 18 of 45 responding purchasers indicated that the market was subject to business cycles, whereas 3 of 9 responding producers, 3 of 29 responding importers, and 8 of 45 responding purchasers indicated that the market is subject to distinct conditions of competition. Specifically, since the main use for steel nails is construction, demand is linked to construction cycles, with demand declining during winter months, in part due to decreased construction activity in colder regions of the United States in the winter and the desire of purchasers in Southern states to decrease their inventories in December for year-end tax reasons.²⁹ Six of 8 responding producers, 8 of 17 responding importers, and 23 of 43 responding purchasers also noted that since 2019 there have been changes to the distinct conditions of competition and business cycles in the steel nail industry. Changes in raw material pricing whether due to section 232 tariffs or steel prices in general, the cessation of recycled pallets supplying large agricultural markets, effects of the COVID-19 pandemic, increased demand, increased focus of purchasers on delivery times and availability of product from suppliers, increased lead times, supply shortages, and unreliable ocean container transport were all reported as changes that have occurred since January 1, 2019.

Demand trends

Most firms reported increasing U.S. and foreign demand for steel nails since January 1, 2019 (table II-4). Nearly all firms that did not report increasing demand indicated instead that demand has been fluctuating. At the staff conference, representatives of Mid Continent and Kyocera, along with respondents' counsel and economist characterized demand for steel nails at that time as "strong," "soaring," "increasing," and "skyrocketing."³⁰

²⁹ Conference transcript, pp. 78-80 (Faron, Frantzen, Skarich, and Stachowiak).

³⁰ Conference transcript, pp. 11, 13 (House), 20 (Skarich), 27 (Faron), and 172 (Rogowsky).

Table II-4
Steel nails: Count of firms' responses regarding overall domestic and foreign demand, by firm type

Market	Firm type	Increase	No change	Decrease	Fluctuate
Domestic demand	U.S. producers	8	0	0	1
Domestic demand	Importers	17	2	2	8
Domestic demand	Purchasers	30	4	1	7
Foreign demand	U.S. producers	2	2	0	0
Foreign demand	Importers	9	3	0	5
Foreign demand	Purchasers	9	2	0	6
Demand for end use product	Purchasers	6	3	0	4

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

Substitute products

Substitutes for steel nails are limited. Six of 8 U.S. producers, 22 of 26 responding importers, and 38 of 42 responding purchasers reported there are no substitutes for steel nails. Screws, staples, and adhesives were noted as possible substitutes in certain applications.

Substitutability issues

This section assesses the degree to which U.S.-produced steel nails and imports of steel nails from subject countries can be substituted for one another by examining the importance of certain purchasing factors and the comparability of steel nails from domestic and imported sources based on those factors. Based on available data, staff believes that there is a moderate-to-high degree of substitutability between domestically produced steel nails and steel nails imported from subject sources of the same type.³¹ Factors contributing to this level of substitutability include general interchangeability among steel nails of similar quality. The largest factors limiting substitutability were availability/available capacity to produce domestic steel nails, and certain types of steel nails only being available only from certain sources.

³¹ The degree of substitution between domestic and imported steel nails depends upon the extent of product differentiation between the domestic and imported products and reflects how easily purchasers can switch from domestically produced steel nails to the steel nails imported from subject countries (or vice versa) when prices change. The degree of substitution may include such factors as relative prices (discounts/rebates), quality differences (e.g., grade standards, defect rates, etc.), and differences in sales conditions (e.g., lead times between order and delivery dates, reliability of supply, product services, etc.).

Factors affecting purchasing decisions

Purchaser decisions based on source

As shown in table II-5 most purchasers and their customers sometimes or never make purchasing decisions based on the producer or country of origin. However, 12 purchasers always make decisions based on the producer; 8 of the 12 cited one or more reasons, with quality, reliability, and capability to produce as the most frequent reasons. Four firms cited quality, two each cited trust and capacity; other reasons cited include competitiveness, brand, cost, capability and consistent results.³²

Table II-5
Steel nails: Count of purchasers' responses regarding frequency of purchasing decisions based on producer and country of origin

Firm making decision	Decision based on	Always	Usually	Sometimes	Never
Purchaser	Producer	12	6	13	14
Customer	Producer	2	4	12	24
Purchaser	Country	2	7	14	22
Customer	Country	1	1	13	24

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

Importance of purchasing domestic product

Thirty-two of 41 responding purchasers reported all of their purchases did not require purchasing U.S.-produced product. Three reported that domestic product was required by law (for 1 to 10 percent of their purchases, averaging 4.7 percent of their purchases), nine reported it was required by their customers (for 0.1 to 100 percent of their purchases, averaging 20.1 percent of their purchases), and one purchaser reported buying domestic steel nails due to other preferences for domestic product.³³ Only one purchaser (***) noted that it prefers domestic product because sales to federal state and local governments may include Buy American provisions.³⁴

³² One purchaser (***) reported that the quality of nails from Turkey (and other countries) varies a great deal between mills so the producer is always a factor in its decision.

³³ ***.

³⁴ *** did not report the shares under Buy American provisions.

Most important purchase factors

The most often cited top three factors firms consider in their purchasing decisions for steel nails were availability/lead time (37 firms), quality (34 firms), and price (31 firms), as shown in table II-6. Quality was the most frequently cited first-most important factor (cited by 19 firms), followed by availability (14 firms) and price (9 firms); availability was the most frequently reported second-most important factor (14 firms); and price was the most frequently reported third-most important factor (15 firms). The majority of purchasers (35 of 46) reported that they usually (15) or sometimes (22) purchase the lowest-priced product. In addition, eight reported that they never purchase the lowest-priced product, while one always does.

Table II-6
Steel nails: Count of ranking of factors used in purchasing decisions as reported by purchasers, by factor

Factor	First	Second	Third	Total
Quality	19	12	3	34
Availability/lead time	10	14	13	37
Price	9	7	15	31
Supplier relationship/contract	4	0	4	8
Product line	2	5	2	9
Specification/brand	1	3	0	4
Delivery/delivered cost	1	0	1	2
Service	0	3	1	4
Delivery time/reliability	0	1	2	3
Terms	0	1	2	3
Other	1	1	5	7

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

Note: Other includes: capacity/capability as a first factor, keeping a diverse supply chain as a second factor, and company stability, customer requirements, operational strength of supplier, packaging, and willingness to act as an importer of record as third factor. One purchaser reported quality and price as first factor and one as third factor, both these responses were included.

Note: Other factors reported by purchasers but not among the top three factors include compatibility with pneumatic tools and wooden pallet-making machinery, customer service, freight costs, good communication, lead times, "lead times including shipping delays," price, product range, tariffs, terms of sale, timely shipments. One purchaser not noting price as a top-three factor noted that it is a factor, but "during this period especially, price has taken a back seat to the factors {availability, consistency of quality, and long-term relationship}."

Importance of specified purchase factors

Purchasers were asked to rate the importance of 16 factors in their purchasing decisions (table II-7). The factors rated as very important by a large majority of responding purchasers were availability, (45 purchasers), product consistency (44), quality meets industry standards and reliability of supply (43 each), and delivery time (40). At least half of responding purchasers also indicated that price (28), product range (27), delivery terms (26), and quality exceeds industry standards (23) were very important factors. Purchaser responses were somewhat bifurcated with respect to availability of private labeling: 20 indicated it was very important and 15 indicated it was not important.

Table II-7

Steel nails: Count of purchasers' responses regarding importance of purchase factors, by factor

Factor	Very important	Somewhat important	Not important
Availability	45	1	0
Product consistency	44	2	0
Quality meets industry standards	43	3	0
Reliability of supply	43	3	0
Delivery time	40	5	1
Price	28	17	1
Product range	27	14	4
Delivery terms	26	14	6
Quality exceeds industry standards	23	14	7
Packaging	21	18	7
Technical support/service	21	18	7
Availability of private labeling	20	12	15
Payment terms	16	25	5
U.S. transportation costs	14	21	10
Discounts offered	11	17	18
Minimum quantity requirements	7	16	23

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

Lead times

Steel nails are produced both on a produced-to-order basis and sold from inventory. U.S. producers reported that 55.2 percent of their commercial shipments were produced-to-order, with lead times averaging approximately 55 days. The remaining 44.8 percent of their commercial shipments came from inventories, with lead times averaging 11 days. Importers reported that a slightly higher proportion of their steel nails being sold on a produced-to-order basis; 65.7 percent of their commercial shipments were produced-to-order, with lead times averaging approximately 134 days.³⁵ The remaining 34.3 percent of their commercial shipments came from domestically held inventories, with lead times averaging 7 days.

³⁵ Less than 0.1 percent of shipments were sold from foreign inventories.

Steel nails are typically sold on the spot market. A representative noted that it typically takes orders for nails to be produced within four to six weeks from when the order is taken since the product mix does not change greatly.³⁶ Another representative of the domestic industry agreed, adding that “This is not a long-term booking business... It is very much an order-to-order approach.”³⁷ A representative of Kyocera stated that its longest lead times, in normal times, would be 30 days, but it is more of a “week-to-week ordering process and delivery process going out the door.”³⁸ One reason for this is that firms may not want to book orders too far out for the current market price for steel nails if the price of its main input, wire rod, is rapidly increasing.³⁹

Supplier certification

Eighteen of 44 responding purchasers require their suppliers to become certified or qualified to sell steel nails to their firm. Purchasers reported that the time to qualify a new supplier typically ranged from 1 to 180 days. Among the issues purchasers require for certification include: determining usability and quality, reliability of the supply, whether the supplier is willing to participate in a supply agreement, and third party certifications. Seven purchasers reported that a domestic or foreign supplier had failed in its attempt to qualify steel nails, or had lost its approved status since 2019. Suppliers that were disqualified included Astrotech (South Africa), Geekay (India), Gulf Nails (Oman), Inno Steel & Koran Wire (South Korea), Mid Continent (U.S.), Shandex, Sertel (Turkey), Romp (Taiwan), an unspecified supplier in Thailand, and Tuper and Clavos Nacionales (Mexico).⁴⁰

Minimum quality specifications

As can be seen from table II-8, nearly all purchasers reported that domestic producers always or usually meet minimum quality specifications, with equal numbers of purchasers noting that they always meet minimum specification as usually meeting them (17). Most responding purchasers also indicated that subject and nonsubject sources always or usually meet minimum quality specifications, but steel nails from India, Sri Lanka, and Turkey were less frequently noted as always meeting the specifications.

³⁶ Conference transcript, p. 84 (Skarich).

³⁷ Ibid., pp. 84-85 (Stachowiak).

³⁸ Ibid., p. 85 (Faron).

³⁹ Ibid., pp. 87-88 (Stachowiak).

⁴⁰ One purchaser mentioned Aegis Industries (with no reported country), however, no firm that produced nails was found with this name.

Table II-8**Steel nails: Count of purchasers' responses regarding suppliers' ability to meet minimum quality specifications, by source**

Source of purchases	Always	Usually	Sometimes	Rarely or never	Don't Know
United States	17	17	0	1	9
India	7	13	1	1	18
Oman	8	7	0	1	24
Sri Lanka	2	7	1	1	30
Thailand	8	9	1	1	22
Turkey	9	15	4	1	14
Nonsubject sources	16	14	0	0	9

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

Note: Purchasers were asked how often domestically produced or imported steel nails meets minimum quality specifications for their own or their customers' uses.

Forty-two of 46 purchasers reported factors that determined quality. Factors noted by purchasers included: meeting standard certifications (ASTM, ESR, ILC/IC80, and ICC); meeting specifications (correct size, length, diameter, weight, thickness, and count); nail characteristics (straight, will not bend excessively or break, holding power, head weld, shape of head, no flashing under the head, grade of steel, thread quality, coating/finish quality, corrosion resistance, strength, and durability); collated nails running smoothly through gun (correct angle, quality of plastic, paper, or wire used in collation, galvanization does not come off in gun, and work in different types of guns); consistency; packaging (box strength, box graphics, and pallet quality); timely shipping; performance/lack of customer complaints; and manufacturer process.

Changes in purchasing patterns

Purchasers were asked about changes in their purchasing patterns from different sources since 2019 (table II-9). Twenty-three of 45 responding purchasers reported that they had changed suppliers since January 1, 2019. Purchasers reported increasing purchases of U.S. steel nails because of strong demand, availability, price, and quality.⁴¹ Purchasers reported reducing their purchase of U.S. steel nails because of COVID shutdowns, lack of availability, and "direct sourcing."

⁴¹ A number of firms, however, reported supply constraints when purchasing from U.S. producers.

Table II-9**Steel nails: Count of purchasers' responses regarding changes in purchase patterns from U.S., subject, and nonsubject countries**

Source of purchases	Increased	Constant	Decreased	Fluctuated	Did not purchase
United States	12	7	5	9	7
India	6	4	4	4	13
Oman	6	2	2	2	19
Sri Lanka	3	2	1	2	24
Thailand	5	2	5	5	13
Turkey	12	5	5	3	6
Nonsubject sources	14	5	5	10	1
Sources unknown	8	3	1	5	10

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

Purchasers reported increased purchases of Indian nails because of availability, price, and overall demand. Purchasers that noted decreasing relative purchases of steel nails imported from India reported doing so because of quality, supply chain issues, and price. Purchasers reported increasing their purchases of steel nails from Oman because of a wire coil shortage, quality, the closure of a plant in China, and a lack of U.S. steel nails availability, while purchasers decreasing purchases of steel nails from Oman noted doing so because of availability, price, freight costs, and quality. Purchasers did not explain why they increased purchases from Sri Lanka but one purchaser decreasing its purchases from Sri Lanka did so because of freight costs and quality. Purchasers noted increasing purchases from Thailand in order to diversify the supply chain because of inconsistent shipments, increased demand, a “new category strategy,” and “insignificant volumes.” Those purchasers decreasing purchases of imported steel nails from Thailand reported that they did so because of shipping costs, shipping delays, quality, and availability. Firms which increased their purchases of steel nails from Turkey reported making this change because of high demand, logistics, availability (placed orders because U.S. producers were shut down because of the COVID-19 pandemic or U.S. product was not available), price, and a unique green galvanizing process. Purchasers reducing purchases from Turkey decreased them because of a disagreement with the producer, quality, and because better sources became available.

On average, purchasers reported contacting two to five suppliers of steel nails although responses varied considerably. *** reported contacting between 7 and 14, 4 and 12, and 12 and 15 suppliers, respectively, whereas *** contacts one at most. Fourteen of 44 responding purchasers noted changes in the number of suppliers they contact since 2019. Nine of the 14 reported some sort of supply issue leading them to seek more suppliers (e.g., limited capacity/unavailable product, shipping delays, scheduling shipments more aggressively), two reported doing so for price reasons, two

reported adding domestic suppliers, and one reported reaching out to potential new suppliers. Purchaser *** stated, "Prior {it} had stable contacts and supply, since then {it has} had to bid and schedule shipments more aggressively. Previously {it} could order as needed."

Purchasers reported buying steel nails from as many as 30 sources. On average, they purchase from between four and eight sources. Purchaser *** explained, "There are a lot of suppliers for nails we use. Most we don't use more than a couple times of year but they are all important and part of our supply chain. I'm not sure how many really it could definitely be more than 20. We have always used and reached out to as many as possible, even before pandemic supply chain and shortages." Fifteen of 45 reported changing the number of suppliers from which they source steel nails since 2019.

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

Purchasers were asked a number of questions comparing steel nails produced in the United States, subject countries, and nonsubject countries. First, purchasers were asked for a country-by-country comparison on the same 16 factors (tables II-10) for which they were asked to rate the importance.

Most purchasers reported that U.S. and subject steel nails were comparable on most factors. Domestic steel nails were considered inferior to those from India and Oman by a majority of purchasers with respect to availability and availability of private labeling, and by a plurality of purchasers with respect to availability of product from Thailand. Comparing product from the United States to that supplied by Sri Lanka, Thailand, and nonsubject sources, a majority of purchasers reported the domestic availability of private labeling to be inferior. Pluralities of purchasers considered domestic product to be inferior to that from Oman on price, and from nonsubject sources on availability, and superior to nonsubject sources with respect to delivery time. A plurality of purchasers considered U.S. product superior to that imported from India on delivery time. There also were some factor/country comparison combinations in which equal numbers of purchasers considered domestic product to be comparable and superior or inferior to product from other countries: delivery time with respect to Sri Lanka (comparable/inferior), with respect to Oman (superior/inferior), and with respect to Thailand and Turkey (superior/comparable) and availability of private labeling from Turkey (comparable/inferior).

Further factor comparisons between subject countries, and between subject and nonsubject countries, are presented in appendix E.

Table II-10**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs India	2	6	10
Product consistency	U.S. vs India	4	12	1
Quality meets industry standards	U.S. vs India	0	17	0
Reliability of supply	U.S. vs India	2	8	7
Delivery time	U.S. vs India	7	6	4
Price	U.S. vs India	1	10	6
Product range	U.S. vs India	2	9	6
Delivery terms	U.S. vs India	5	9	3
Quality exceeds industry standards	U.S. vs India	1	12	1
Packaging	U.S. vs India	3	11	3
Technical support/service	U.S. vs India	4	11	1
Availability of private labeling	U.S. vs India	1	6	10
Payment terms	U.S. vs India	3	11	3
U.S. transportation costs	U.S. vs India	2	12	2
Discounts offered	U.S. vs India	1	11	3
Minimum quantity requirements	U.S. vs India	4	12	1

Table continued.

Table II-10 Continued**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Oman	1	6	9
Product consistency	U.S. vs Oman	2	11	3
Quality meets industry standards	U.S. vs Oman	1	15	0
Reliability of supply	U.S. vs Oman	2	7	6
Delivery time	U.S. vs Oman	6	4	6
Price	U.S. vs Oman	4	5	6
Product range	U.S. vs Oman	1	8	7
Delivery terms	U.S. vs Oman	3	8	5
Quality exceeds industry standards	U.S. vs Oman	1	14	1
Packaging	U.S. vs Oman	1	14	1
Technical support/service	U.S. vs Oman	2	10	3
Availability of private labeling	U.S. vs Oman	0	6	10
Payment terms	U.S. vs Oman	4	10	1
U.S. transportation costs	U.S. vs Oman	4	8	3
Discounts offered	U.S. vs Oman	0	13	3
Minimum quantity requirements	U.S. vs Oman	5	10	1

Table continued.

Table II-10 Continued**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Sri Lanka	1	4	3
Product consistency	U.S. vs Sri Lanka	0	7	1
Quality meets industry standards	U.S. vs Sri Lanka	0	8	0
Reliability of supply	U.S. vs Sri Lanka	0	5	3
Delivery time	U.S. vs Sri Lanka	2	3	3
Price	U.S. vs Sri Lanka	1	5	2
Product range	U.S. vs Sri Lanka	1	4	3
Delivery terms	U.S. vs Sri Lanka	1	5	2
Quality exceeds industry standards	U.S. vs Sri Lanka	0	7	1
Packaging	U.S. vs Sri Lanka	0	8	0
Technical support/service	U.S. vs Sri Lanka	1	6	1
Availability of private labeling	U.S. vs Sri Lanka	0	3	5
Payment terms	U.S. vs Sri Lanka	0	7	1
U.S. transportation costs	U.S. vs Sri Lanka	0	7	1
Discounts offered	U.S. vs Sri Lanka	0	8	0
Minimum quantity requirements	U.S. vs Sri Lanka	2	6	0

Table continued.

Table II-10 Continued**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Thailand	2	8	8
Product consistency	U.S. vs Thailand	1	15	1
Quality meets industry standards	U.S. vs Thailand	0	17	0
Reliability of supply	U.S. vs Thailand	1	10	6
Delivery time	U.S. vs Thailand	7	7	3
Price	U.S. vs Thailand	1	10	6
Product range	U.S. vs Thailand	1	10	6
Delivery terms	U.S. vs Thailand	4	11	2
Quality exceeds industry standards	U.S. vs Thailand	0	14	1
Packaging	U.S. vs Thailand	0	15	2
Technical support/service	U.S. vs Thailand	2	13	1
Availability of private labeling	U.S. vs Thailand	1	7	9
Payment terms	U.S. vs Thailand	1	15	0
U.S. transportation costs	U.S. vs Thailand	5	10	1
Discounts offered	U.S. vs Thailand	0	14	1
Minimum quantity requirements	U.S. vs Thailand	6	11	0

Table continued.

Table II-10 Continued**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Turkey	6	11	10
Product consistency	U.S. vs Turkey	8	18	0
Quality meets industry standards	U.S. vs Turkey	3	23	0
Reliability of supply	U.S. vs Turkey	4	13	9
Delivery time	U.S. vs Turkey	10	10	6
Price	U.S. vs Turkey	2	14	10
Product range	U.S. vs Turkey	4	15	7
Delivery terms	U.S. vs Turkey	9	14	3
Quality exceeds industry standards	U.S. vs Turkey	3	20	0
Packaging	U.S. vs Turkey	4	19	3
Technical support/service	U.S. vs Turkey	9	15	1
Availability of private labeling	U.S. vs Turkey	5	10	10
Payment terms	U.S. vs Turkey	5	17	3
U.S. transportation costs	U.S. vs Turkey	8	14	2
Discounts offered	U.S. vs Turkey	2	18	4
Minimum quantity requirements	U.S. vs Turkey	8	18	1

Table continued.

Table II-10 Continued**Steel nails: Count of purchasers' responses comparing U.S.-produced and imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	U.S. vs Nonsubject	2	10	13
Product consistency	U.S. vs Nonsubject	3	18	3
Quality meets industry standards	U.S. vs Nonsubject	1	22	1
Reliability of supply	U.S. vs Nonsubject	3	12	8
Delivery time	U.S. vs Nonsubject	10	8	6
Price	U.S. vs Nonsubject	3	15	6
Product range	U.S. vs Nonsubject	0	15	9
Delivery terms	U.S. vs Nonsubject	6	13	5
Quality exceeds industry standards	U.S. vs Nonsubject	1	19	3
Packaging	U.S. vs Nonsubject	1	23	0
Technical support/service	U.S. vs Nonsubject	5	15	4
Availability of private labeling	U.S. vs Nonsubject	1	9	13
Payment terms	U.S. vs Nonsubject	1	20	1
U.S. transportation costs	U.S. vs Nonsubject	8	12	2
Discounts offered	U.S. vs Nonsubject	2	19	2
Minimum quantity requirements	U.S. vs Nonsubject	8	13	2

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

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

Comparison of U.S.-produced and imported steel nails

In order to determine whether U.S.-produced steel nails can generally be used in the same applications as imports from India, Oman, Sri Lanka, Thailand, and Turkey, U.S. producers, importers, and purchasers were asked whether the products can always, frequently, sometimes, or never be used interchangeably. As shown in tables II-11, II-12, and II-13, a majority of producers, importers, and purchasers reported that steel nails from all countries are always or frequently interchangeable.

Table II-11
Steel nails: Count of U.S. producers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	4	1	1	0
U.S. vs. Oman	4	1	1	0
U.S. vs. Sri Lanka	4	1	1	0
U.S. vs. Thailand	4	1	1	0
U.S. vs. Turkey	5	1	1	0
India vs. Oman	4	1	1	0
India vs. Sri Lanka	4	1	1	0
India vs. Thailand	4	1	1	0
India vs. Turkey	4	1	1	0
Oman vs. Sri Lanka	4	1	1	0
Oman vs. Thailand	4	1	1	0
Oman vs. Turkey	4	1	1	0
Sri Lanka vs. Thailand	4	1	1	0
Sri Lanka vs. Turkey	4	1	1	0
Thailand vs. Turkey	4	1	1	0
U.S. vs. other	4	1	2	0
India vs. other	4	1	2	0
Oman vs. other	4	1	2	0
Sri Lanka vs. other	4	1	2	0
Thailand vs. other	4	1	2	0
Turkey vs. other	4	1	2	0

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

Table II-12

Steel nails: Count of importers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	11	7	2	0
U.S. vs. Oman	9	4	1	0
U.S. vs. Sri Lanka	8	3	1	0
U.S. vs. Thailand	9	5	3	0
U.S. vs. Turkey	10	7	2	0
India vs. Oman	8	3	1	0
India vs. Sri Lanka	8	2	1	0
India vs. Thailand	10	4	1	0
India vs. Turkey	10	4	2	0
Oman vs. Sri Lanka	8	2	1	0
Oman vs. Thailand	8	3	1	0
Oman vs. Turkey	8	3	1	0
Sri Lanka vs. Thailand	8	3	1	0
Sri Lanka vs. Turkey	8	3	1	0
Thailand vs. Turkey	9	3	2	0
U.S. vs. other	9	8	3	2
India vs. other	9	4	3	1
Oman vs. other	8	3	2	0
Sri Lanka vs. other	8	3	2	0
Thailand vs. other	8	4	3	1
Turkey vs. other	8	5	3	1

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

Table II-13

Steel nails: Count of purchasers reporting the interchangeability between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	2	1	2	0
U.S. vs. Oman	11	5	2	0
U.S. vs. Sri Lanka	7	3	2	0
U.S. vs. Thailand	11	6	3	0
U.S. vs. Turkey	12	11	5	0
India vs. Oman	7	5	2	0
India vs. Sri Lanka	6	4	1	0
India vs. Thailand	11	5	2	0
India vs. Turkey	9	10	2	0
Oman vs. Sri Lanka	7	3	1	0
Oman vs. Thailand	7	3	2	0
Oman vs. Turkey	6	7	2	0
Sri Lanka vs. Thailand	4	4	2	0
Sri Lanka vs. Turkey	3	6	1	0
Thailand vs. Turkey	10	6	1	0
U.S. vs. other	12	11	3	1
India vs. other	8	7	3	1
Oman vs. other	7	5	2	0
Sri Lanka vs. other	3	3	2	0
Thailand vs. other	9	5	2	1
Turkey vs. other	7	8	3	1

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

Responses from importers indicating that steel nails are not always interchangeable reported that issues that may limit interchangeability include: particular or patented designs that are not available from all sources (e.g., steel horseshoe nails), steel nails that do not meet certain certifications are not interchangeable with those that do or simply bad quality nails, specialization in custom branding or private labelling.⁴² Three purchasers noted quality issues with nails from Turkey and one each noted quality issues with respect to India and the United States can limit interchangeability. Purchaser ***.

In addition, U.S. producers, importers, and purchasers were asked to assess how often differences other than price were significant in sales of steel nails from the United States, subject, or nonsubject countries. As seen in tables II-14 to II-16, a majority of U.S. producers reported that there are sometimes factors other than price that are significant. Importer and purchaser responses were more varied. A plurality of importers reported that there were sometimes differences other than price for all country pairs, but more firms reported that there were always or frequently differences other than price between U.S. and Thailand and U.S. and Turkey, as well as for 6 of the 10 subject country pairs. When comparing market factors for U.S. steel nails to those for product from subject and nonsubject countries, similar numbers of purchasers reported that there were either sometimes or always differences between the two. Factors noted by importers and purchasers as important included availability, consistency, delivery reliability, delivery terms, engineering and logistical support, packaging design, product development, product range, quality, and transportation network.

⁴² Mid Continent stated that it manufactures a small amount of branded/private label steel nails, though it used to produce more. Conference transcript, p. 67 (Skarich). Customers are reportedly more likely to purchase steel nails of the same brand as the steel nail gun they use. Conference transcript, p. 183 (Katanga).

Table II-14**Steel nails: Count of U.S. producers reporting the significance of differences other than price between product produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	0	0	4	0
U.S. vs. Oman	0	0	4	0
U.S. vs. Sri Lanka	0	0	4	0
U.S. vs. Thailand	0	0	4	0
U.S. vs. Turkey	0	1	4	0
India vs. Oman	0	0	4	0
India vs. Sri Lanka	0	0	4	0
India vs. Thailand	0	0	4	0
India vs. Turkey	0	0	4	0
Oman vs. Sri Lanka	0	0	4	0
Oman vs. Thailand	0	0	4	0
Oman vs. Turkey	0	0	4	0
Sri Lanka vs. Thailand	0	0	4	0
Sri Lanka vs. Turkey	0	0	4	0
Thailand vs. Turkey	0	0	4	0
U.S. vs. other	0	0	5	0
India vs. other	0	0	5	0
Oman vs. other	0	0	5	0
Sri Lanka vs. other	0	0	5	0
Thailand vs. other	0	0	5	0
Turkey vs. other	0	0	5	0

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

Table II-15**Steel nails: Count of importers reporting the significance of differences between product produced in the United States and in other countries, by country pair**

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	4	4	9	1
U.S. vs. Oman	2	2	7	1
U.S. vs. Sri Lanka	2	1	6	1
U.S. vs. Thailand	4	4	6	1
U.S. vs. Turkey	4	5	8	0
India vs. Oman	3	1	4	2
India vs. Sri Lanka	3	0	4	2
India vs. Thailand	4	2	5	2
India vs. Turkey	4	3	6	1
Oman vs. Sri Lanka	3	0	4	2
Oman vs. Thailand	3	1	4	2
Oman vs. Turkey	3	2	4	1
Sri Lanka vs. Thailand	3	1	4	2
Sri Lanka vs. Turkey	3	2	4	1
Thailand vs. Turkey	3	4	5	1
U.S. vs. other	5	3	9	2
India vs. other	5	1	7	2
Oman vs. other	3	1	5	2
Sri Lanka vs. other	3	1	5	2
Thailand vs. other	4	2	6	2
Turkey vs. other	4	3	7	1

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

Table II-16

Steel nails: Count of purchasers reporting the significance of differences between product produced in the United States and in other countries, by country pair

Country pair	Always	Frequently	Sometimes	Never
U.S. vs. India	9	4	7	2
U.S. vs. Oman	8	2	7	0
U.S. vs. Sri Lanka	5	0	6	1
U.S. vs. Thailand	7	4	7	1
U.S. vs. Turkey	10	5	10	2
India vs. Oman	5	1	5	2
India vs. Sri Lanka	4	0	4	4
India vs. Thailand	7	2	6	2
India vs. Turkey	8	2	7	3
Oman vs. Sri Lanka	4	0	4	3
Oman vs. Thailand	5	1	4	2
Oman vs. Turkey	5	1	6	2
Sri Lanka vs. Thailand	3	0	4	2
Sri Lanka vs. Turkey	3	0	4	3
Thailand vs. Turkey	7	3	5	3
U.S. vs. other	12	4	8	3
India vs. other	9	1	6	3
Oman vs. other	5	1	4	3
Sri Lanka vs. other	3	0	3	2
Thailand vs. other	9	2	5	2
Turkey vs. other	9	3	6	2

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

Elasticity estimates

This section discusses elasticity estimates; parties were encouraged to comment on these estimates. Respondents PrimeSource, Metropolitan Staple, and Steel Products Company, and Steel & Wire Northeast commented on the U.S. supply elasticity estimate.

U.S. supply elasticity

The domestic supply elasticity for steel nails measures the sensitivity of the quantity supplied by U.S. producers to changes in the U.S. market price of steel nails. The elasticity of domestic supply depends on several factors including the level of excess capacity, the ease with which producers can alter capacity, producers' ability to shift to/from production of other products, the existence of inventories, availability of experienced labor to some of the largest producers, and the availability of alternate markets for U.S.-produced steel nails. Analysis of these factors above indicates that the U.S. industry has the ability to increase or decrease somewhat its shipments to the U.S. market; an estimate in the range of 1.5 to 5 is suggested and is likely to be in the lower portion of the estimate until more labor, and in particular, experienced labor, is available to produce steel nails. Respondents argue that an elasticity of 0.0 to 0.1 would be more realistic due to the inability of the U.S. industry to increase production.⁴³

U.S. demand elasticity

The U.S. demand elasticity for steel nails measures the sensitivity of the overall quantity demanded to a change in the U.S. market price of steel nails. This estimate depends on factors discussed above such as the existence, availability, and commercial viability of substitute products, as well as the component share of the steel nails in the production of any downstream products. Based on the available information, the aggregate demand for steel nails is likely to be highly inelastic; a range of -0.2 to -0.4 is suggested.

⁴³ Respondents PrimeSource, Metropolitan Staple, and Steel Products Company, and Steel & Wire Northeast's prehearing brief, p. 16. A 0.0 supply elasticity would indicate that domestic shipments would not increase at all in response to an increase in prices, i.e., that a supply curve is vertical, and a 0.1 supply elasticity would indicate that domestic shipments would increase by 1 percent in response to a 10 percent increase in price.

Substitution elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products.⁴⁴ Product differentiation, in turn, depends upon such factors as quality (e.g., chemistry, appearance, etc.) and conditions of sale (e.g., availability, sales terms/discounts/promotions, etc.). Based on available information, the elasticity of substitution between U.S.-produced steel nails and imported steel nails is likely to be in the range of 3 to 5. While most nails are interchangeable, there are some specifications that are only available from certain sources, and supply issues have limited the available product from certain sources.

⁴⁴ The substitution elasticity measures the responsiveness of the relative U.S. consumption levels of the subject imports and the domestic like products to changes in their relative prices. This reflects how easily purchasers switch from the U.S. product to the subject products (or vice versa) when prices change.

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

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the subsidy and dumping margins was presented in *Part I* of this report and information on the volume and pricing of imports of the subject merchandise is presented in *Part IV* and *Part V*. Information on the other factors specified is presented in this section and/or *Part VI* and (except as noted) is based on the questionnaire responses of nine firms that accounted for the vast majority of U.S. production of steel nails during 2021.

U.S. producers

The Commission issued a U.S. producer questionnaire to 12 firms based on information contained in the petitions. Ten firms confirmed production of steel nails in the United States, nine of which provided usable data on their steel nails operations. Staff believes that these responses represent the vast majority of U.S. production of steel nails during 2021.¹

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

¹ American Fasteners Co. and Tremont Nail Division of Acorn Manufacturing did not respond. Specialty Fastening Systems ("SFS") confirmed production of steel nails in the United States ***. The firm produced less than *** short tons in each year between 2019 and 2021, and was unable to complete the Commission's questionnaire. Specialty Fastening Systems *** the petition. Email from ***, August 3, 2022.

Table III-1
Steel nails: U.S. producers, their positions on the petition, production locations, and shares of reported production, 2021

Share in percent

Firm	Position on petition	Production location(s)	Share of production
ITW	***	Pocahontas, AR	***
Kyocera	***	Cincinnati, Oh	***
Legacy	***	Poplar Bluff, MO	***
MAR-MAC	***	McBee, SC Timmonsville, SC Denison, TX	***
Maze	***	Peru, IL	***
Mid Continent	Petitioner	Poplar Bluff, MO Ontario, CA	***
Pneu-fast	***	Buffalo Grove, IL	***
SFS	***	Prairie Grove, AR	***
Simpson	***	Gallatin, TN	***
Tree Island	***	San Bernardino, CA	***
All firms	Various	Various	***

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

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

Table III-2 presents information on U.S. producers' ownership, related and/or affiliated firms. As indicated in table III-2, no U.S. producers are related to foreign producers of steel nails from subject sources while two U.S. producers, ***, are related to U.S. importers of steel nails from subject sources. In addition, as discussed in greater detail below, U.S. producer *** directly imports steel nails from subject sources.

Table III-3 presents U.S. producers' reported changes in operations since January 1, 2019.

Table III-2
Steel nails: U.S. producers' ownership, related and/or affiliated firms

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

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

Table III-3
Steel nails: U.S. producers' reported changes in operations, since January 1, 2019

Item	Firm name and narrative response on changes in operations
Relocations	***
Acquisitions	***
Revised labor agreements	***
Revised labor agreements	***
Other	***
Other	***
Other	***
Other	***

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

U.S. production, capacity, and capacity utilization

Table III-4 presents U.S. producers' overall capacity and production on the same equipment. Production capacity in the United States is dedicated almost exclusively to the production of steel nails. *** is the only producer that reported production of products other than steel nails on shared equipment. U.S. producers reported a modest increase in installed overall capacity used to produce nails, but a steep decline in 2020, and subsequent recovery, in practical capacity. Overall production, in contrast, peaked in 2020, as did capacity utilization.

Table III-4
Steel nails: U.S. producers' overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratio and share in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	353,357	352,299	359,767	89,955	92,195
Practical overall capacity	Quantity	183,641	150,062	159,588	39,561	42,168
Steel nails production	Quantity	120,782	135,410	131,039	34,321	32,481
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Table III-5 and figure III-1 present U.S. producers' steel nail-specific production, capacity, and capacity utilization. U.S. producers' average capacity decreased by 18.1 percent from 2019 to 2020 and then increased by 5.9 percent from 2020 to 2021, decreasing overall by 13.2 percent between 2019 and 2021.² U.S. capacity was 7.2 percent higher in January-March 2022 compared with January-March 2021.

U.S. producers' production increased by 12.1 percent from 2019 to 2020 and then decreased by 3.2 percent from 2020 to 2021, increasing overall by 8.5 percent between 2019 and 2021. U.S. production was 5.4 percent lower in January-March 2022 compared with January-March 2021.

Capacity utilization increased by 24.4 percentage points from 2019 to 2020 then decreased by 7.8 percentage points from 2020 to 2021, increasing overall by 16.6 percent between 2019 and 2021. Capacity utilization was 10.2 percentage points lower in January-March 2022 compared with January-March 2021.

Table III-5
Steel nails: Firm-by-firm U.S. producers' average capacity, by period

Capacity

Capacity in short tons

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	182,291	149,362	158,238	39,223	42,043

Table continued.

² ***. Email from ***, July 28, 2022.

Table III-5 Continued
Steel nails: Firm-by-firm U.S. producers' production, by period

Production

Production in short tons

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	120,782	135,410	131,039	34,321	32,481

Table continued.

Table III-5 Continued
Steel nails: Firm-by-firm U.S. producers capacity utilization, by period

Capacity utilization

Capacity utilization ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	66.3	90.7	82.8	87.5	77.3

Table continued.

Table III-5 Continued
Steel nails: Firm-by-firm share of production, by period

Share of production

Share in percent

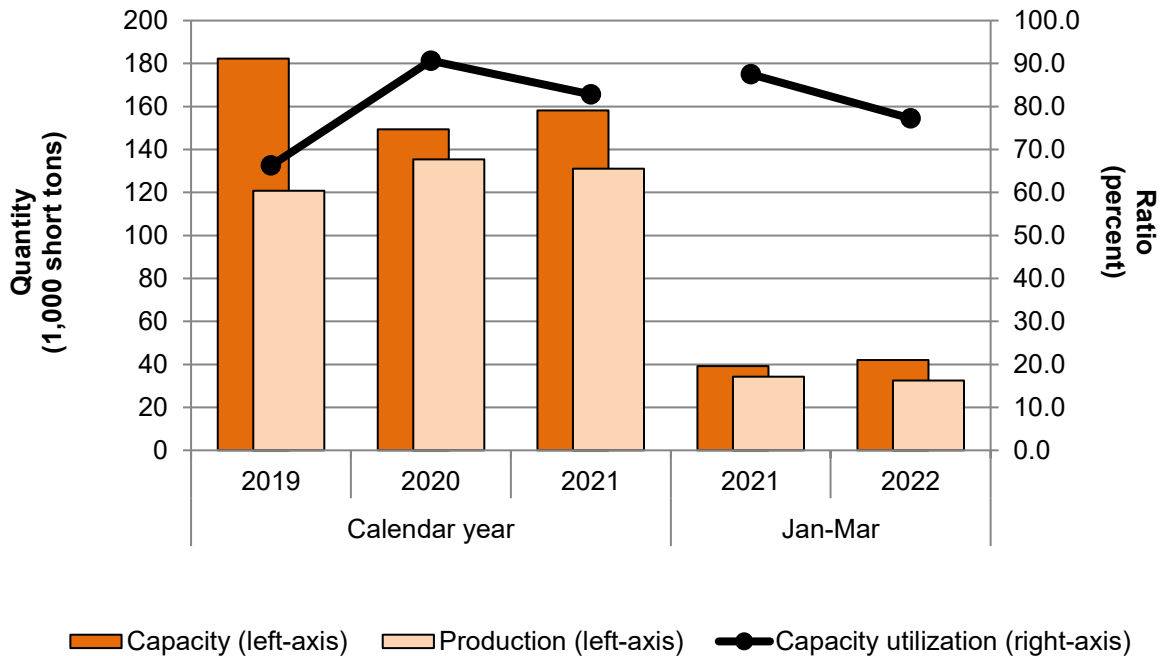
Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

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

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

Figure III-1
Steel nails: U.S. producers' production, capacity, and capacity utilization, by period



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

Table III-6 presents U.S. producers' reported narratives regarding practical production constraints.

Table III-6
Steel nails: U.S. producers' narrative responses regarding practical production constraints, since January 1, 2019

Item	Firm name and narrative response on practical production constraints
Production bottlenecks	***
Production bottlenecks	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Existing labor force	***
Supply of material inputs	***
Supply of material inputs	***
Supply of material inputs	***
Logistics/transportation	***
Logistics/transportation	***
Other constraints	***
Other constraints	***

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

Steel nails production by type

Table III-7 presents data on U.S. producers' production of steel nails by product type. Collated nails accounted for the majority of total steel nails production between 72.9 percent and 76.7 percent during 2019-21. Bulk nails account for between 23.3 percent and 27.1 percent of total steel nails production during 2019-21.

U.S. producers' production of collated nails increased by 7.0 percent from 2019 to 2020 and then decreased by 3.7 percent from 2020 to 2021, increasing overall by 3.1 percent between 2019 and 2021. U.S. production of collated nails was 16.7 percent lower in January-March 2022 compared with January-March 2021. U.S. producers' production of bulk nails increased by 28.9 percent from 2019 to 2020 and then decreased by 2.0 percent from 2020 to 2021, increasing overall by 26.4 percent between 2019 and 2021. U.S. production of bulk nails was 36.5 percent higher in January-March 2022 compared with January-March 2021.

Table III-7
Steel nails: U.S. producers' production, by type and period

Quantity in short tons; share in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	92,688	99,184	95,540	27,005	22,493
Bulk	Quantity	28,094	36,226	35,499	7,316	9,988
All steel nails	Quantity	120,782	135,410	131,039	34,321	32,481
Collated	Share	76.7	73.2	72.9	78.7	69.2
Bulk	Share	23.3	26.8	27.1	21.3	30.8
All steel nails	Share	100.0	100.0	100.0	100.0	100.0

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

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

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

Table III-8 presents U.S. producers' U.S. shipments, export shipments, and total shipments. In general, nearly all shipments by the U.S. producers were within the United States; exports shipments consistently accounted for less than two percent of total shipments.³

The quantity of U.S. producers' U.S. shipments increased by 13.7 percent from 2019 to 2020 then decreased by 3.3 percent from 2020 to 2021, increasing overall by 9.9 percent

³ ***

between 2019 and 2021. The quantity of U.S. producers' U.S. shipments was 18.1 percent lower in January-March 2022 compared with January-March 2021.

The value of U.S. producers' U.S. shipments increased by 5.1 percent from 2019 to 2020 then increased by 27.3 percent from 2020 to 2021, increasing overall by 33.8 percent between 2019 and 2021. The value of U.S. producers' U.S. shipments was 25.9 percent higher in January-March 2022 compared with January-March 2021.

The unit value of U.S. producers' U.S. shipments decreased by 7.6 percent from 2019 to 2020 then increased by 31.7 percent from 2020 to 2021, increasing overall by 21.7 percent between 2019 and 2021. The unit value of U.S. producers' U.S. shipments was 53.7 percent higher in January-March 2022 compared with January-March 2021.

There were no transfers to related firms during 2019-21 and January to March 2022 and relatively small amounts of internal consumption *** during 2019-21 and January to March 2022.

Table III-8
Steel nails: U.S. producers' total shipments, by destination and period

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

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. shipments	Quantity	120,333	136,855	132,287	35,866	29,383
Export shipments	Quantity	***	***	***	***	***
Total shipments	Quantity	***	***	***	***	***
U.S. shipments	Value	210,354	221,142	281,503	63,661	80,138
Export shipments	Value	***	***	***	***	***
Total shipments	Value	***	***	***	***	***
U.S. shipments	Unit value	1,748	1,616	2,128	1,775	2,727
Export shipments	Unit value	***	***	***	***	***
Total shipments	Unit value	***	***	***	***	***
U.S. shipments	Share of quantity	***	***	***	***	***
Export shipments	Share of quantity	***	***	***	***	***
Total shipments	Share of quantity	100.0	100.0	100.0	100.0	100.0
U.S. shipments	Share of value	***	***	***	***	***
Export shipments	Share of value	***	***	***	***	***
Total shipments	Share of value	100.0	100.0	100.0	100.0	100.0

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

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

U.S. producers' inventories

Table III-9 presents U.S. producers' end-of-period inventories and the ratio of these inventories to U.S. producers' production, U.S. shipments, and total shipments. U.S. producers' end-of-period inventories decreased by 13.6 percent from 2019 to 2020 and decreased by 15.2 percent from 2020 to 2021, and overall decrease by 26.8 percent during 2019-21. U.S. producers' end-of-period inventories were 13.5 percent higher during January-March 2022 compared to January-March 2021. U.S. producers' inventories were at their highest levels, absolutely and relative to production and shipments, in 2019, and at their lowest absolute and relative levels in 2021.

Table III-9
Steel nails: U.S. producers' inventories and their ratio to select items, by period

Quantity in short tons; ratio in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
End-of-period inventory quantity	21,562	18,626	15,792	16,573	18,817
Inventory ratio to U.S. production	17.9	13.8	12.1	12.1	14.5
Inventory ratio to U.S. shipments	17.9	13.6	11.9	11.6	16.0
Inventory ratio to total shipments	***	***	***	***	***

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

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

U.S. producers' imports from subject sources

U.S. producers' imports of steel nails are presented in tables III-10 to III-12. One firm (***) reported importing steel nails from subject sources. Two firms (***) are affiliated with U.S. importers of steel nails from subject sources. *** is affiliated with U.S. importer *** while *** is affiliated with U.S. importer ***. *** is also a U.S. importer of steel nails from nonsubject sources. U.S. producers *** reported importing steel nails from nonsubject sources.

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

Quantity in short tons; ratio in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. production	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from subject sources	Quantity	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from all subject sources to U.S. production	Ratio	***	***	***	***	***

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

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

Note: ***.

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

Quantity in short tons; ratio in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. production	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from ***	Quantity	***	***	***	***	***
Imports from subject sources ***	Quantity	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from *** to U.S. production	Ratio	***	***	***	***	***
Imports from subject sources to U.S. production	Ratio	***	***	***	***	***

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

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

Note: ***.

Table III-12
Steel nails: U.S. producers' reasons for importing

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

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

Note: *** and *** imported subject merchandise during period of investigation, as reported in tables III-11 and III-12, respectively, but did not provide reasons for importing.

U.S. producers' purchases of imports from subject sources

U.S. producers' purchases of imports from subject sources are presented in tables III-13 to III-15. *** purchased no more than *** percent of all imports from *** during 2019-21. *** reported purchases of imports from *** only in 2021 and interim 2022 (*** percent and *** percent of all imports from ***, respectively) and purchases of imports from *** in 2020 and 2021 (no more than *** percent).

Four U.S. producers reported purchases of steel nails during 2019-21. *** reported purchases from nonsubject sources. **. *** reported purchases from domestic or other sources.

Table III-13
Steel nails: *'s U.S. production, U.S. purchases of imports from subject sources, by and period**

Quantity in short tons; ratio in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. production	Quantity	***	***	***	***	***
U.S. purchases of imports from ***(***)	Quantity	***	***	***	***	***
Overall U.S. imports from ***	Quantity	***	***	***	***	***
Producer's purchases to overall imports (***)	Ratio	***	***	***	***	***

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

Table III-14
Steel nails: *'s U.S. production, U.S. purchases of imports from subject sources, by period**

Quantity in short tons; ratio in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. production	Quantity	***	***	***	***	***
U.S. purchases of imports from *** (***)	Quantity	***	***	***	***	***
Overall U.S. imports from ***	Quantity	***	***	***	***	***
Producer's purchases to overall imports (***)	Ratio	***	***	***	***	***
U.S. purchases of imports from *** (***)	Quantity	***	***	***	***	***
Overall U.S. imports from ***	Quantity	***	***	***	***	***
Producer's purchases to overall imports (***)	Ratio	***	***	***	***	***

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

Note: Zeroes, null values, and undefined calculations are suppressed and shown as “---”.

Table III-15
Steel nails: U.S. producers' reasons for purchasing by firm

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

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

Note: *** has purchased imports, as reported in table III-16 but did not provide reasons for purchases.

U.S. employment, wages, and productivity

Table III-16 shows U.S. producers' employment-related data. The number of production and related workers (“PRWs”) for U.S. producers decreased by 10.7 percent from 2019 to 2020, then increased from 2020 to 2021 by 3.5 percent, decreasing overall by 7.5 percent between 2019 and 2021 to reach 736 PRWs.⁴ PRWs were 3.8 percent lower in January-March 2022 than in January-March 2021.⁵

Hourly wages decreased by 3.0 percent between 2019 to 2020, but then increased by 8.6 percent from 2020 to 2021, increasing overall by 5.3 percent between 2019 and 2021. Hourly wages were 6.8 percent higher in January-March 2022 compared with January-March 2021. Productivity increased by 7.4 percent from 2019 to 2020, and then decreased by 6.6 percent from 2020 to 2021, decreasing overall by 0.3 percent between 2019 to 2021.

⁴ *** both indicated ***. *** producer questionnaires response, section II-12.

⁵ ***.

Productivity was 2.3 percent higher in January-March 2022 compared with January-March 2021. Unit labor costs decreased from 2019 to 2020 by 9.7 percent, then increased from 2020 to 2021 by 16.3 percent, increasing overall by 4.9 percent between 2019 and 2021. Unit labor costs were 4.4 percent higher in January-March 2022 compared with January-March 2021.

Table III-16
Steel nails: U.S. producers' employment related information, by period

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Production and related workers (PRWs) (number)	796	711	736	754	725
Total hours worked (1,000 hours)	1,484	1,549	1,605	415	384
Hours worked per PRW (hours)	1,864	2,179	2,181	550	530
Wages paid (\$1,000)	24,777	25,075	28,209	7,292	7,206
Hourly wages (dollars per hour)	\$16.70	\$16.19	\$17.58	\$17.57	\$18.77
Productivity (short tons per 1,000 hours)	81.4	87.4	81.6	82.7	84.6
Unit labor costs (dollars per short ton)	\$205	\$185	\$215	\$212	\$222

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

Table III-17 presents firm-by-firm U.S. producers' production related workers.

Table III-17
Steel nails: Firm-by-firm U.S. producers' production related workers (PRWs), by period

PRWs in average number

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	796	711	736	754	725

Table continued.

Table III-17 continued
Steel nails: Firm-by-firm U.S. producers' production related workers (PRWs), by period

Share of PRWs in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
MAR-MAC	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	100.0	100.0	100.0	100.0	100.0

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

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

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

U.S. importers

The Commission issued importer questionnaires to 82 firms believed to be importers of subject steel nails, as well as to all U.S. producers of steel nails.¹ The Commission received usable questionnaire responses from 30 companies, representing *** percent of U.S. imports from India, Oman, Sri Lanka, Thailand, and Turkey in 2021 under HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75.² Firms responding to the Commission's questionnaire accounted for the following shares of imports of steel nails by source during 2021, based on official Commerce statistics—India, *** percent; Oman, ***; Sri Lanka, ***; Thailand, ***; Turkey, *** percent, and all other, *** percent. In light of the questionnaire coverage, import data presented in this report are based on official Commerce statistics.

Table IV-1 lists all responding U.S. importers of steel nails from India, Oman, Sri Lanka, Thailand, Turkey, and other sources, their locations, and their shares of U.S. imports, in 2021. The largest importers responding to the Commission's questionnaire were ***.

¹ The Commission issued questionnaires to those firms identified in the petitions, along with firms that, based on a review of data from third-party sources, may have accounted for more than one percent of total imports under HTS subheadings 7317.00.55, 7317.00.65, and 7317.00.75 since 2019.

² Four firms (***) certified that they did not import steel nails from any source since January 1, 2019.

Table IV-1
Steel nails: U.S. importers, their headquarters, and share of imports within each source, 2021

Share in percent

Firm	Headquarters	India	Oman	Sri Lanka	Thailand	Turkey
Accent	Tomball, TX	***	***	***	***	***
Astrotech	Chittoor District, AP	***	***	***	***	***
BlueLinx	Marietta, GA	***	***	***	***	***
Boise Cascade	Boise, ID	***	***	***	***	***
Continental	Abington, PA	***	***	***	***	***
Crane Point	Forest Grove, OR	***	***	***	***	***
Deacero	Laredo, TX	***	***	***	***	***
Fanaco	Redmond, WA	***	***	***	***	***
Farrier	Shelbyville, KY	***	***	***	***	***
Fasteners Afloat	Baltimore, MD	***	***	***	***	***
Geekay	Plano, TE	***	***	***	***	***
Hillman	Cincinnati, OH	***	***	***	***	***
Home Depot	Atlanta, GA	***	***	***	***	***
Huttig	St. Louis, MO	***	***	***	***	***
Illinois Tool Works	Glenview, IL	***	***	***	***	***
Kratos	Farmers Branch, TX	***	***	***	***	***
Kyocera-Senco	Cincinnati, OH	***	***	***	***	***
Mipad	Guaynabo, PR	***	***	***	***	***
Metropolitan	Springfield, NJ	***	***	***	***	***
Oman Fasteners	Suhar, Oman	***	***	***	***	***
Peace	Rolling Meadows, IL	***	***	***	***	***
PrimeSource	Irving, TX	***	***	***	***	***
Shandex	Fort Lee, NJ	***	***	***	***	***
Simpson	Pleasanton, CA	***	***	***	***	***
SouthernCarlson	Omaha, NE	***	***	***	***	***
Southwestern	Tampa, FL	***	***	***	***	***
Stanley Black & Decker	Towson, MD	***	***	***	***	***
Tree Island	San Bernardino, CA	***	***	***	***	***
Trinity	Katunayake, WP	***	***	***	***	***
Youngwoo	Santa Fe Springs, CA	***	***	***	***	***
All firms	Various	***	***	***	***	***

Table continued.

Table IV-1 Continued

Steel nails: U.S. importers, their headquarters, and share of imports within each source, 2021

Share in percent

Firm	Headquarters	Subject sources	Nonsubject sources	All import sources
Accent	Tomball, TX	***	***	***
Astrotech	Chittoor District, AP	***	***	***
BlueLinx	Marietta, GA	***	***	***
Boise Cascade	Boise, ID	***	***	***
Continental	Abington, PA	***	***	***
Crane Point	Forest Grove, OR	***	***	***
Deacero	Laredo, TX	***	***	***
Fanaco	Redmond, WA	***	***	***
Farrier	Shelbyville, KY	***	***	***
Fasteners Afloat	Baltimore, MD	***	***	***
Geekay	Plano, TE	***	***	***
Hillman	Cincinnati, OH	***	***	***
Home Depot	Atlanta, GA	***	***	***
Huttig	St. Louis, MO	***	***	***
Illinois Tool Works	Glenview, IL	***	***	***
Kratos	Farmers Branch, TX	***	***	***
Kyocera-Senco	Cincinnati, OH	***	***	***
Mipad	Guaynabo, PR	***	***	***
Metropolitan	Springfield, NJ	***	***	***
Oman Fasteners	Suhar, Oman	***	***	***
Peace	Rolling Meadows, IL	***	***	***
PrimeSource	Irving, TX	***	***	***
Shandex	Fort Lee, NJ	***	***	***
Simpson	Pleasanton, CA	***	***	***
SouthernCarlson	Omaha, NE	***	***	***
Southwestern	Tampa, FL	***	***	***
Stanley Black & Decker	Towson, MD	***	***	***
Tree Island	San Bernardino, CA	***	***	***
Trinity	Katunayake, WP	***	***	***
Youngwoo	Santa Fe Springs, CA	***	***	***
All firms	Various	***	***	***

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

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

U.S. imports

Table IV-2 and figure IV-1 present data for U.S. imports of steel nails from India, Oman, Sri Lanka, Thailand, Turkey, and all other sources. The quantity of steel nail imports from the subject countries increased by 3.6 percent from 2019 to 2020 and by 21.2 percent from 2020 to 2021. The quantity of steel nail imports from the subject countries increased overall by 25.6 percent during 2019-21 and was 14.6 percent higher in interim 2022 than in interim 2021.³ The value of steel nails imports from the subject countries decreased by 1.7 percent from 2019 to 2020, then increased by 44.9 percent from 2020 to 2021. The value of steel nail imports from the subject countries increased overall by 42.4 percent during 2019-21 and was 72.8 percent higher in interim 2022 than in interim 2021.⁴

The quantity of steel nail imports from the nonsubject countries increased by 10.9 percent from 2019 to 2020 and increased by 19.2 percent from 2020 to 2021. The quantity of steel nail imports from the nonsubject countries decreased overall by 32.3 percent during 2019-21 and was 15.6 percent higher in interim 2022 than in interim 2021. The value of steel nails imports from the nonsubject countries increased by 2.4 percent from 2019 to 2020, but increased by 47.1 percent from 2020 to 2021. The value of steel nail imports from the nonsubject countries increased overall by 50.7 percent during 2019-21 and was 73.3 percent higher in interim 2022 than in interim 2021. Leading nonsubject sources of imports include China, Malaysia, South Korea, and Taiwan,⁵ as well as Mexico and Canada.⁶

³ Imports from each subject country were higher in 2021 than in 2019, and higher in interim 2022 than in interim 2021.

⁴ The quantity of steel nail imports from the subject countries less Sri Lanka increased overall by 26.3 percent during 2019-21 and was 16.7 percent higher in interim 2022 than in interim 2021. The value of steel nails imports from the subject countries less Sri Lanka decreased by 0.8 percent from 2019 to 2020, and increased by 46.9 percent from 2020 to 2021. The value of steel nail imports from the subject countries less Sri Lanka increased overall by 45.8 percent during 2019-21 and was 75.3 percent higher in interim 2022 than in interim 2021.

⁵ Imports of steel nails from China are subject to antidumping dumping duty order, effective August 4, 2008. Imports of steel nails from Malaysia, South Korea, and Taiwan are subject to antidumping dumping duty orders, effective July 13, 2015.

⁶ The quantity of steel nail imports from the nonsubject countries plus Sri Lanka increased by 10.7 percent from 2019 to 2020 and increased by 18.8 percent from 2020 to 2021. The quantity of steel nail imports from the nonsubject countries plus Sri Lanka decreased overall by 31.6 percent during 2019-21 and was 14.7 percent higher in interim 2022 than in interim 2021. The value of steel nails imports from the nonsubject countries plus Sri Lanka increased by 1.9 percent from 2019 to 2020, but increased by 46.3 percent from 2020 to 2021. The value of steel nail imports from the nonsubject countries plus Sri Lanka increased overall by 49.1 percent during 2019-21 and was 72.4 percent higher in interim 2022 than in interim 2021.

Average unit values (“AUVs”) from subject and nonsubject sources increased between 2019 and 2022, by 13.4 percent and 13.9 percent respectively. Subject AUVs were 50.8 percent higher in interim 2022 than in interim 2021 while nonsubject AUVs were 49.9 percent higher.⁷

Subject imports as a share of total imports decreased by 1.1 percentage points between 2019 and 2021, from 32.6 percent in 2019 to 31.5 percent in 2021 and were 0.2 percentage point lower in interim 2022 than in interim 2021. The ratio of subject imports to U.S. production increased by 29.2 percentage points during 2019-21 and was 39.9 percentage points higher in interim 2022 than in interim 2021.⁸

⁷ Average unit values (“AUVs”) from subject sources less Sri Lanka and nonsubject sources plus Sri Lanka increased between 2019 and 2021, by 15.4 percent and 13.3 percent respectively. Subject less Sri Lanka AUVs were 50.2 percent higher in interim 2022 than in interim 2021 while nonsubject plus Sri Lanka AUVs were 50.3 percent higher.

⁸ Subject imports less Sri Lanka as a share of total imports decreased by 0.8 percentage points between 2019 and 2021, from 28.4 percent in 2019 to 27.6 percent in 2021 and were 0.3 percentage point higher in interim 2022 than in interim 2021. The ratio of subject imports less Sri Lanka to U.S. production increased by 26.5 percentage points during 2019-21 and was 38.5 percentage points higher in interim 2022 than in interim 2021.

Table IV-2
Steel nails: U.S. imports by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
India	Quantity	33,690	28,443	41,174	8,356	12,183
Oman	Quantity	73,189	72,119	90,554	23,407	23,761
Sri Lanka	Quantity	28,746	30,891	34,631	8,170	8,177
Thailand	Quantity	40,035	48,715	57,365	10,927	14,196
Turkey	Quantity	48,164	51,758	57,320	14,072	16,093
Subject sources	Quantity	223,822	231,925	281,044	64,932	74,410
Subject sources less Sri Lanka	Quantity	195,077	201,034	246,413	56,763	66,232
Nonsubject sources	Quantity	462,687	513,192	611,955	139,922	161,734
Nonsubject sources plus Sri Lanka	Quantity	491,433	544,083	646,586	148,092	169,911
All import sources	Quantity	686,510	745,117	892,999	204,855	236,144
India	Value	39,613	29,313	52,419	8,810	19,827
Oman	Value	98,308	93,133	132,805	28,997	43,160
Sri Lanka	Value	32,507	29,671	38,432	8,070	12,311
Thailand	Value	47,869	59,139	82,479	13,669	25,548
Turkey	Value	49,338	51,768	75,044	14,425	26,958
Subject sources	Value	267,634	263,024	381,180	73,970	127,803
Subject sources less Sri Lanka	Value	235,127	233,353	342,747	65,900	115,492
Nonsubject sources	Value	624,765	639,870	941,317	178,280	308,938
Nonsubject sources plus Sri Lanka	Value	657,273	669,540	979,749	186,349	321,248
All import sources	Value	892,399	902,894	1,322,497	252,250	436,741
India	Unit value	1,176	1,031	1,273	1,054	1,627
Oman	Unit value	1,343	1,291	1,467	1,239	1,816
Sri Lanka	Unit value	1,131	960	1,110	988	1,505
Thailand	Unit value	1,196	1,214	1,438	1,251	1,800
Turkey	Unit value	1,024	1,000	1,309	1,025	1,675
Subject sources	Unit value	1,196	1,134	1,356	1,139	1,718
Subject sources less Sri Lanka	Unit value	1,205	1,161	1,391	1,161	1,744
Nonsubject sources	Unit value	1,350	1,247	1,538	1,274	1,910
Nonsubject sources plus Sri Lanka	Unit value	1,337	1,231	1,515	1,258	1,891
All import sources	Unit value	1,300	1,212	1,481	1,231	1,849

Table continued.

Table IV-2 Continued
Steel nails: U.S. imports by source and period

Share in percent

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
India	Share of quantity	4.9	3.8	4.6	4.1	5.2
Oman	Share of quantity	10.7	9.7	10.1	11.4	10.1
Sri Lanka	Share of quantity	4.2	4.1	3.9	4.0	3.5
Thailand	Share of quantity	5.8	6.5	6.4	5.3	6.0
Turkey	Share of quantity	7.0	6.9	6.4	6.9	6.8
Subject sources	Share of quantity	32.6	31.1	31.5	31.7	31.5
Subject sources less Sri Lanka	Share of quantity	28.4	27.0	27.6	27.7	28.0
Nonsubject sources	Share of quantity	67.4	68.9	68.5	68.3	68.5
Nonsubject sources plus Sri Lanka	Share of quantity	71.6	73.0	72.4	72.3	72.0
All import sources	Share of quantity	100.0	100.0	100.0	100.0	100.0
India	Share of value	4.4	3.2	4.0	3.5	4.5
Oman	Share of value	11.0	10.3	10.0	11.5	9.9
Sri Lanka	Share of value	3.6	3.3	2.9	3.2	2.8
Thailand	Share of value	5.4	6.5	6.2	5.4	5.8
Turkey	Share of value	5.5	5.7	5.7	5.7	6.2
Subject sources	Share of value	30.0	29.1	28.8	29.3	29.3
Subject sources less Sri Lanka	Share of value	26.3	25.8	25.9	26.1	26.4
Nonsubject sources	Share of value	70.0	70.9	71.2	70.7	70.7
Nonsubject sources plus Sri Lanka	Share of value	73.7	74.2	74.1	73.9	73.6
All import sources	Share of value	100.0	100.0	100.0	100.0	100.0

Table continued.

Table IV-2 Continued
Steel nails: U.S. imports by source and period

Ratios in percent; ratios represent the ratio to U.S. production

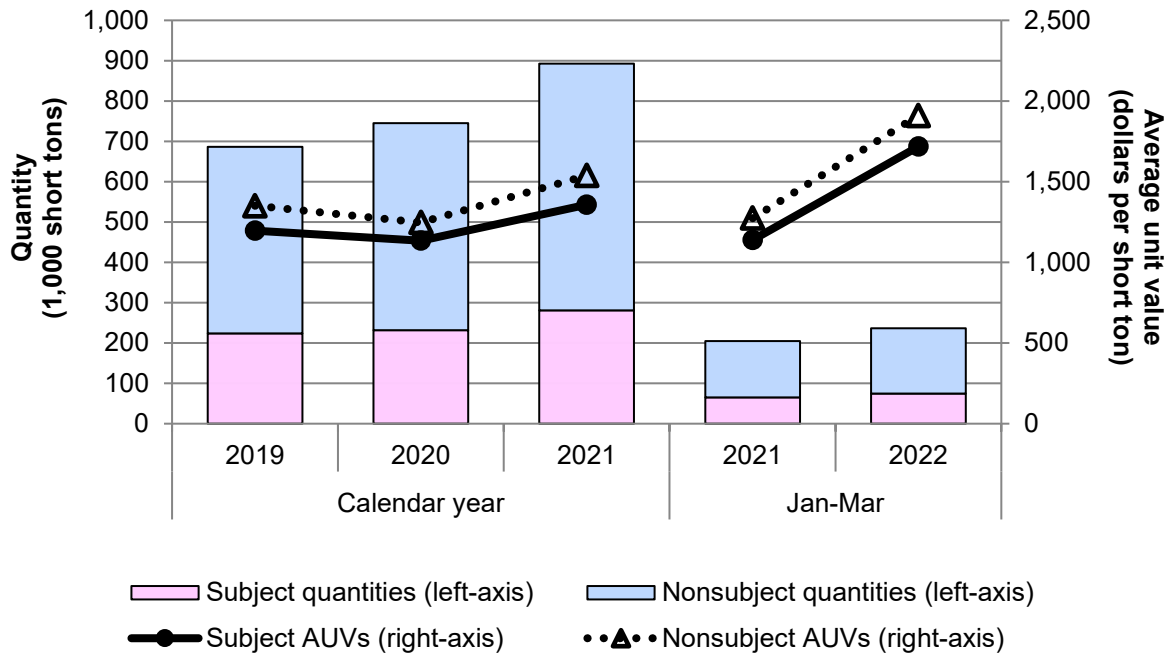
Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
India	Ratio	27.9	21.0	31.4	24.3	37.5
Oman	Ratio	60.6	53.3	69.1	68.2	73.2
Sri Lanka	Ratio	23.8	22.8	26.4	23.8	25.2
Thailand	Ratio	33.1	36.0	43.8	31.8	43.7
Turkey	Ratio	39.9	38.2	43.7	41.0	49.5
Subject sources	Ratio	185.3	171.3	214.5	189.2	229.1
Subject sources less Sri Lanka	Ratio	161.5	148.5	188.0	165.4	203.9
Nonsubject sources	Ratio	383.1	379.0	467.0	407.7	497.9
Nonsubject sources plus Sri Lanka	Ratio	406.9	401.8	493.4	431.5	523.1
All import sources	Ratio	568.4	550.3	681.5	596.9	727.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Note: Share of quantity is the share of the quantity of total U.S. imports; share of value is the share of the value of total U.S. imports; ratio is the ratio of U.S. imports to U.S. producers' U.S. production as reported in Part III.

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

Figure IV-1
Steel nails: U.S. import quantities and average unit values, by source and period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series. Unit value data reflect per short ton landed duty-paid values.

Table IV-3
Steel nails: U.S. imports from nonsubject sources, by source and period

Quantity in short tons; value in 1,000 dollars; unit value in dollars per short tons

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Canada	Quantity	26,760	39,443	43,096	11,398	9,832
China	Quantity	197,664	230,363	284,845	62,583	76,258
Malaysia	Quantity	46,281	48,024	39,964	11,594	7,688
Mexico	Quantity	30,502	39,769	51,994	12,190	14,556
South Korea	Quantity	43,813	44,250	46,781	11,015	14,680
Taiwan	Quantity	57,505	42,987	51,944	11,276	12,386
All other sources	Quantity	60,162	68,356	93,331	19,865	26,334
Nonsubject sources	Quantity	462,687	513,192	611,955	139,922	161,734
Canada	Value	42,771	55,255	76,281	17,206	22,815
China	Value	257,434	268,385	427,432	75,266	140,637
Malaysia	Value	44,712	42,806	44,770	11,375	10,211
Mexico	Value	33,275	38,117	56,306	11,898	19,218
South Korea	Value	55,375	53,525	80,936	15,212	34,955
Taiwan	Value	90,952	67,108	92,485	17,263	27,740
All other sources	Value	100,246	114,674	163,106	30,060	53,362
Nonsubject sources	Value	624,765	639,870	941,317	178,280	308,938
Canada	Unit value	1,598	1,401	1,770	1,510	2,320
China	Unit value	1,302	1,165	1,501	1,203	1,844
Malaysia	Unit value	966	891	1,120	981	1,328
Mexico	Unit value	1,091	958	1,083	976	1,320
South Korea	Unit value	1,264	1,210	1,730	1,381	2,381
Taiwan	Unit value	1,582	1,561	1,780	1,531	2,240
All other sources	Unit value	1,666	1,678	1,748	1,513	2,026
Nonsubject sources	Unit value	1,350	1,247	1,538	1,274	1,910

Table continued.

Table IV-3 Continued
Steel nails: U.S. imports from nonsubject sources, by source and period

Share and ratio in percent; ratio represented the ratio to U.S. production

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Canada	Share of quantity	3.9	5.3	4.8	5.6	4.2
China	Share of quantity	28.8	30.9	31.9	30.6	32.3
Malaysia	Share of quantity	6.7	6.4	4.5	5.7	3.3
Mexico	Share of quantity	4.4	5.3	5.8	6.0	6.2
South Korea	Share of quantity	6.4	5.9	5.2	5.4	6.2
Taiwan	Share of quantity	8.4	5.8	5.8	5.5	5.2
All other sources	Share of quantity	8.8	9.2	10.5	9.7	11.2
Nonsubject sources	Share of quantity	67.4	68.9	68.5	68.3	68.5
Canada	Share of value	4.8	6.1	5.8	6.8	5.2
China	Share of value	28.8	29.7	32.3	29.8	32.2
Malaysia	Share of value	5.0	4.7	3.4	4.5	2.3
Mexico	Share of value	3.7	4.2	4.3	4.7	4.4
South Korea	Share of value	6.2	5.9	6.1	6.0	8.0
Taiwan	Share of value	10.2	7.4	7.0	6.8	6.4
All other sources	Share of value	11.2	12.7	12.3	11.9	12.2
Nonsubject sources	Share of value	70.0	70.9	71.2	70.7	70.7

Table continued.

Table IV-3 Continued
Steel nails: U.S. imports from nonsubject sources, by source and period

Share and ratio in percent; ratio represented the ratio to U.S. production

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Canada	Ratio	22.2	29.1	32.9	33.2	30.3
China	Ratio	163.7	170.1	217.4	182.3	234.8
Malaysia	Ratio	38.3	35.5	30.5	33.8	23.7
Mexico	Ratio	25.3	29.4	39.7	35.5	44.8
South Korea	Ratio	36.3	32.7	35.7	32.1	45.2
Taiwan	Ratio	47.6	31.7	39.6	32.9	38.1
All other sources	Ratio	49.8	50.5	71.2	57.9	81.1
Nonsubject sources	Ratio	383.1	379.0	467.0	407.7	497.9

Source Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values.

Note: Nonsubject countries under current AD orders: (South Korea – 11.80 percent, Malaysia – 2.66 to 39.55 percent, Oman – 9.10 percent, Taiwan – 2.24 percent, and Vietnam 323.99 percent), 80 FR 39994, July 13, 2015) (United Arab Emirates – 2.51 to 184.41), 77 FR 27421, May 10, 2012, China (21.24 to 118.04 percent), 73 FR 44961, August 1, 2008.

Note: Share of quantity is the share of the quantity of total U.S. imports as reported in the previous table; share of value is the share of the value of total U.S. imports as reported in the previous table; ratio is the ratio of U.S. imports to U.S. producers' U.S. production as reported in part III.

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

Table IV-4 presents U.S. imports by producers and/or affiliated firms from 2019-21. The quantity of steel nail imports by producers from the subject countries increased by *** percent from 2019 to 2020 and decreased by *** percent from 2020 to 2021. The quantity of steel nail imports by producers from the subject countries decreased overall by *** percent during 2019-21 and was *** percent higher in interim 2022 than in interim 2021.

The quantity of steel nail imports by producers from the nonsubject countries increased by *** percent from 2019 to 2020 and by *** percent from 2020 to 2021. The quantity of steel nail imports by producers from the nonsubject countries increased overall by *** percent during 2019-21 and was *** percent higher in interim 2022 than in interim 2021.

Table IV-4
Steel nails: U.S. imports by producers and/or affiliated firms

Quantity in short tons; ratio in percent

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
India	Quantity	***	***	***	***	***
Oman	Quantity	***	***	***	***	***
Sri Lanka	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***
Subject sources less Sri Lanka	Quantity	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***
Nonsubject sources plus Sri Lanka	Quantity	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***
India	Ratio	***	***	***	***	***
Oman	Ratio	***	***	***	***	***
Sri Lanka	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Subject sources less Sri Lanka	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
Nonsubject sources plus Sri Lanka	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***

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

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

Negligibility

The statute requires that an investigation be terminated without an injury determination if imports of the subject merchandise are found to be negligible.⁹ Negligible imports are generally defined in the Act, as amended, as imports from a country of merchandise corresponding to a domestic like product where such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes the filing of the petition or the initiation of the investigation. However, if there are imports of such merchandise from a number of countries subject to investigations initiated on the same day that individually account for less than 3 percent of the total volume of the subject merchandise, and if the imports from those countries collectively account for more than 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period, then imports from such countries are deemed not to be negligible.¹⁰ In the case of countervailing duty investigations involving developing countries (as designated by the United States Trade Representative), the statute indicates that the negligibility limits are 4 percent and 9 percent, rather than 3 percent and 7 percent.¹¹

During December 2020 through November 2021, imports from India accounted 4.67 percent of total imports of steel nails by quantity, imports from Oman 10.23 percent, Sri Lanka 3.95 percent, Thailand 6.48 percent, and Turkey 6.55 percent. Table IV-5 presents the individual shares of total imports by source, during December 2020 through November 2021. Table IV-6 and figure IV-2 present U.S. imports on the basis of 12-month rolling average for January 2020 through May 2022.

⁹ Sections 703(a)(1), 705(b)(1), 733(a)(1), and 735(b)(1) of the Act (19 U.S.C. §§ 1671b(a)(1), 1671d(b)(1), 1673b(a)(1), and 1673d(b)(1)).

¹⁰ Section 771 (24) of the Act (19 U.S.C § 1677(24)).

¹¹ 19 U.S.C. § 1677(24)(B).

Table IV-5**Steel nails: U.S. imports in the twelve-month period preceding the filing of the petition, December 2020 through November 2021**

Quantity in short tons; share in percent

Source of imports	Quantity	Share of quantity
India (AD and CVD)	40,934	4.67
Oman (CVD)	89,722	10.23
Sri Lanka (CVD)	34,657	3.95
Thailand (AD) <i>refer to note 2</i>	56,843	6.48
Turkey (AD and CVD)	57,465	6.55
Subject sources	279,622	31.89
Nonsubject sources	597,199	68.11
All import sources	876,820	100.00

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Note 1: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---".

Note 2: Commerce issued a final negative determination regarding countervailable subsidies for steel nails from Thailand.

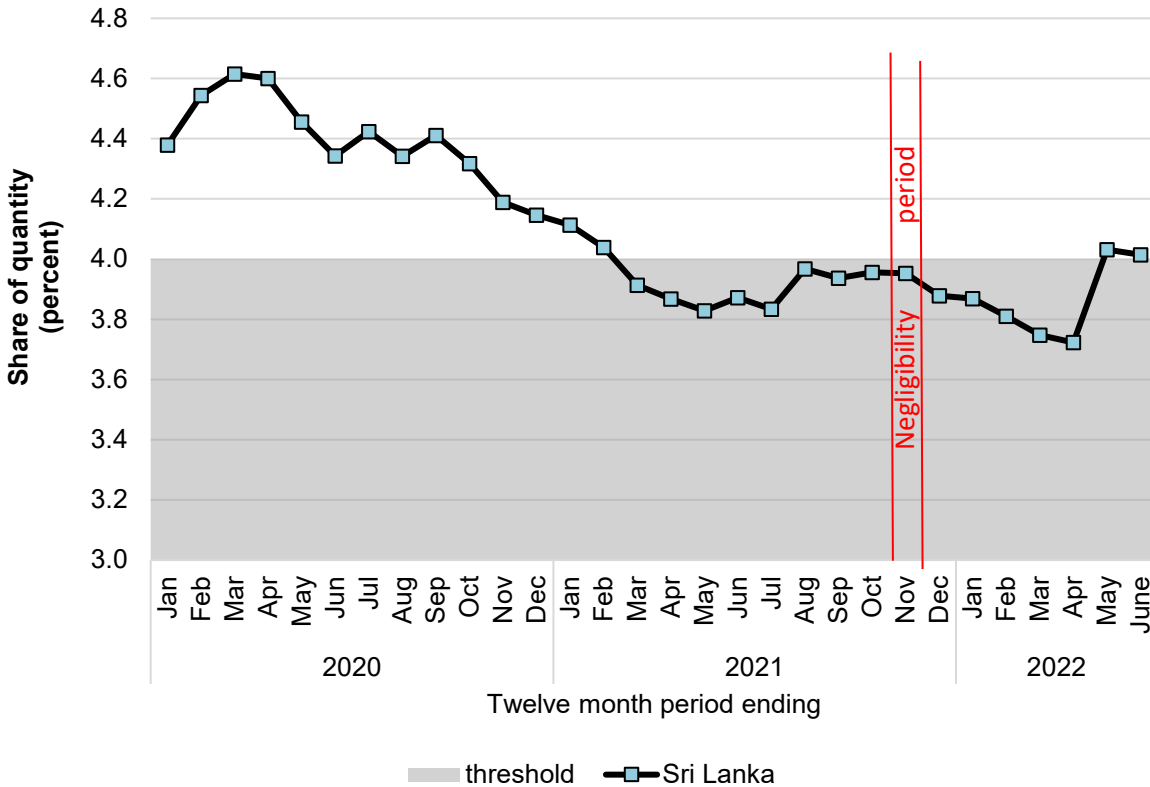
Table IV-6**Steel nails: U.S. imports from Sri Lanka and all sources, 12-month rolling averages for the periods ending January 2020 through June 2022**

Quantity in short tons; share in percent

Twelve month period ending	Quantity for Sri Lanka	Quantity for All import sources	Share for Sri Lanka	Share for all import sources
January 2020	29,542	674,623	4.38	100.0
February 2020	30,382	668,630	4.54	100.0
March 2020	30,457	659,959	4.61	100.0
April 2020	30,168	655,750	4.60	100.0
May 2020	29,162	654,569	4.46	100.0
June 2020	28,844	664,194	4.34	100.0
July 2020	29,821	674,069	4.42	100.0
August 2020	29,750	685,186	4.34	100.0
September 2020	30,639	694,566	4.41	100.0
October 2020	30,804	713,482	4.32	100.0
November 2020	30,619	731,022	4.19	100.0
December 2020	30,891	745,117	4.15	100.0
January 2021	31,185	758,173	4.11	100.0
February 2021	30,945	766,116	4.04	100.0
March 2021	31,035	793,026	3.91	100.0
April 2021	31,181	806,155	3.87	100.0
May 2021	31,447	821,399	3.83	100.0
June 2021	32,187	831,180	3.87	100.0
July 2021	32,178	839,227	3.83	100.0
August 2021	33,693	849,211	3.97	100.0
September 2021	33,583	853,043	3.94	100.0
October 2021	34,065	861,050	3.96	100.0
November 2021	34,657	876,820	3.95	100.0
December 2021	34,631	892,999	3.88	100.0
January 2022	34,936	903,057	3.87	100.0
February 2022	34,946	917,224	3.81	100.0
March 2022	34,639	924,288	3.75	100.0
April 2022	35,167	944,642	3.72	100.0
May 2022	38,562	956,511	4.03	100.0
June 2022	38,671	963,397	4.01	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Figure IV-2
Steel nails: Share of U.S. imports from Sri Lanka, twelve-month rolling averages for the periods ending January 2020 through June 2022



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Cumulation considerations

In assessing whether imports should be cumulated, the Commission determines whether U.S. imports from the subject countries compete with each other and with the domestic like product and has generally considered four factors: (1) fungibility, (2) presence of sales or offers to sell in the same geographical markets, (3) common or similar channels of distribution, and (4) simultaneous presence in the market. Information regarding channels of distribution, market areas, and interchangeability appear in Part II. Additional information concerning fungibility, geographical markets, and simultaneous presence in the market is presented below.

Fungibility

Table IV-7 and figure IV-3 present U.S. producers' and U.S. importers' U.S. shipments of steel nails by type. U.S. producers' U.S. shipments and U.S. importers' U.S. shipments from each subject source and from nonsubject sources were predominantly collated steel nails. The majority of U.S. producers' U.S. shipments and U.S. importers' U.S. shipments of imports from subject sources consisted of collated nails, accounting for 71.2 and *** percent respectively in 2021. The majority of U.S. importers' U.S. shipments imports from nonsubject sources also consisted of collated steel nails, accounting for *** percent of nonsubject imports.

Table IV-8 and figure IV-4 present U.S. producers' and U.S. importers' U.S. shipments, by source and finish in 2021. The majority of U.S. producers' U.S. shipments and U.S. importers' U.S. shipments of steel nails from subject sources consisted of bright steel nails, accounting for *** and *** percent respectively in 2021.¹² The largest share of U.S. importers' U.S. shipments of imports from nonsubject sources consisted of galvanized steel nails, accounting for *** percent of such imports.

Table IV-7
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and product type, 2021

Quantity in short tons

Source	Collated	Bulk	All types
U.S. producers	94,201	38,088	132,289
India	***	***	***
Oman	***	***	***
Sri Lanka	***	***	***
Thailand	***	***	***
Turkey	***	***	***
Subject sources	***	***	***
Nonsubject sources	***	***	***
All import sources	442,793	190,408	633,201
All sources	536,994	228,496	765,490

Table continued.

¹² Turkey ***.

Table IV-7 Continued**Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and product type, 2021**

Share across in percent

Source	Collated	Bulk	All types
U.S. producers	71.2	28.8	100.0
India	***	***	***
Oman	***	***	***
Sri Lanka	***	***	***
Thailand	***	***	***
Turkey	***	***	***
Subject sources	***	***	***
Nonsubject sources	***	***	***
All import sources	69.9	30.1	100.0
All sources	70.2	29.8	100.0

Table continued.

Table IV-7 Continued**Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and product type, 2021**

Share down in percent

Source	Collated	Bulk	All types
U.S. producers	17.5	16.7	17.3
India	***	***	***
Oman	***	***	***
Sri Lanka	***	***	***
Thailand	***	***	***
Turkey	***	***	***
Subject sources	***	***	***
Nonsubject sources	***	***	***
All import sources	82.5	83.3	82.7
All sources	100.0	100.0	100.0

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

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

Figure IV-3
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and product type, 2021

* * * * *

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

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

Table IV-8
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2021

Quantity in short tons

Source	Bright	Galvanized	Other	All finishes
U.S. producers	***	***	***	***
India	***	***	***	***
Oman	***	***	***	***
Sri Lanka	***	***	***	***
Thailand	***	***	***	***
Turkey	***	***	***	***
Subject sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	***
All sources	***	***	***	***

Table continued.

Table IV-8 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2021

Shares across in percent

Source	Bright	Galvanized	Other	All finishes
U.S. producers	***	***	***	***
India	***	***	***	***
Oman	***	***	***	***
Sri Lanka	***	***	***	***
Thailand	***	***	***	***
Turkey	***	***	***	***
Subject sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	***
All sources	***	***	***	***

Table continued.

Table IV-8 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2020

Shares down in percent

Source	Bright	Galvanized	Other	All finishes
U.S. producers	***	***	***	***
India	***	***	***	***
Oman	***	***	***	***
Sri Lanka	***	***	***	***
Thailand	***	***	***	***
Turkey	***	***	***	***
Subject sources	***	***	***	***
Nonsubject sources	***	***	***	***
All import sources	***	***	***	***
All sources	***	***	***	***

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

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

Note: ***.

Figure IV-4
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and by item, 2021

* * * * *

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

Geographical markets

Table IV-9 presents U.S. imports of steel nails, by source and border of entry in 2021, based on official Commerce statistics. U.S. imports of subject steel nails from India, Oman, Sri Lanka, Thailand, and Turkey entered multiple U.S. ports of entry across the nation. The largest shares of steel nails from India, Sri Lanka, and Thailand, entered through the Western border. The majority of steel nails from Turkey and Oman entered through the Eastern border.

Table IV-9
Steel nails: U.S. imports by source and border of entry, 2021

Quantity in short tons

Source	East	North	South	West	All borders
India	10,150	3,702	11,362	15,960	41,174
Oman	49,614	10,014	21,354	9,571	90,554
Sri Lanka	12,363	2,421	4,697	15,150	34,631
Thailand	14,638	9,631	8,347	24,749	57,365
Turkey	28,450	9,541	16,596	2,733	57,320
Subject sources	115,215	35,309	62,356	68,164	281,044
Nonsubject sources	162,662	128,633	203,903	116,757	611,955
All import sources	277,877	163,942	266,259	184,921	892,999

Table continued.

Table IV-9 Continued
Steel nails: U.S. imports by source and border of entry, 2021

Share across in percent

Source	East	North	South	West	All borders
India	24.7	9.0	27.6	38.8	100.0
Oman	54.8	11.1	23.6	10.6	100.0
Sri Lanka	35.7	7.0	13.6	43.7	100.0
Thailand	25.5	16.8	14.6	43.1	100.0
Turkey	49.6	16.6	29.0	4.8	100.0
Subject sources	41.0	12.6	22.2	24.3	100.0
Nonsubject sources	26.6	21.0	33.3	19.1	100.0
All import sources	31.1	18.4	29.8	20.7	100.0

Table continued.

Table IV-9 Continued
Steel nails: U.S. imports by source and border of entry, 2021

Share down in percent

Source	East	North	South	West	All borders
India	3.7	2.3	4.3	8.6	4.6
Oman	17.9	6.1	8.0	5.2	10.1
Sri Lanka	4.4	1.5	1.8	8.2	3.9
Thailand	5.3	5.9	3.1	13.4	6.4
Turkey	10.2	5.8	6.2	1.5	6.4
Subject sources	41.5	21.5	23.4	36.9	31.5
Nonsubject sources	58.5	78.5	76.6	63.1	68.5
All import sources	100.0	100.0	100.0	100.0	100.0

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

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

Presence in the market

Table IV-10 and figures IV-5 and IV-6 present monthly data for U.S. imports of steel nails from subject and nonsubject sources between January 2019 and June 2022. Subject imports of steel nails from India, Oman, Sri Lanka, Thailand, and Turkey were present in each month during this period.

Table IV-10
Steel nails: Quantity of U.S. imports, by month and source

Quantity in short tons

Year	Month	India	Oman	Sri Lanka	Thailand	Turkey
2019	January	3,074	9,307	1,993	3,276	3,556
2019	February	2,574	6,210	1,664	3,341	3,294
2019	March	3,565	6,311	2,658	4,787	4,685
2019	April	2,163	7,648	2,803	3,525	4,086
2019	May	2,949	7,640	2,064	3,178	4,147
2019	June	2,840	6,496	1,746	2,631	3,766
2019	July	3,436	6,213	2,503	3,351	4,383
2019	August	2,995	6,765	2,470	3,835	4,810
2019	September	2,507	5,936	2,327	3,154	3,749
2019	October	2,845	3,107	3,052	3,106	4,359
2019	November	3,118	4,866	2,903	2,538	3,501
2019	December	1,624	2,692	2,563	3,313	3,827
2020	January	2,849	3,813	2,789	3,911	3,834
2020	February	2,917	5,240	2,503	3,314	5,032
2020	March	2,540	5,565	2,733	4,428	4,317
2020	April	3,325	5,242	2,515	3,742	4,226
2020	May	1,940	4,913	1,058	3,677	5,115
2020	June	618	6,992	1,427	4,471	4,568
2020	July	1,172	8,036	3,480	3,888	4,129
2020	August	2,369	6,226	2,399	5,312	3,541
2020	September	2,562	6,473	3,216	4,368	4,776
2020	October	2,551	6,878	3,216	3,714	3,901
2020	November	2,572	6,127	2,718	3,771	3,924
2020	December	3,029	6,614	2,835	4,117	4,394

Table continued.

Table IV-10 Continued
Steel nails: Quantity of U.S. imports, by month and source

Quantity in short tons

Year	Month	Subject sources	Subject sources less Sri Lanka	Nonsubject sources	Nonsubject sources plus Sri Lanka	All import sources
2019	January	21,206	19,213	46,362	48,355	67,568
2019	February	17,082	15,418	39,585	41,249	56,667
2019	March	22,006	19,348	37,256	39,914	59,262
2019	April	20,225	17,422	39,707	42,510	59,932
2019	May	19,978	17,914	42,303	44,367	62,281
2019	June	17,479	15,733	39,541	41,287	57,020
2019	July	19,886	17,383	40,914	43,417	60,800
2019	August	20,875	18,404	39,462	41,932	60,336
2019	September	17,673	15,346	38,547	40,874	56,220
2019	October	16,469	13,417	34,640	37,692	51,109
2019	November	16,926	14,023	29,686	32,589	46,612
2019	December	14,019	11,455	34,684	37,247	48,702
2020	January	17,196	14,406	38,486	41,275	55,682
2020	February	19,007	16,503	31,667	34,170	50,674
2020	March	19,582	16,849	31,009	33,742	50,591
2020	April	19,050	16,535	36,673	39,188	55,723
2020	May	16,704	15,646	44,396	45,454	61,100
2020	June	18,076	16,649	48,569	49,996	66,645
2020	July	20,705	17,225	49,970	53,450	70,675
2020	August	19,848	17,449	51,605	54,004	71,453
2020	September	21,395	18,179	44,206	47,422	65,601
2020	October	20,261	17,045	49,763	52,980	70,024
2020	November	19,113	16,395	45,040	47,758	64,153
2020	December	20,988	18,153	41,809	44,644	62,797

Table continued.

Table IV-10 Continued
Steel nails: Quantity of U.S. imports, by month and source

Quantity in short tons

Year	Month	India	Oman	Sri Lanka	Thailand	Turkey
2021	January	3,095	8,137	3,084	4,141	4,356
2021	February	2,357	7,052	2,263	2,412	4,600
2021	March	2,905	8,219	2,823	4,375	5,116
2021	April	3,030	7,128	2,662	5,520	4,753
2021	May	3,616	9,315	1,324	6,129	6,738
2021	June	4,249	7,973	2,168	4,406	5,142
2021	July	3,835	7,042	3,470	5,007	4,523
2021	August	2,579	7,603	3,915	5,995	4,461
2021	September	2,064	5,988	3,106	5,646	3,537
2021	October	6,059	7,094	3,698	3,997	5,000
2021	November	4,117	7,556	3,310	5,099	4,843
2021	December	3,268	7,446	2,809	4,639	4,250
2022	January	3,411	7,991	3,389	4,480	5,627
2022	February	3,493	5,857	2,273	4,951	4,868
2022	March	5,280	9,912	2,515	4,765	5,598
2022	April	5,018	10,278	3,190	7,532	5,330
2022	May	4,798	11,091	4,718	6,132	4,587
2022	June	5,175	8,691	2,276	5,647	7,910

Table continued.

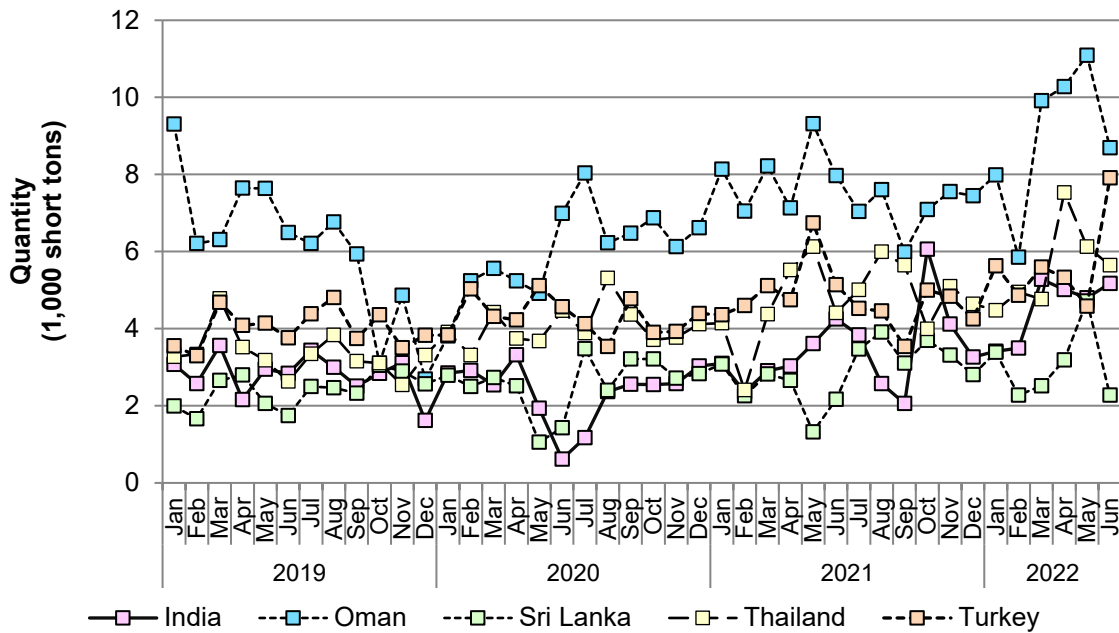
Table IV-10 Continued
Steel nails: Quantity of U.S. imports, by month and source

Quantity in short tons

Year	Month	Subject sources	Subject sources less Sri Lanka	Nonsubject sources	Nonsubject sources plus Sri Lanka	All import sources
2021	January	22,812	19,729	45,925	49,008	68,737
2021	February	18,684	16,420	39,934	42,197	58,617
2021	March	23,436	20,614	54,064	56,887	77,500
2021	April	23,093	20,432	45,759	48,420	68,852
2021	May	27,122	25,798	49,222	50,546	76,344
2021	June	23,939	21,771	52,488	54,656	76,427
2021	July	23,878	20,407	54,844	58,315	78,722
2021	August	24,553	20,639	56,883	60,798	81,437
2021	September	20,342	17,236	49,092	52,197	69,433
2021	October	25,848	22,150	52,183	55,881	78,031
2021	November	24,926	21,616	54,997	58,307	79,923
2021	December	22,411	19,602	56,565	59,373	78,975
2022	January	24,897	21,508	53,898	57,287	78,796
2022	February	21,443	19,170	51,341	53,614	72,784
2022	March	28,069	25,554	56,495	59,010	84,564
2022	April	31,348	28,157	57,859	61,049	89,207
2022	May	31,326	26,608	56,886	61,604	88,212
2022	June	29,699	27,423	53,613	55,890	83,312

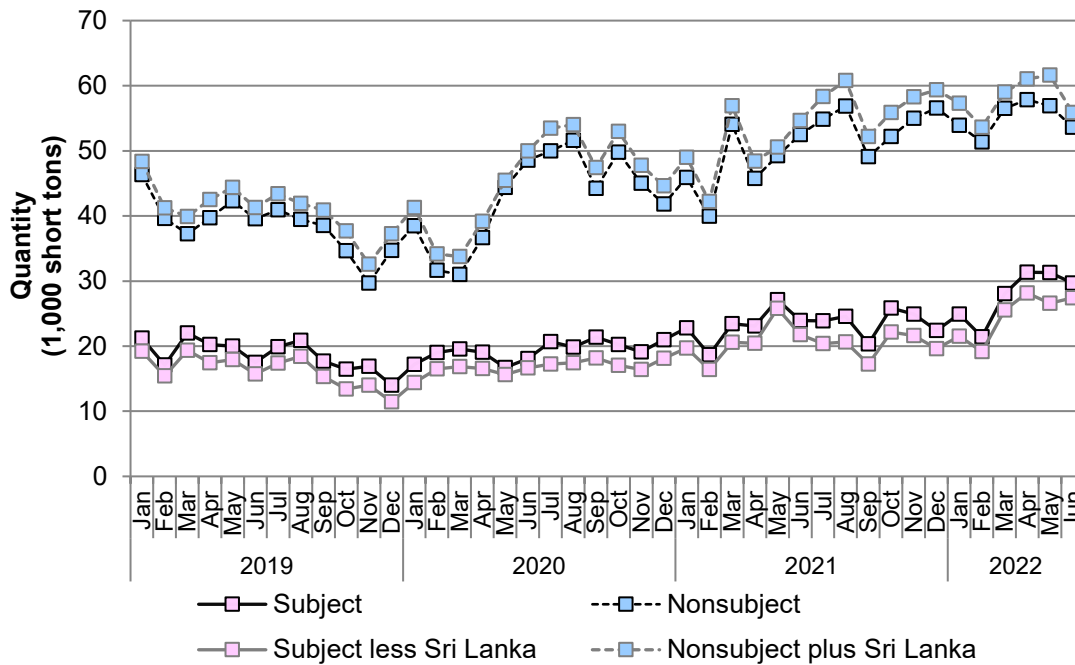
Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Figure IV-5
Steel nails: U.S imports from individual subject sources, by source and by month



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Figure IV-6
Steel nails: U.S imports from aggregated subject sources, by source and by month



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Apparent U.S. consumption and market shares

Quantity

Tables IV-11, IV-12, and figure IV-7 present data on apparent U.S. consumption and U.S. market shares for steel nails. The quantity of apparent U.S. consumption increased by 9.3 percent during 2019-20 and by 16.3 percent during 2020-21, increasing overall by 27.2 percent. Apparent U.S. consumption was 10.3 percent higher in January-March 2022 than in January-March 2021.

Table IV-11
Steel nails: Apparent U.S. consumption and market shares based on quantity, by source and period

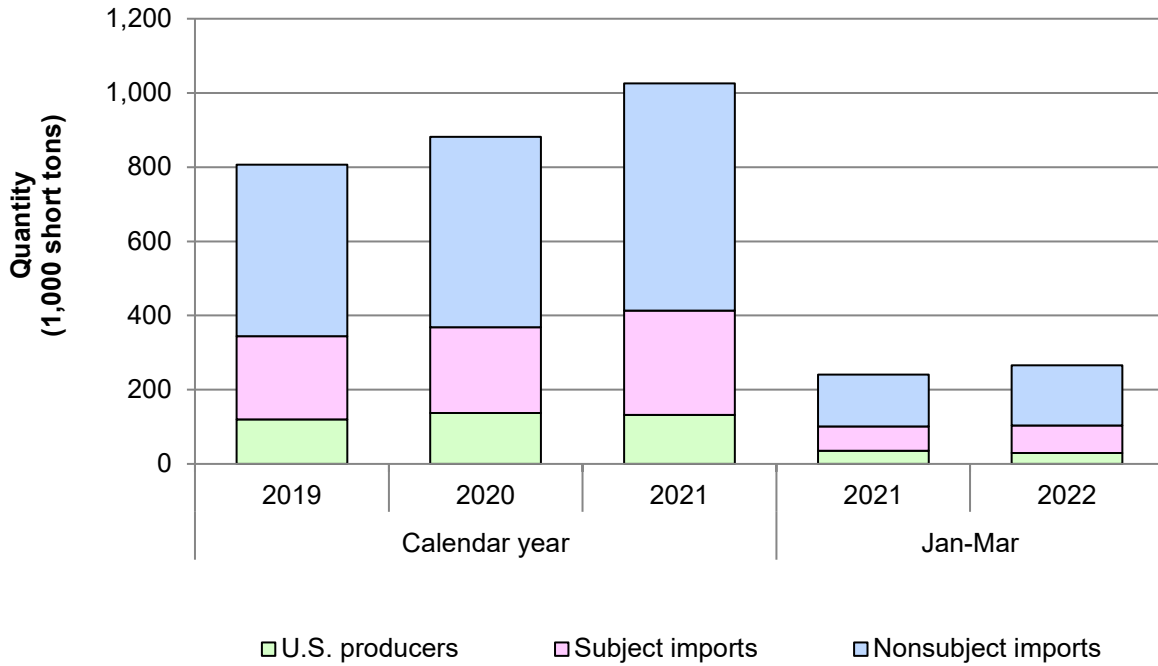
Quantity in short tons; shares in percent

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. producers	Quantity	120,333	136,855	132,287	35,866	29,383
India	Quantity	33,690	28,443	41,174	8,356	12,183
Oman	Quantity	73,189	72,119	90,554	23,407	23,761
Sri Lanka	Quantity	28,746	30,891	34,631	8,170	8,177
Thailand	Quantity	40,035	48,715	57,365	10,927	14,196
Turkey	Quantity	48,164	51,758	57,320	14,072	16,093
Subject sources	Quantity	223,822	231,925	281,044	64,932	74,410
Subject sources less Sri Lanka	Quantity	195,077	201,034	246,413	56,763	66,232
Nonsubject sources	Quantity	462,687	513,192	611,955	139,922	161,734
Nonsubject sources plus Sri Lanka	Quantity	491,433	544,083	646,586	148,092	169,911
All import sources	Quantity	686,510	745,117	892,999	204,855	236,144
All sources	Quantity	806,843	881,972	1,025,286	240,721	265,527
U.S. producers	Share	14.9	15.5	12.9	14.9	11.1
India	Share	4.2	3.2	4.0	3.5	4.6
Oman	Share	9.1	8.2	8.8	9.7	8.9
Sri Lanka	Share	3.6	3.5	3.4	3.4	3.1
Thailand	Share	5.0	5.5	5.6	4.5	5.3
Turkey	Share	6.0	5.9	5.6	5.8	6.1
Subject sources	Share	27.7	26.3	27.4	27.0	28.0
Subject sources less Sri Lanka	Share	24.2	22.8	24.0	23.6	24.9
Nonsubject sources	Share	57.3	58.2	59.7	58.1	60.9
Nonsubject sources plus Sri Lanka	Share	60.9	61.7	63.1	61.5	64.0
All import sources	Share	85.1	84.5	87.1	85.1	88.9
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

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

Figure IV-7
Steel nails: Apparent U.S. consumption based on quantity, by source and period



Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports values are based on landed duty paid value.

Table IV-12
Steel nails: Market shares of nonsubject sources based on quantity data, by period

Shares in percent

Source	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Canada	3.3	4.5	4.2	4.7	3.7
China	24.5	26.1	27.8	26.0	28.7
Malaysia	5.7	5.4	3.9	4.8	2.9
Mexico	3.8	4.5	5.1	5.1	5.5
South Korea	5.4	5.0	4.6	4.6	5.5
Taiwan	7.1	4.9	5.1	4.7	4.7
All other sources	7.5	7.8	9.1	8.3	9.9
Nonsubject sources	57.3	58.2	59.7	58.1	60.9

Source: Calculated from data presented in tables IV-3 and IV-11.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". U.S. producers' data reflect U.S. shipments and other sources are U.S. imports.

Value

Tables IV-13, IV 14, and figure IV-8 presents data on apparent U.S. consumption and U.S. market shares by value for steel nails. The value of apparent U.S. consumption increased by 2.1 percent during 2019-20 and by 43.2 percent during 2020-21, increasing overall by 46.1 percent. Apparent U.S. consumption was 63.0 percent higher in January-March 2022 than in January-March 2021.

Table IV-13**Steel nails: Apparent U.S. consumption and market shares based on value, by source and period**

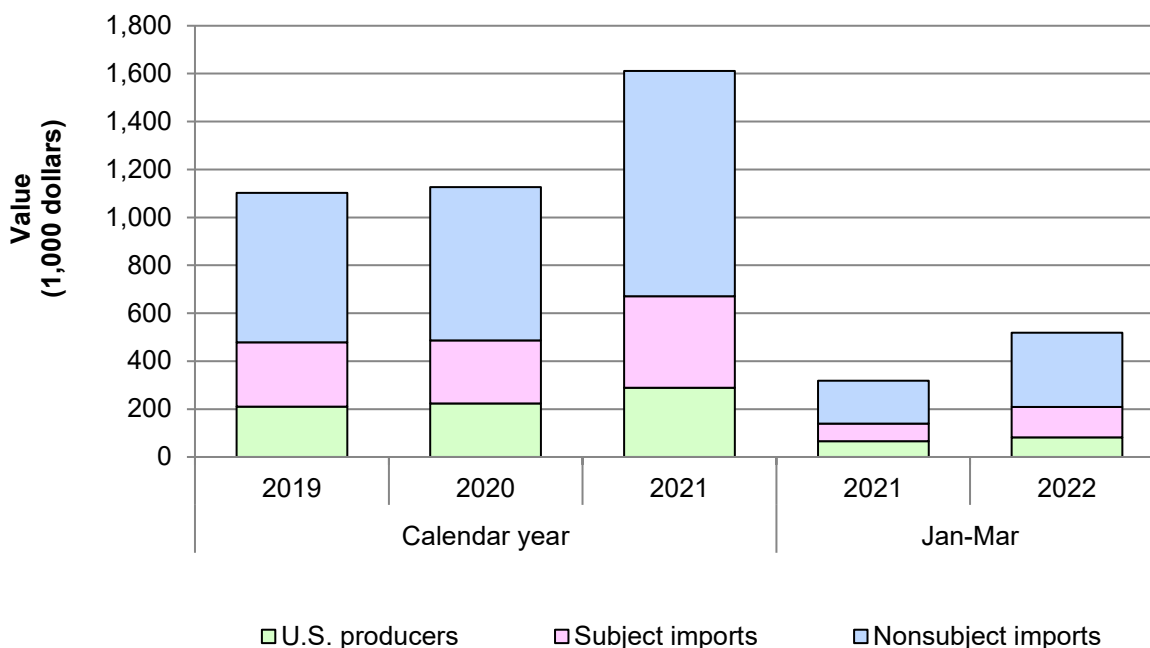
Value in 1,000 dollars; shares in percent

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. producers	Value	210,354	221,142	281,503	63,661	80,138
India	Value	39,613	29,313	52,419	8,810	19,827
Oman	Value	98,308	93,133	132,805	28,997	43,160
Sri Lanka	Value	32,507	29,671	38,432	8,070	12,311
Thailand	Value	47,869	59,139	82,479	13,669	25,548
Turkey	Value	49,338	51,768	75,044	14,425	26,958
Subject sources	Value	267,634	263,024	381,180	73,970	127,803
Subject sources less Sri Lanka	Value	235,127	233,353	342,747	65,900	115,492
Nonsubject sources	Value	624,765	639,870	941,317	178,280	308,938
Nonsubject sources plus Sri Lanka	Value	657,273	669,540	979,749	186,349	321,248
All import sources	Value	892,399	902,894	1,322,497	252,250	436,741
All sources	Value	1,102,753	1,124,036	1,604,000	315,911	516,879
U.S. producers	Share	19.1	19.7	17.6	20.2	15.5
India	Share	3.6	2.6	3.3	2.8	3.8
Oman	Share	8.9	8.3	8.3	9.2	8.4
Sri Lanka	Share	2.9	2.6	2.4	2.6	2.4
Thailand	Share	4.3	5.3	5.1	4.3	4.9
Turkey	Share	4.5	4.6	4.7	4.6	5.2
Subject sources	Share	24.3	23.4	23.8	23.4	24.7
Subject sources less Sri Lanka	Share	21.3	20.8	21.4	20.9	22.3
Nonsubject sources	Share	56.7	56.9	58.7	56.4	59.8
Nonsubject sources plus Sri Lanka	Share	59.6	59.6	61.1	59.0	62.2
All import sources	Share	80.9	80.3	82.4	79.8	84.5
All sources	Share	100.0	100.0	100.0	100.0	100.0

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports values are based on landed duty paid value.

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

Figure IV-8
Steel nails: Apparent U.S. consumption based on value, by source and period



Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports values are based on landed duty paid value.

Table IV-14
Steel nails: Market shares of nonsubject sources based on value data, by period

Shares in percent

Source	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Canada	3.9	4.9	4.8	5.4	4.4
China	23.3	23.9	26.6	23.8	27.2
Malaysia	4.1	3.8	2.8	3.6	2.0
Mexico	3.0	3.4	3.5	3.8	3.7
South Korea	5.0	4.8	5.0	4.8	6.8
Taiwan	8.2	6.0	5.8	5.5	5.4
All other sources	9.1	10.2	10.2	9.5	10.3
Nonsubject sources	56.7	56.9	58.7	56.4	59.8

Source: Calculated from data presented in tables IV-3 and IV-13.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". U.S. producers' data reflect U.S. shipments and other sources are U.S. imports.

Monthly apparent consumption

Table IV-15 and figure IV-9 presents monthly U.S. apparent consumption based on quantity by source and period.

Table IV-15
Steel nails: Monthly apparent U.S. consumption based on quantity data, by source and period

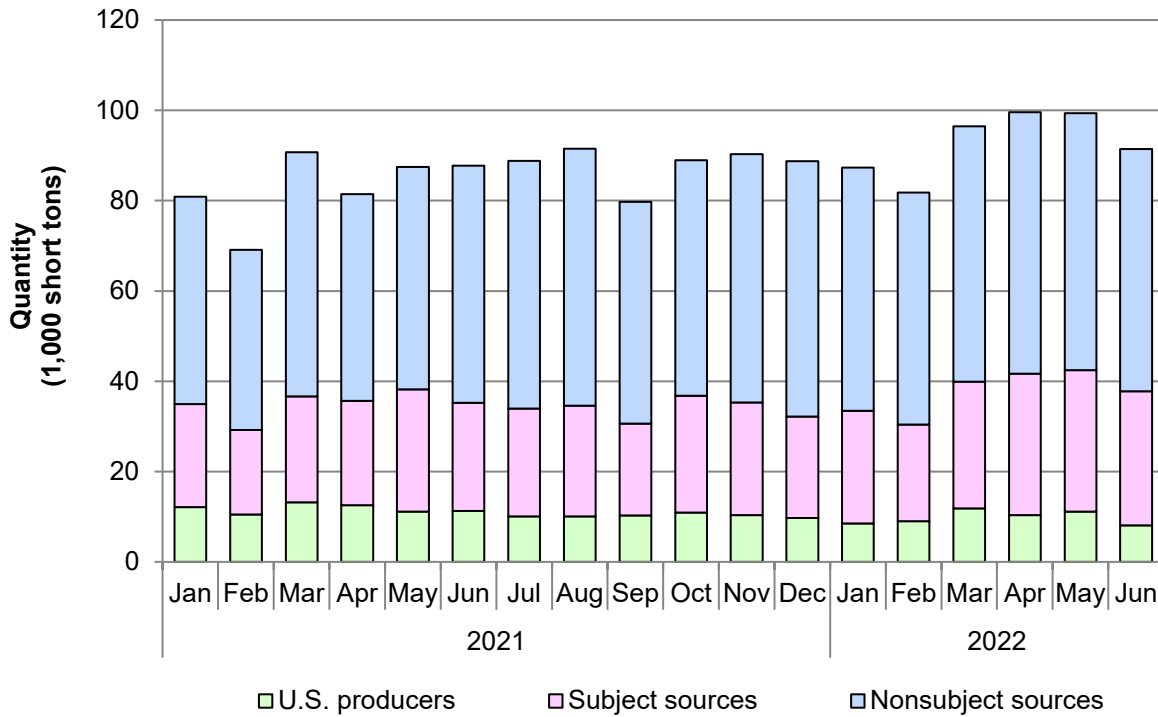
Quantity in short tons

Year	Month	U.S. producers	Subject sources	Nonsubject sources	All import sources	All sources
2021	January	12,135	22,812	45,925	68,737	80,872
2021	February	10,525	18,684	39,934	58,617	69,142
2021	March	13,204	23,436	54,064	77,500	90,704
2021	April	12,588	23,093	45,759	68,852	81,440
2021	May	11,115	27,122	49,222	76,344	87,459
2021	June	11,312	23,939	52,488	76,427	87,739
2021	July	10,058	23,878	54,844	78,722	88,780
2021	August	10,056	24,553	56,883	81,437	91,493
2021	September	10,273	20,342	49,092	69,433	79,706
2021	October	10,913	25,848	52,183	78,031	88,944
2021	November	10,363	24,926	54,997	79,923	90,286
2021	December	9,741	22,411	56,565	78,975	88,716
2022	January	8,542	24,897	53,898	78,796	87,338
2022	February	8,975	21,443	51,341	72,784	81,759
2022	March	11,866	28,069	56,495	84,564	96,430
2022	April	10,357	31,348	57,859	89,207	99,564
2022	May	11,140	31,326	56,886	88,212	99,352
2022	June	8,106	29,699	53,613	83,312	91,418

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". U.S. producers' data reflect U.S. shipments and other sources are U.S. imports.

Table IV-9
Steel nails: Monthly apparent U.S. consumption based on quantity data, by source and period



Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed July 14, 2022. Imports are based on the imports for consumption data series.

Part V: Pricing data

Factors affecting prices

Raw material costs

Steel nails are made predominantly of steel wire drawn from wire rod, although they may be made from steel plate or strip.¹ U.S. producers' raw material costs as a share of cost of goods sold increased from *** percent in 2019 to *** percent in 2021, and were higher in January-March ("interim") 2022 (***) than in the same period in 2020 (***)² As shown in figure V-1 and presented in table V-1, prices for carbon steel wire rod³ decreased in 2019, remained relatively flat until late 2020,⁴ and increased through April 2022. Domestic wire rod prices were *** percent higher in March 2022 than in January 2019, and remained at elevated levels slightly below the April 2022 peak in May and June 2022.

Figure V-1
Wire rod: Domestic prices for carbon steel wire rod, January 2019-June 2022

* * * * *

Source: ***, various monthly issues.

¹ Petition, p. 7.
² See Part VI for more information on raw material and other costs.
³ Steel wire rod prices in January 2018 were \$*** per short ton, increased in the first half of the year to \$*** per short ton, and remained at that level until January 2019.
⁴ Wire rod became subject to duties under Section 232 of the Trade Expansion Act of 1962, as amended (U.S.C. 1862), in March 2018 and to antidumping and countervailing duty orders in the United States on various countries (which entered into effect between January and May 2018).

Table V-1
Wire rod: Domestic prices for carbon steel wire rod, January 2019-June 2022

Price in dollars per short ton

Year	Month	Price
2019	January	***
2019	February	***
2019	March	***
2019	April	***
2019	May	***
2019	June	***
2019	July	***
2019	August	***
2019	September	***
2019	October	***
2019	November	***
2019	December	***
2020	January	***
2020	February	***
2020	March	***
2020	April	***
2020	May	***
2020	June	***
2020	July	***
2020	August	***
2020	September	***
2020	October	***
2020	November	***
2020	December	***
2021	January	***
2021	February	***
2021	March	***
2021	April	***
2021	May	***
2021	June	***
2021	July	***
2021	August	***
2021	September	***
2021	October	***
2021	November	***
2021	December	***
2022	January	***
2022	February	***
2022	March	***
2022	April	***
2022	May	***
2022	June	***

Source: ***, various monthly issues.

All nine U.S. producers and 23 of 28 responding importers reported that raw material costs have increased since January 2019, with the remaining importers indicating that steel nail raw material prices have fluctuated. Slightly more than half of responding purchasers (20 of 37) indicated that raw material costs affected their contract prices for steel nails. In the preliminary phase of these investigations, 6 of 7 responding producers and 19 of 25 responding importers indicated that the imposition of section 232 tariffs increased the raw material prices for steel nails since 2018. Importers also noted that antidumping duties, changes in demand, ocean freight, supply chain issues, and tariffs have increased the price of wire rod. Petitioner Mid Continent stated that it attempted to raise prices by approximately 19 percent after the imposition of the tariffs, but was ultimately unsuccessful.⁵

Impact of section 232 tariffs on prices

U.S. producers, importers, and purchasers were asked to provide information relating to the effect on the steel nails market of the section 232 tariffs on steel products that went into effect in March 2018 on wire rod and in January 2020 on a subset of steel nails.⁶ Firms' responses are reported in table V-2.

All eight responding producers reported that the cost of wire rod increased, which increased the cost of manufacturing steel nails. Producers *** reported that they could not increase prices to cover the increased costs. Producer *** stated that when the section 232 duties did not apply to nails, as it did not initially, they placed domestic producers of steel nails at a disadvantage. At the staff conference, a witness for petitioner Mid Continent noted that its attempted increase in prices after the tariffs went into effect were ultimately rolled back, as noted in Part II, having lost 30 percent of its sales within the first 60 days, and 60 percent from where they were in the first and second quarter of 2018 by December 2018.⁷

⁵ Conference transcript, pp. 15-16 (Pratt). As noted in Part I of this report, Mid Continent is the largest U.S. producer of steel nails. Imported steel nails, however, account for a larger portion of the U.S. market than domestically produced nails.

⁶ Another factor in the steel nails market related to section 232 duties is that "In early 2020, Section 232 tariffs were applied to certain downstream steel products, including a subset of steel nails. However, the largest importers of steel nails were able to obtain a court injunction against the collection of the Section 232 tariffs, and the imposition of these duties on downstream steel products is under appeal." Conference transcript, p. 31 (Lutz). For more information on section 232 duties, see Part I.

⁷ Conference transcript, p. 34 (Lutz) and p. 46 (Skarich).

Table V-2
Steel nails: Count of firms' responses regard the impact of the section 232 duties, by firm type

Item	Firm type	Yes	No	Don't Know
Impact on U.S. market from section 232 actions	U.S. producers	8	0	0
Impact on U.S. market from section 232 actions	Importers	27	1	2
Impact on U.S. market from section 232 actions	Purchasers	28	1	17

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

Importers' and purchasers' responses focused mainly on the effect of the section 232 tariffs imposed on steel nails. The vast majority of each type of firm (20 of 25 responding importers and 25 of 27 responding purchasers⁸) reported that the cost or price of steel nails increased due to the section 232 duties. Five purchasers noted that the effect was "instant" or "immediate," that costs were "directly impacted" or "rose... almost immediately," or, more specifically, that plastic strip nails "jumped in price immediately."⁹ Multiple purchasers reported that the entire 25 percent tariff was passed along through the distribution chain for steel nails. For example, purchaser *** summarized the impact of the section 232 duties as "Hell yes, it had a 25 percent price increase impact. This 25 percent tax was passed on to distribution and subsequently passed to the end user. Unfortunately, the purpose of the tariff was to drive manufacturing steel in the USA which has not happened. It just raised prices to the consumer." One importer (***), one importer/purchaser (***) and one purchaser (***) noted that it also affected the availability of steel nails.

Although the section 232 tariffs were reported by most firms as having an impact on the domestic steel nail market, two purchasers related the section 232 duties to other market factors. *** stated that the COVID-19 pandemic and supply chain issues were more impactful¹⁰ and *** stated that the duties "put a strain on domestic suppliers who were not

⁸ Of the two other responding purchasers, *** stated "tariff increases" and *** responded to the possibility of antidumping duties, not section 232 duties, but noted that its prices have "almost tripled" in the last two years.

⁹ Purchaser ***.

¹⁰ *** also observed: "I remember this was before inflation and Pandemic supply chain issues. Despite that I know costs went up dramatically. This was memorable because our customers flipped out. It was weeks of phone calls explaining to everyone what the tariff was and what the implication was. We passed those cost increases back to our customers. Despite wide initial backlash demand stayed consistent. Nothing really changed except higher prices for everyone as far as I can remember. The big game changer was the pandemic and supply chain issues. Mainly starting in 2021."

prepared for increase of production due to COVID layoffs and not able to hire enough people, which drove costs up even more.”

At the preliminary phase staff conference, a representative of importer SouthernCarlson stated that it has calculated that it is now “required to pay approximately 12 percent more per case of nails when importing from overseas,” although imports from Mexico, which is the country from which Mid Continent imports steel nails, are no longer subject to the section 232 duties, so Mid Continent would not be affected by those import cost increases.¹¹ Importer Deacero, the parent company of Mid Continent reported, “***.”

Impact of section 301 tariffs on prices

Since imports from nonsubject source China represent a large share of imports of steel nails, U.S. producers, importers, and purchasers were asked to provide information relating to the effect on the steel nails market of the section 301 tariffs on products from China, including steel nails, that went into effect in four tranches in 2018 and 2019. As noted in Part I, 25 percent tariffs went into effect on May 10, 2019, on three 8-digit HTS codes relating to steel nails. Firms’ responses are reported in table V-3.

Table V-3
Steel nails: Count of firms’ responses regard the impact of the section 301 duties on China, by firm type

Item	Firm type	Yes	No	Don't Know
Impact on U.S. market from section 301 duties	U.S. producers	3	2	2
Impact on U.S. market from section 301 duties	Importers	21	4	4
Impact on U.S. market from section 301 duties	Purchasers	23	4	19

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

Note: ***.

A large majority of responding importers and purchasers, along with a plurality of producers, noted that there has been an effect on the U.S. market from the imposition of the 25 percent duties on imports of steel nails from China. The most frequent response noted by purchasers was that prices increased. Other purchasers noted that other countries are now producing products that China was previously producing. Some purchasers noted that these

¹¹ Conference transcript, p. 142 (Ippoliti).

increased costs have been passed on to their customers. Importers reported similar issues. Importer *** quantified its price increase: “The inflation of steel nails due to the tariffs have driven the retail cost of steel nails well over 20 percent.” Importer *** described that it believes that China mostly sells staples, pins, and coil roofing nails into the U.S. market. U.S. producer *** stated that the section 301 duties mostly impacted their raw material steel costs. Other producers were unsure of the impact of the section 301 duties in relation to other occurrences in the steel nails market such as COVID-19 measures, container shortages, increases in material costs.

Transportation costs to the U.S. market

Transportation costs for steel nails shipped from subject countries to the United States averaged 6.2 percent for shipments from India during 2021, 9.9 percent for shipments from Oman, 3.5 percent for shipments from Sri Lanka, 20.8 percent for shipments from Thailand,¹² and 20.7 for shipments from Turkey.¹³ These estimates were derived from official import data and represent the transportation and other charges on imports.¹⁴

U.S. inland transportation costs

All 9 U.S. producers and 26 of 29 responding importers reported that they typically arrange transportation to their customers. Most U.S. producers reported that their U.S. inland transportation costs ranged from 1.9 to 9.2 percent, averaging 5.6 percent, while most importers reported costs of 0.5 to 10.0 percent, averaging 5.6 percent.¹⁵

¹² In 2020, however, transport costs were much lower – 9.8 percent – for steel nails from Thailand.

¹³ The transportation costs for the largest import sources were 26.3 percent for China, 15.3 percent for Taiwan, 21.4 percent for South Korea, 0.9 percent for Canada, 0.7 percent for Mexico, and 15.1 percent for Malaysia.

¹⁴ The estimated transportation costs were obtained by subtracting the customs value from the c.i.f. value of the imports for 2021 and then dividing by the customs value based on the HTS statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed July 20, 2022.

¹⁵ Firms responding with percentages of zero, 95, or more than 100 were not considered in these computations.

Pricing practices

Pricing methods

Most responding U.S. producers (5 of 9) and importers (21 of 28) reported setting prices using transaction-by-transaction negotiations, with even more producers (7) and some importers (11) also reporting using price lists (table V-4).

Table V-4
Steel nails: Count of U.S. producers' and importers' reported price setting methods

Method	U.S. producers	Importers
Transaction-by-transaction	5	21
Contract	1	4
Set price list	7	11
Other	1	1
Responding firms	9	28

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

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

U.S. producers and importers reported selling a large majority of their steel nails in the spot market although some contract sales were reported. Subject importers had a larger share sold via short-term and annual contracts than U.S. producers, whereas a greater proportion of U.S. producers' contract sales were for longer terms (table V-5).

Table V-5
Steel nails: U.S. producers' and importers' shares of commercial U.S. shipments by type of sale, 2021

Share in percent

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

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

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

U.S. producers ***

. Four responding importers reported selling via short-term contracts, and two sell via both annual contracts and long-term contracts. All four responding importers selling via short-term contracts (30-120 days) do not index prices to raw material costs, three of four do not renegotiate prices, and two of three fix only price. Both firms selling via annual and long-term contracts do not index to raw material costs, but allow for price renegotiation. Of these two importers, the only responding importer () fixes price.

Seven purchasers reported that they purchase product daily, 22 purchase weekly, 16 purchase monthly, and four purchase quarterly. Thirty-five of 46 responding purchasers reported that their purchasing frequency had not changed since 2019. Of the 11 purchasers that had changed frequency, six noted increased demand required more frequent purchases, and three reported changing purchase frequency in order to keep more inventory on hand due to low availability of product or having to place orders farther in advance.

Sales terms and discounts

A majority of U.S. producers (5 of 9) and importers (18 of 26) typically quote prices on a delivered basis, although 5 producers also quote on an f.o.b. basis.¹⁶ Four producers and 10 importers offer quantity discounts, 5 producers and 8 importers offer total volume discounts (in the form of rebates at the end of the year), 1 producer offers discounts on a case-by-case basis, and no discounts are offered by 3 producers and 14 importers. Twenty-eight of 45 responding purchasers noted that purchases involve negotiations with their suppliers. Purchasers reported including price (e.g., total cost, transportation costs), volume, quality, lead times (e.g., availability, timing of production and fulfillment), and/or payment terms. Nine of 11 responding purchasers do not divulge competitors' prices during negotiations.

Price leadership

Eighteen purchasers identified various price leaders in the steel nails market; 5 reported there were none currently, while 22 did not list any or reported that the question was not applicable. Nine purchasers reported that Mid Continent was a leader and seven reported that PrimeSource was a leader. Other firms noted included Boise Cascade, Geekay, Home Depot, Huttig, Koki, Kratos, Linc Systems, Paslode, Sertel, and Tree Island. Multiple purchasers noted the large presence of PrimeSource. Purchasers noting leaders at the lower end of the offered prices included Boise Cascade, Huttig, Kratos, Mid Continent, PrimeSource, and Sertel. *** noted that smaller offshore or startup firms such as Karam,

¹⁶ One producer reported quoting on both bases.

Metalhouse, MicraGlobal, Storelt, and Aslanbas are also leaders but are limited in their product range, usually only making high-volume products.

Price data

The Commission requested U.S. producers and importers to provide quarterly data by customer type for the total quantity and f.o.b. value of the following steel nails products shipped to unrelated U.S. customers during January 2019-March 2022.^{17 18}

Product 1.—Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Product 2.—Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Product 3.—Nominal 2" x 0.099" (12.5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors.

Product 4.—Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors.

Product 5.—Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers.

Product 6.—Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers.

¹⁷ These seven pricing products differ from the four pricing products in the preliminary phase investigations. All four pricing products from the preliminary phase were included, but with customer types specified (distributor, end user, or retailer), plus new galvanized and stainless steel price items to augment the bright price items, based upon suggestions provided by petitioners and respondents. Petitioner's response to draft questionnaires, p.4 and Respondents PrimeSource, Metropolitan Staple, and Steel Products Company, and Steel & Wire Northeast's response to draft questionnaires, pp. 4-5. The pricing products from the preliminary phase investigations were as follows:

Product 1.—Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails.

Product 2.—Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails.

Product 3.—Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails.

Product 4.—Nominal 2" x 0.099" (12.5 gauge), bright screw (threaded), 15-degree wire coil collated nails.

¹⁸ Firms were requested to provide quantity data for products 1-6 in 1,000 nails and for product 7 in short tons. Firms were requested to provide value data in actual dollars for all pricing products.

Product 7.—Nominal 2” x 0.113” (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users.

Six U.S. producers and 19 importers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.¹⁹ Pricing data reported by these firms accounted for approximately 24.3 percent of the value U.S. producers’ U.S. shipments of steel nails, 21.6 percent of the value of U.S. shipments of subject imports from India, 26.7 percent of the value of U.S. shipments of subject imports from Oman, 24.2 percent of the value of U.S. shipments of subject imports from Sri Lanka, 7.1 percent of the value of U.S. shipments of subject imports from Thailand, and 24.0 percent of the value of U.S. shipments of subject imports from Turkey in 2021.²⁰ ***. *** reported that its Product 4 is a “*very specialized product* and not part of {its} regular collated nail offering,”²¹ which explains the very low quantities of this product.

Price data for products 1-7 are presented in tables V-6 to V-12 and figures V-2 to V-8. Prices for steel nails imported from nonsubject sources are presented in Appendix H.

¹⁹ Per-unit pricing data are calculated from total quantity and total value data provided by U.S. producers and importers. The precision and variation of these figures may be affected by rounding, limited quantities, and producer or importer estimates.

²⁰ Pricing coverage is based on the value of U.S. shipments reported in questionnaires.

²¹ Emphasis included in original submission.

Table V-6
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 1 and margins of underselling/(overselling), by source and quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***

Period	Sri Lanka price	Sri Lanka quantity	Sri Lanka margin	Thailand price	Thailand quantity	Thailand margin	Turkey price	Turkey quantity	Turkey margin
2019 Q1	***	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***	***

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

Note: Product 1: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Table V-7

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 2 and margins of underselling/(overselling), by source and quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***

Period	Sri Lanka price	Sri Lanka quantity	Sri Lanka margin	Thailand price	Thailand quantity	Thailand margin	Turkey price	Turkey quantity	Turkey margin
2019 Q1	***	***	***	--	0	--	***	***	***
2019 Q2	***	***	***	--	0	--	***	***	***
2019 Q3	***	***	***	--	0	--	***	***	***
2019 Q4	***	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	--	0	--	***	***	***
2020 Q2	***	***	***	--	0	--	***	***	***
2020 Q3	***	***	***	--	0	--	***	***	***
2020 Q4	***	***	***	--	0	--	***	***	***
2021 Q1	***	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	--	0	--	***	***	***
2021 Q4	***	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	--	0	--	***	***	***

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

Note: Product 2: Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Table V-8

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 3 and margins of underselling/(overselling), by source and quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	--	0	--	***	***	***
2020 Q3	***	***	--	0	--	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***

Period	Sri Lanka price	Sri Lanka quantity	Sri Lanka margin	Thailand price	Thailand quantity	Thailand margin	Turkey price	Turkey quantity	Turkey margin
2019 Q1	***	***	***	***	***	***	***	***	***
2019 Q2	--	0	--	***	***	***	--	0	--
2019 Q3	***	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	--	0	--
2020 Q3	--	0	--	***	***	***	--	0	--
2020 Q4	--	0	--	--	0	--	--	0	--
2021 Q1	--	0	--	***	***	***	--	0	--
2021 Q2	--	0	--	***	***	***	--	0	--
2021 Q3	***	***	***	***	***	***	--	0	--
2021 Q4	***	***	***	***	***	***	--	0	--
2022 Q1	***	***	***	***	***	***	--	0	--

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

Note: Product 3: Nominal 2" x 0.099" (12.5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors.

Table V-9**Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 4 and margins of underselling/(overselling), by source and quarter**

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	***	***	--	0	--	***	***	***
2019 Q2	***	***	--	0	--	***	***	***
2019 Q3	--	0	--	0	--	***	***	--
2019 Q4	***	***	--	0	--	--	0	--
2020 Q1	***	***	--	0	--	--	0	--
2020 Q2	***	***	--	0	--	***	***	***
2020 Q3	***	***	--	0	--	***	***	***
2020 Q4	***	***	--	0	--	***	***	***
2021 Q1	***	***	***	***	***	--	0	--
2021 Q2	--	0	--	0	--	***	***	--
2021 Q3	***	***	--	0	--	***	***	***
2021 Q4	--	0	--	0	--	***	***	--
2022 Q1	--	0	--	0	--	***	***	--

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

Note: Product 4: Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors.

Note: ***.

Table V-10**Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 5 and margins of underselling/(overselling), by source and quarter**

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***

Period	Sri Lanka price	Sri Lanka quantity	Sri Lanka margin	Thailand price	Thailand quantity	Thailand margin	Turkey price	Turkey quantity	Turkey margin
2019 Q1	***	***	***	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***	***	***	***

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

Note: Product 5: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers.

Table V-11**Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 6 and margins of underselling/(overselling), by source and quarter**

Price in dollars per 1,000 nails, quantity in 1,000 nails, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin	Oman price	Oman quantity	Oman margin
2019 Q1	--	0	--	0	--	--	0	--
2019 Q2	--	0	--	0	--	--	0	--
2019 Q3	--	0	--	0	--	--	0	--
2019 Q4	--	0	--	0	--	--	0	--
2020 Q1	--	0	--	0	--	--	0	--
2020 Q2	--	0	--	0	--	***	***	--
2020 Q3	--	0	--	0	--	--	0	--
2020 Q4	--	0	--	0	--	--	0	--
2021 Q1	--	0	***	***	--	***	***	--
2021 Q2	--	0	***	***	--	--	0	--
2021 Q3	--	0	***	***	--	***	***	--
2021 Q4	--	0	***	***	--	--	0	--
2022 Q1	--	0	***	***	--	--	0	--

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

Note: Product 6: Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers.

Table V-12**Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 7 and margins of underselling/(overselling), by source and quarter**

Price in dollars per short ton, quantity in short tons, margin in percent.

Period	U.S. price	U.S. quantity	India price	India quantity	India margin
2019 Q1	***	***	--	0	--
2019 Q2	***	***	--	0	--
2019 Q3	***	***	--	0	--
2019 Q4	***	***	--	0	--
2020 Q1	***	***	--	0	--
2020 Q2	***	***	--	0	--
2020 Q3	***	***	--	0	--
2020 Q4	***	***	--	0	--
2021 Q1	***	***	--	0	--
2021 Q2	***	***	--	0	--
2021 Q3	***	***	--	0	--
2021 Q4	***	***	--	0	--
2022 Q1	***	***	***	***	***

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

Note: Product 7: Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users.

Figure V-2

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Figure V-3

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Figure V-4

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Nominal 2" x 0.099" (12. 5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors.

Figure V-5

Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by source and quarter

Price of product 4

* * * * *

Volume of product 4

* * * * *

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

Note: Product 4: Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors.

Figure V-6
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 5, by source and quarter

Price of product 5

* * * * *

Volume of product 5

* * * * *

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

Note: Product 5: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers.

Figure V-7
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 6, by source and quarter

Price of product 6

* * * * *

Volume of product 6

* * * * *

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

Note: Product 6: Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers.

Figure V-8
steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 7, by source and quarter

Price of product 7

* * * * *

Volume of product 7

* * * * *

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

Note: Product 7: Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users.

Price trends

In general, prices declined slightly from the first quarter of 2019 through the second quarter of 2020. After that point, however, prices from nearly all sources generally increased through the first quarter of 2022. Table V-13 summarizes the price trends over the entire period, by country and by product. As shown in the tables, domestic price increases ranged from *** percent, while import price increases ranged from *** percent for products imported from India, *** percent for products imported from Oman, *** percent for products imported from Sri Lanka, *** percent for products imported from Thailand, and *** percent for products imported from Turkey. Only *** showed a decrease in price over the period (*** percent).²²

²² The pricing for this product in the first quarter was *** and the pricing for the final quarter was ***. The trend in pricing *** was increasing, however.

Table V-13
Steel nails: Summary of price data, by product and source, January 2019-March 2022

Quantity in million nails, price in dollars per 1,000 nails, change in percent

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Change in price over period
Product 1	U.S.	13	***	***	***	***	***	***
Product 1	India	13	***	***	***	***	***	***
Product 1	Oman	13	***	***	***	***	***	***
Product 1	Sri Lanka	13	***	***	***	***	***	***
Product 1	Thailand	12	***	***	***	***	***	***
Product 1	Turkey	13	***	***	***	***	***	***
Product 2	U.S.	13	***	***	***	***	***	***
Product 2	India	13	***	***	***	***	***	***
Product 2	Oman	13	***	***	***	***	***	***
Product 2	Sri Lanka	13	***	***	***	***	***	***
Product 2	Thailand	4	***	***	***	***	***	***
Product 2	Turkey	13	***	***	***	***	***	***
Product 3	U.S.	13	***	***	***	***	***	***
Product 3	India	11	***	***	***	***	***	***
Product 3	Oman	13	***	***	***	***	***	***
Product 3	Sri Lanka	8	***	***	***	***	***	***
Product 3	Thailand	12	***	***	***	***	***	***
Product 3	Turkey	4	***	***	***	***	***	***
Product 4	U.S.	9	***	***	***	***	***	***
Product 4	India	1	***	***	***	***	***	***
Product 4	Oman	10	***	***	***	***	***	***
Product 4	Sri Lanka	0	0	***	***	***	***	***
Product 4	Thailand	0	0	***	***	***	***	***
Product 4	Turkey	0	0	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter for which data are available in 2018 to the last quarter for which data are available in 2021.

Table V-13 Continued**Steel nails: Summary of price data, by product and source, January 2019-March 2022**

Quantity in million nails (products 5 and 6) or thousand short tons (product 7), price in dollars per short ton, change in percent

Product	Source	Number of quarters	Quantity	Low price	High price	First quarter price	Last quarter price	Change in price over period
Product 5	U.S.	13	***	***	***	***	***	***
Product 5	India	13	***	***	***	***	***	***
Product 5	Oman	13	***	***	***	***	***	***
Product 5	Sri Lanka	13	***	***	***	***	***	***
Product 5	Thailand	13	***	***	***	***	***	***
Product 5	Turkey	13	***	***	***	***	***	***
Product 6	U.S.	0	0	***	***	***	***	***
Product 6	India	5	***	***	***	***	***	***
Product 6	Oman	3	***	***	***	***	***	***
Product 6	Sri Lanka	0	0	***	***	***	***	***
Product 6	Thailand	0	0	***	***	***	***	***
Product 6	Turkey	0	0	***	***	***	***	***
Product 7	U.S.	13	***	***	***	***	***	***
Product 7	India	1	***	***	***	***	***	***
Product 7	Oman	0	0	***	***	***	***	***
Product 7	Sri Lanka	0	0	***	***	***	***	***
Product 7	Thailand	0	0	***	***	***	***	***
Product 7	Turkey	0	0	***	***	***	***	***

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

Note: Percent change column is percentage change from the first quarter for which data are available in 2018 to the last quarter for which data are available in 2021.

Price comparisons

As shown in tables V-14 and V-15, prices for product imported from subject countries were below those for U.S.-produced product in 150 of 242 instances (26.6 billion nails and *** short tons); margins of underselling ranged from 0.2 to 91.9 percent and averaged 16.8 percent. In the remaining 85 instances (6.6 billion nails and *** short tons), prices for product from subject countries were between 0.0 and 35.6 percent above prices for the domestic product and averaged 14.4 percent. Underselling was more frequent in products 1, 2, 3 whereas imports of product 5 oversold domestic product in a majority of instances.²³

²³ As noted earlier, there were no domestic sales of product 6, domestic supply of product 4 was reportedly of a “very specialized product” not normally sold, and there was only 1 quarter of comparison for product 7 (sold to end users).

Table V-14
Steel nails: Instances of underselling and overselling and the range and average of margins, by product

Quantity 1,000 nails or short tons; margin in percent

Product	Type	Number of quarters	Quantity (1,000 nails)	Quantity (short tons)	Average margin	Min margin	Max margin
Product 1	Underselling	48	***	---	***	***	***
Product 2	Underselling	49	***	---	***	***	***
Product 3	Underselling	41	***	---	***	***	***
Product 4	Underselling	7	***	---	***	***	***
Product 5	Underselling	4	***	---	***	***	***
Product 6	Underselling	0	0	---	---	---	---
Product 7	Underselling	1	---	***	***	***	***
Total, all products	Underselling	150	26,602,464	***	16.8	0.2	91.9
Product 1	Overselling	17	***	---	***	***	***
Product 2	Overselling	7	***	---	***	***	***
Product 3	Overselling	7	***	---	***	***	***
Product 4	Overselling	0	0	---	---	---	---
Product 5	Overselling	61	***	---	***	***	***
Product 6	Overselling	0	0	---	---	---	---
Product 7	Overselling	0	---	0	---	---	---
Total, all products	Overselling	92	6,640,837	0	(14.4)	(0.0)	(35.6)

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

Note: Data include only quarters in which there is a comparison between the U.S. and subject product.

Note: Total product data omitting Sri Lanka are as follows: 123 quarters of underselling (** nails and ** short tons), ** minimum and maximum margins of underselling, and an average margin of underselling of ** percent, along with 68 quarters of overselling (** nails and ** short tons), ** minimum and maximum margins of underselling, and an average margin of overselling of ** percent.

The number of quarters of underselling was greater than the number of quarters of overselling for product imported for four of five subject countries: 34 quarters of underselling vs. 18 quarters of overselling for India, 42 vs. 16 for Oman, 28 vs. 19 for Sri Lanka, and 33 vs. 10 for Turkey. Oman accounted for more than half of the quantities that undersold domestic products (** nails). For Thailand, there were more quarters of overselling (29) than underselling (13), and the quantity oversold was slightly higher than the quantity undersold as well (** nails vs. ** nails).

With respect to channels of distribution, subject products undersold domestic products in 147 of 178 quarters for sales to distributors, 4 of 65 quarters for product sold to retailers, and 1 of 1 quarter for sales to end users.

Table V-15
Steel nails: Instances of underselling and overselling and the range and average of margins, by source

Quantity 1,000 nails or short tons; margin in percent

Product	Type	Number of quarters	Quantity (1,000 nails)	Quantity (short tons)	Average margin	Min margin	Max margin
India	Underselling	34	***	***	***	***	***
Oman	Underselling	42	***	***	***	***	***
Sri Lanka	Underselling	28	***	***	***	***	***
Thailand	Underselling	13	***	***	***	***	***
Turkey	Underselling	33	***	***	***	***	***
Total, all products	Underselling	150	26,602,464	***	16.8	0.2	91.9
India	Overselling	18	***	***	***	***	***
Oman	Overselling	16	***	***	***	***	***
Sri Lanka	Overselling	19	***	***	***	***	***
Thailand	Overselling	29	***	***	***	***	***
Turkey	Overselling	10	***	***	***	***	***
Total, all products	Overselling	92	6,640,837	***	(14.4)	(0.0)	(35.6)

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

Note: These data include only quarters in which there is a comparison between the U.S. and subject product.

Note: Total product data omitting Sri Lanka are as follows: 122 quarters of underselling (***) nails and (***) short tons), (***) minimum and maximum margins of underselling, and an average margin of underselling of (***) percent, along with 73 quarters of overselling (***) nails and (***) short tons), (***) minimum and maximum margins of underselling, and an average margin of overselling of (***) percent.

Lost sales and lost revenue

The Commission requested that U.S. producers of steel nails report purchasers with which they experienced instances of lost sales or revenue due to competition from imports of steel nails from subject sources since 2019. Of the eight responding U.S. producers, six reported that they had to reduce prices, and three reported they had to roll back announced price increases. Six of eight responding firms reported that they had lost sales. In the preliminary phase of these investigations, one U.S. producer submitted lost sales and lost revenue allegations. That U.S. producer identified 10 firms with which they lost sales or revenue (9 consisting lost sales allegations, 1 consisting of both lost sales and lost revenue allegations). All of the allegations occurred in 2019 and 2020 and covered all subject countries.²⁴ Counsel for respondents argue that no sales could be lost if there was no available capacity to produce additional steel nails.²⁵

Staff contacted 122 purchasers and received responses from 49 purchasers.²⁶ Responding purchasers reported purchasing 163 thousand short tons of steel nails during January 2019-March 2022 from domestic producers, 287 thousand short tons from subject sources, and 1.2 million short tons from all other, including unknown, sources (table V-16).

During 2021, responding purchasers sourced 9.0 percent of their purchases from U.S. producers, 18.2 percent from subject sources (2.7 percent from India, 2.2 percent from Oman, 0.7 percent from Sri Lanka, 6.7 percent from Thailand, and 5.8 percent from Turkey), 62.8 percent from known nonsubject countries, and 10.5 percent from unknown sources.²⁷ Among purchasers' responses regarding domestic supplies, nine reported that their desired purchases from domestic sources was constrained, were not able to buy from domestic producers, or bought as much (from Mid Continent) as it would sell to them. One purchaser, ***, increased its domestic purchases because Mid Continent "offered more material."²⁸

²⁴ In the petition, 266 lost sale allegations and 468 lost revenue allegations were submitted with respect to individual SKUs, all of which occurred in 2019 and 2020. In its prehearing brief, Mid Continent submitted *** additional lost sale and *** additionally lost revenue allegations for 2021 (which were dated before the filing of the petition) in addition to *** additional lost sale and *** additionally lost revenue allegations occurring in 2022. Petitioner's prehearing brief, exh. 4.

²⁵ Respondents PrimeSource, Metropolitan Staple, and Steel Products Company, and Steel & Wire Northeast's prehearing brief, p. 2.

²⁶ All six purchasers that submitted a Lost Sales/Lost Revenue Survey also provided a response to the Commission's Purchasers' Questionnaire in the final phase of these investigations. Three firms reported that since January 1, 2019 they had not purchased steel nails, or imported steel nails for their own use or retail sale.

²⁷ Data include purchasers' purchases and imports, but do not include data for ***.

²⁸ For more information regarding general changes in purchasing patterns and supply constraints, see Part II.

Table V-16
Steel nails: Purchasers' reported purchases and imports, by firm and source

Quantity in short tons, share in percent

Purchaser	Domestic quantity	Subject quantity	All other quantity	Change in domestic share	Change in subject country share
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
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***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

Table V-16 Continued
Steel nails: Purchasers' reported purchases and imports, by firm and source

Quantity in short tons, share in percent

Purchaser	Domestic quantity	Subject quantity	All other quantity	Change in domestic share	Change in subject country share
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	162,782	287,120	1,162,725	(1.5)	2.1

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

Note: All other includes all other sources and unknown sources. Change is the percentage point change in the share of the firm's total purchases of domestic and/or subject country imports between first and last years.

Note: Purchaser *** was unable to provide estimates by weight but submitted purchase values instead. Purchaser *** was unable to provide estimates of total purchases in general.

Since 2019, 29 of 42 responding purchasers had bought imported steel nails from subject countries instead of U.S.-produced product (table V-17). Twenty-three of 29 responding purchasers reported that subject import prices from at least one country were lower than U.S.-produced product. Eight of 25 responding purchasers indicated that lower prices from at least one subject source was a primary reason for purchasing from that source.²⁹ These purchasers estimated the quantity of steel nails purchased from subject countries instead of domestic product to be *** (table V-18). ***. Purchasers identified certain products not being produced domestically, domestic product availability or capacity issues, domestic shipping and delivery times, and the unwillingness of domestic producers to supply a private label product as non-price reasons for purchasing imported rather than U.S.-produced product.

None of the 14 responding purchasers reported that U.S. producers had reduced prices in order to compete with lower-priced imports from any subject country.³⁰

²⁹ Four of the 29 purchasers that purchased subject imports instead of domestic product did not respond to this question.

³⁰ All other purchasers responding to this question indicated “don’t know.”

Table V-17

Steel nails: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

Table V-17 Continued

Steel nails: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

Table V-17 Continued

Steel nails: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***

Table continued on next page.

Table V-17 Continued

Steel nails: Purchasers' responses to purchasing subject imports instead of domestic product, by firm

Quantity in short tons

Purchaser	Purchased subject imports instead of domestic	Imports priced lower	Choice based on price	Quantity	Explanation
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	Yes--29; No--13	Yes--23; No--6	Yes--8; No--18	***	NA

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

Table V-18**Steel nails: Purchasers' responses to purchasing subject imports instead of domestic product, by source**

Count in number of firms; quantity in short tons

Source	Count of firms reporting that imports were priced lower 2019	Count of firms reporting that imports were priced lower 2020	Count of firms reporting that imports were priced lower 2021	Count of firms reporting that imports were priced lower 2022 (Jan-Mar)	Count of firms reporting that subject price was not lower	Count of firms reporting that price was a primary reason for shift	Quantity
India	10	9	7	5	14	2	***
Oman	6	7	6	5	18	1	***
Sri Lanka	4	2	3	1	19	2	***
Thailand	11	8	8	8	15	4	***
Turkey	16	15	13	11	11	3	***
Any subject source	22	21	17	15	10	6	***

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

Part VI: Financial experience of U.S. producers

Background¹

Nine U.S. producers (ITW, Kyocera, Legacy, Mar-Mac, Maze, Mid Continent, Pneu-fast, Simpson, and Tree Island) provided usable financial results on their steel nails operations. *** responding U.S. producers reported financial data on the basis of GAAP and ***.^{2 3}

Figure VI-1 presents each responding firm's share of the total reported net sales quantity in 2021.

¹ The following abbreviations may be used in the tables and/or text of this section: generally accepted accounting principles ("GAAP"), fiscal year ("FY"), net sales ("NS"), cost of goods sold ("COGS"), selling, general, and administrative expenses ("SG&A expenses"), average unit values ("AUVs"), research and development expenses ("R&D expenses"), and return on assets ("ROA").

² ***. U.S. producers' questionnaire response, section III-2.

³ Staff conducted a verification of *** U.S. producers' questionnaire data. Changes from the verification are incorporated within the report.

Figure VI-1
Steel nails: Share of net sales quantity in 2021, by firm

* * * * *

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

Operations on steel nails

Table VI-1 presents aggregated data on U.S. producers' operations in relation to steel nails, while table VI-2 presents corresponding changes in AUVs. Table VI-3 presents selected firm-specific financial data.

Table VI-1
Steel nails: Results of operations of U.S. producers, by item and period

Quantity in short tons; value in 1,000 dollars; ratios in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Total net sales	Quantity	121,487	138,264	133,731	36,429	29,723
Total net sales	Value	214,984	226,645	288,235	65,531	82,171
COGS: Raw materials	Value	110,876	115,220	152,075	34,375	42,611
COGS: Direct labor	Value	24,224	25,542	27,462	7,147	7,299
COGS: Other factory	Value	42,009	43,444	37,806	9,096	10,419
COGS: Less steel scrap revenue	Value	1,004	1,150	2,143	566	606
COGS: Total	Value	176,105	183,056	215,200	50,052	59,723
Gross profit or (loss)	Value	38,879	43,589	73,035	15,479	22,448
SG&A expenses	Value	26,793	25,300	28,664	6,531	7,411
Operating income or (loss)	Value	12,086	18,289	44,371	8,948	15,037
Other expense or (income), net	Value	(545)	(569)	(599)	(476)	(258)
Net income or (loss)	Value	12,631	18,858	44,970	9,424	15,295
Depreciation/amortization	Value	5,974	6,281	5,753	1,456	1,326
Cash flow	Value	18,605	25,139	50,723	10,880	16,621
COGS: Raw materials	Ratio to NS	51.6	50.8	52.8	52.5	51.9
COGS: Direct labor	Ratio to NS	11.3	11.3	9.5	10.9	8.9
COGS: Other factory	Ratio to NS	19.5	19.2	13.1	13.9	12.7
COGS: Less steel scrap revenue	Ratio to NS	0.5	0.5	0.7	0.9	0.7
COGS: Total	Ratio to NS	81.9	80.8	74.7	76.4	72.7
Gross profit	Ratio to NS	18.1	19.2	25.3	23.6	27.3
SG&A expense	Ratio to NS	12.5	11.2	9.9	10.0	9.0
Operating income or (loss)	Ratio to NS	5.6	8.1	15.4	13.7	18.3
Net income or (loss)	Ratio to NS	5.9	8.3	15.6	14.4	18.6

Table continued on next page.

Table VI-1 Continued
Steel nails: Results of operations of U.S. producers, by item and period

Shares in percent; unit values in dollars per short ton; count in number of firms reporting

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
COGS: Raw materials	Share	62.6	62.5	70.0	67.9	70.6
COGS: Direct labor	Share	13.7	13.9	12.6	14.1	12.1
COGS: Other factory	Share	23.7	23.6	17.4	18.0	17.3
COGS: Total	Share	100.0	100.0	100.0	100.0	100.0
Total net sales	Unit value	1,770	1,639	2,155	1,799	2,765
COGS: Raw materials	Unit value	913	833	1,137	944	1,434
COGS: Direct labor	Unit value	199	185	205	196	246
COGS: Other factory	Unit value	346	314	283	250	351
COGS: Less steel scrap revenue	Unit value	8	8	16	16	20
COGS: Total	Unit value	1,450	1,324	1,609	1,374	2,009
Gross profit or (loss)	Unit value	320	315	546	425	755
SG&A expenses	Unit value	221	183	214	179	249
Operating income or (loss)	Unit value	99	132	332	246	506
Net income or (loss)	Unit value	104	136	336	259	515
Operating losses	Count	***	***	***	***	***
Net losses	Count	***	***	***	***	***
Data	Count	9	9	9	9	9

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

Note: Shares represent the share of COGS before the steel scrap revenue offset. ***.

Table VI-2
Steel nails: Changes in AUVs between comparison periods

Changes in percent

Item	2019-21	2019-20	2020-21	Jan-Mar 2021-22
Total net sales	▲21.8	▼(7.4)	▲31.5	▲53.7
COGS: Raw materials	▲24.6	▼(8.7)	▲36.5	▲51.9
COGS: Direct labor	▲3.0	▼(7.4)	▲11.2	▲25.2
COGS: Other factory	▼(18.2)	▼(9.1)	▼(10.0)	▲40.4
COGS: Less steel scrap revenue	▲93.9	▲0.6	▲92.7	▲31.2
COGS: Total	▲11.0	▼(8.7)	▲21.5	▲46.2

Table continued.

Table VI-2 Continued
Steel nails: Changes in AUVs between comparison periods

Changes in dollars per short ton

Item	2019-21	2019-20	2020-21	Jan-Mar 2021-22
Total net sales	▲385.7	▼(130.4)	▲516.1	▲965.7
COGS: Raw materials	▲224.5	▼(79.3)	▲303.8	▲490.0
COGS: Direct labor	▲6.0	▼(14.7)	▲20.6	▲49.4
COGS: Other factory	▼(63.1)	▼(31.6)	▼(31.5)	▲100.8
COGS: Less steel scrap revenue	▲7.8	▲0.1	▲7.7	▲4.9
COGS: Total	▲159.6	▼(125.6)	▲285.2	▲635.4
Gross profit or (loss)	▲226.1	▼(4.8)	▲230.9	▲330.3
SG&A expense	▼(6.2)	▼(37.6)	▲31.4	▲70.1
Operating income or (loss)	▲232.3	▲32.8	▲199.5	▲260.3
Net income or (loss)	▲232.3	▲32.4	▲199.9	▲255.9

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

Note: Period changes preceded by a “▲” represent an increase, while period changes preceded by a “▼” represent a decrease.

Table VI-3
Steel nails: Firm-by-firm total net sales quantity, by period

Net sales quantity

Quantity in short tons

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	121,487	138,264	133,731	36,429	29,723

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm total net sales value, by period

Net sales value

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	214,984	226,645	288,235	65,531	82,171

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm cost of goods sold (“COGS”), by period

COGS

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	176,105	183,056	215,200	50,052	59,723

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm gross profit or (loss), by period

Gross profit or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	38,879	43,589	73,035	15,479	22,448

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm selling, general, and administrative (“SG&A”) expenses, by period
SG&A expenses

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	26,793	25,300	28,664	6,531	7,411

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm operating income or (loss), by period

Operating income or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	12,086	18,289	44,371	8,948	15,037

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm net income or (loss), by period

Net income or (loss)

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	12,631	18,858	44,970	9,424	15,295

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm ratio of COGS to net sales value, by period

COGS to net sales ratio

Ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	81.9	80.8	74.7	76.4	72.7

Table continued on next page.

Table VI-3 Continued**Steel nails: Firm-by-firm ratio of gross profit or (loss) to net sales value, by period****Gross profit or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	18.1	19.2	25.3	23.6	27.3

Table continued.

Table VI-3 Continued**Steel nails: Firm-by-firm ratio of SG&A expenses to net sales value, by period****SG&A expenses to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	12.5	11.2	9.9	10.0	9.0

Table continued on next page.

Table VI-3 Continued**Steel nails: Firm-by-firm ratio of operating income or (loss) to net sales value, by period****Operating income or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	5.6	8.1	15.4	13.7	18.3

Table continued.

Table VI-3 Continued**Steel nails: Firm-by-firm ratio of net income or (loss) to net sales value, by period****Net income or (loss) to net sales ratio**

Ratios in percent

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	5.9	8.3	15.6	14.4	18.6

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm unit net sales value, by period

Unit net sales value

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	1,770	1,639	2,155	1,799	2,765

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm unit raw material cost, by period

Unit raw material costs

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	913	833	1,137	944	1,434

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm unit direct labor cost, by period

Unit direct labor costs

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	199	185	205	196	246

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm unit other factory costs, by period

Unit other factory costs categories

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	346	314	283	250	351

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm unit steel scrap by-product revenue, by period

Unit steel scrap by-product revenue

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	8	8	16	16	20

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm unit COGS, by period

Unit COGS

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	1,450	1,324	1,609	1,374	2,009

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm unit gross profit or (loss), by period

Unit gross profit or (loss)

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	320	315	546	425	755

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm unit SG&A expenses, by period

Unit SG&A expenses

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	221	183	214	179	249

Table continued on next page.

Table VI-3 Continued
Steel nails: Firm-by-firm unit operating income or (loss), by period

Unit operating income or (loss)

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	99	132	332	246	506

Table continued.

Table VI-3 Continued
Steel nails: Firm-by-firm unit net income or (loss), by period

Unit net income or (loss)

Unit values in dollars per short ton

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	104	136	336	259	515

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

Net sales

Total revenue consists mainly of commercials sales, with a small amount of internal consumption and transfers to related firms. In 2021, internal consumption and transfers to related firms accounted for *** percent and *** percent of total revenue, respectively. Transfers to related firms and internal consumption are included in the financial data, but not shown separately in this section of the report.⁴

As shown in table VI-1, total net sales quantity increased by 13.8 percent from 2019 to 2020 before declining by 3.3 percent in 2021, and overall increased by 10.1 percent between 2019 and 2021. Net sales quantity was 18.4 percent lower in interim 2022 compared with interim 2021. ***, although *** firms also reported lower sales in interim 2022 compared with interim 2021.⁵ Total net sales value increased at a higher rate of 34.1 percent from 2019 to 2021 and, despite the lower level of sales quantity in 2021 and interim 2022, sales value increased by 27.2 percent from 2020 to 2021 and was 25.4 percent higher in interim 2022 compared with interim 2021. The majority of U.S. producers attributed the increase in sales value to the increase in raw material costs in 2021 and 2022.⁶ As shown in

⁴ *** was the *** U.S. producer to report transfers to related firms. ***'s transfers are sales to the firm's ***. Email from ***, July 19, 2022. *** was the *** U.S. producer to report internal consumption. ***'s reported internal consumption consists of ***. Email from ***, July 15, 2022.

⁵ *** reported a *** percent decline in its sales quantity from 2020 to 2021, and its sales quantity was also *** percent lower in interim 2022 compared with interim 2021. The firm attributed the decline to ***. ***. Email from ***, July 20, 2022, and *** posthearing brief, exh. 1 pp. 46-47.

⁶ For example *** stated that ***. Email from ***, July 20, 2022. Similarly, *** explained that the increase in sales value was ***. Email from ***, July 11, 2022. *** explained that ***. Email from ***, July 19, 2022. *** also said that ***. Email from ***, July 13, 2022.

table VI-3, while *** U.S. producers reported higher sales values in 2021 and in interim 2022, *** reported an increase in sales quantity in that same year, and *** U.S. producers reported higher sales quantities in interim 2022 compared with interim 2021.⁷ On an average per-short-ton basis, net sales value decreased from \$1,770 in 2019 to \$1,639 in 2020 then increased to \$2,155 in 2021, and was higher in interim 2022 at \$2,765 compared with interim 2021 at \$1,799. As shown in table VI-3, *** U.S. producers reported a decline in their average per-short-ton value from 2019 to 2020 and *** reported an increase from 2020 to 2021.⁸ *** U.S. producers *** reported higher average per-short-ton values in interim 2022 compared with interim 2021.⁹

⁷ ***. Email from ***, July 13, 2022. ***. Email from ***, July 19, 2022.

⁸ ***. Email from ***, August 24, 2022.

⁹ ***'s average unit sales values were higher than the rest of the U.S. producers. The three firms accounted for *** percent of net sales quantity and *** percent of sales values in 2021. A spokesman for *** explained that ***. Email from ***, January 31, 2022. *** stated that ***. Emails from ***, July 19, August 24, and August 29, 2022. U.S. producers' questionnaire response (final), section II-10. *** stated that ***. Email from ***, August 29, 2022.

Cost of goods sold and gross profit or loss

Raw material costs, direct labor and other factory costs accounted for 70.0, 12.6 and 17.4 percent of total COGS, respectively, in 2021.

Raw material costs, the largest component of COGS, were largely affected by the prices of steel, and continuously increased by 3.9 percent from 2019 to 2020 and 32.0 percent from 2020 to 2021. Raw material costs were 24.0 percent higher in interim 2022 compared with interim 2021. On an average per short-ton-basis, raw material costs declined from \$913 in 2019 to \$833 in 2020 before increasing to \$1,137 in 2021 and were higher in interim 2022 at \$1,434 compared with interim 2021 at \$944. As shown in table VI-3, *** U.S. producers reported an overall increase in their average unit values between 2019 and 2021, and *** reported higher unit values in interim 2022 compared with interim 2021.¹⁰ As a ratio to net sales, raw material costs declined from 51.6 percent in 2019 to 50.8 percent in 2020 before increasing to 52.8 percent in 2021, and were lower in interim 2022 at 51.9 percent compared with 52.5 percent in interim 2021.

Table VI-4 presents details on specific raw material inputs as a share of total raw material costs in 2021. Wire and wire rod accounted for the largest share of raw material costs accounting for *** percent respectively. Other material inputs accounted for *** percent and included zinc, other nail coating materials, collating materials, and product packaging, plastic pallets, and shipping pallets.¹¹

¹⁰ *** U.S. producers reported that the overall costs of raw materials increased from 2019 to 2022. U.S. producers' questionnaire response (final), section VI-20.

¹¹ ***. U.S. producers' questionnaire responses (final), section III-7a and III-7b. *** asserted that tariffs on imports of steel products, including wire rod and wire, under Section 232 of the Trade Expansion Act of 1962, 19 U.S.C. § 1862 caused domestic nail producers' costs to increase, given that wire and wire rod are the primary raw materials consumed in the production of nails. ***'s postconference brief, p.9.

Table VI-4
Steel nails: Raw material costs in 2021

Value in 1,000 dollars; unit values in dollars per short ton; share of value in percent

Item	Value	Share of value
Wire	***	***
Wire rod	***	***
Other material inputs	***	***
All raw materials	152,075	100.0

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

Direct labor costs, the smallest share of COGS, continuously increased from 2019 to 2021 by 13.4 percent. Direct labor costs were 2.1 percent higher in interim 2022 compared with interim 2021. On an average per-short-ton basis, direct labor costs decreased from \$199 in 2019 to \$185 in 2020 then increased to \$205 in 2021, and were higher at \$246 in interim 2022 compared with \$196 in interim 2021. As a ratio to net sales, direct labor costs declined from 11.3 percent in 2019 to 9.5 percent in 2021 and were lower in interim 2022 at 8.9 percent compared with interim 2021 at 10.9 percent.

Other factory costs, the second largest share of COGS after raw material costs, decreased by 10.0 percent from 2019 to 2021 and were 14.5 percent higher in interim 2022 compared with interim 2021. On an average per-short-ton basis, other factory costs decreased from \$346 in 2019 to \$283 in 2021, and were higher in interim 2022 at \$351 compared with interim 2021 at \$250.¹² As shown in table VI-3, U.S. producers varied in directional trends from 2019 to 2021 and in the interim periods. As a ratio to net sales, other factory costs declined from 19.5 percent in 2019 to 13.1 percent in 2021 and were lower at 12.7 percent in interim 2022 compared with interim 2021 at 13.9 percent.

Total COGS net of by-product revenue reflected the overall trends of its components and increased by 22.2 percent from 2019 to 2021. Total COGS was 19.3 percent higher in interim 2022 compared with interim 2021. On an average per-short-ton basis, total COGS increased from \$1,450 in 2019 to \$1,609 in 2021, and was higher at \$2,009 in interim 2022 compared with \$1,374 in interim 2021.¹³ As a ratio to net sales, COGS decreased from 81.9 percent in 2019 to 74.7 percent in 2021, and was lower in interim 2022 at 72.7 percent

¹² ***. Email from ***, July 15, 2022.

¹³ As previously mentioned, ***. See footnote 9 in this section of the report.

compared with interim 2021 at 76.4 percent, a reflection that sales values (and sales' AUVs) increased more than did COGS.

As shown in table VI-1, gross profit increased from \$38.9 million in 2019 to \$43.6 million in 2020 and \$73.0 million in 2021. Gross profit was higher in interim 2022 at \$22.4 million compared with \$15.5 million in interim 2021. As a ratio to net sales, gross profit also increased from 18.1 percent in 2019 to 25.3 percent in 2021 and was higher in interim 2022 at 27.3 percent compared with interim 2021 at 23.6 percent. Results varied on a firm-by-firm basis: *** reported a decline in gross profits from 2019 to 2021; gross profits reported by *** continuously increased from 2019 to 2021; and ***. *** firms *** reported higher gross profits in interim 2022 compared with interim 2021.¹⁴

SG&A expenses and operating income or loss

U.S. producers' SG&A expenses declined by 5.6 percent from 2019 to 2020 before increasing by 13.3 percent from 2020 to 2021 and overall increased by 7.0 percent from 2019 to 2021. SG&A expenses were 13.5 percent higher in interim 2022 compared with interim 2021. As shown in table VI-3, *** reported declines in their SG&A expenses from 2019 to 2020 and *** reported an increase from 2020 to 2021. Trends between firms varied during the interim periods.¹⁵ The corresponding SG&A expense ratio declined from 12.5 percent in 2019 to 9.9 percent in 2021 and was lower in interim 2022 at 9.0 percent compared with interim 2021 at 10.0 percent.

¹⁴ ***, July 14, 2022.

¹⁵ ***. Emails from ***, January 19, 2022, and July 13, 2022. ***. U.S. producers' questionnaire response (final), section III-10.

Operating income increased from \$12.1 million in 2019 to \$44.4 million in 2021 and was higher at \$15.0 million in interim 2022 compared with \$8.9 million in interim 2021. As a ratio to net sales, operating income followed the trends of the underlying data increasing from 5.6 percent in 2019 to 15.4 percent in 2021 and was higher in interim 2022 at 18.3 percent compared with 13.7 percent in interim 2021. Results varied on a firm-by-firm basis: *** reported a continuous increase in operating income, while *** reported a decline from 2019 to 2021.¹⁶ *** reported operating losses in 2019 and 2020 but *** reported operating profits in 2021. *** reported higher operating income in interim 2022 compared with interim 2021.

***.¹⁷

¹⁶ *** described its allocation method as follow: ***. Email from ***, August 26, 2022, and U.S. producers' questionnaire response (final), section II-3. Operating profits for U.S. producers ***.

¹⁷ In response to Commission staff about its ***. Email from ***, August 29, 2022.

All other expenses and net income or loss

Classified below the operating income level are interest expenses, other expenses, and other income. In table VI-1, these items are aggregated with only the net amount shown. The majority of the amount shown was other income ***.¹⁸ Because the total of other expenses/income largely reflects income, net income was higher than operating income in each reporting period.

Net income increased from \$12.6 million in 2019 to \$45.0 million in 2021 and was higher in interim 2022 at \$15.3 million compared with \$9.4 million in interim 2021. As a ratio to net sales, net income increased from 5.9 percent in 2019 to 15.6 percent in 2021 and was higher in interim 2022 at 18.6 percent compared with 14.4 percent in interim 2021.¹⁹

Capital expenditures and research and development expenses

Table VI-5 presents capital expenditures, by firm, and table VI-7 presents R&D expenses, by firm. Tables VI-6 and VI-8 present the firms' narrative explanations of the nature, focus, and significance of their capital expenditures and R&D expenses, respectively. Capital expenditures increased from 2019 to 2020 before decreasing in 2021 and increased overall from 2019 to 2021. Capital expenditures were higher in interim 2022 compared with interim 2021.²⁰ Data for R&D expenses, reported by ***, increased overall from 2019 to 2021 and were higher in interim 2022 compared with interim 2021.

¹⁸ Email from ***, January 19, 2022. ***. Email from ***, July 13, 2022. ***. Email from ***, July 15, 2022.

¹⁹ A variance analysis is not being presented due to the pronounced differences of product mix and costs. Additionally, ***.

²⁰ ***. Email from ***, January 20, 2022, and July 15, 2022.

Table VI-5
Steel nails: U.S. producers' capital expenditures, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
ITW	***	***	***	***	***
Kyocera	***	***	***	***	***
Legacy	***	***	***	***	***
Mar-Mac	***	***	***	***	***
Maze	***	***	***	***	***
Mid Continent	***	***	***	***	***
Pneu-fast	***	***	***	***	***
Simpson	***	***	***	***	***
Tree Island	***	***	***	***	***
All firms	5,119	7,448	6,854	***	1,726

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

Table VI-6
Steel nails: Narrative descriptions of U.S. producers' capital expenditures, by firm

Firm	Narrative on capital expenditures
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***

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

Table VI-7
Steel nails: U.S. producers' R&D expenses, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
***	***	***	***	***	***
***	***	***	***	***	***
***	***	***	***	***	***
All firms	***	***	***	***	***

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

Table VI-8
Steel nails: Narrative descriptions of U.S. producers' R&D expenses, by firm

Firm	Narrative on R&D expenses
***	***
***	***
***	***

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

Assets and return on assets

Table VI-9 presents data on the U.S. producers' total assets while table VI-10 presents their operating ROA.²¹ Table VI-11 presents U.S. producers' narrative responses explaining their major asset categories and any significant changes in asset levels over time. Total assets increased from \$272.6 million in 2019 to \$329.2 million in 2021. Return on assets increased from 4.4 percent in 2019 to 13.5 percent in 2021.²²

²¹ The operating ROA is calculated as operating income divided by total assets. With respect to a firm's overall operations, the total asset value reflects an aggregation of a number of assets which are generally not product specific. Thus, high-level allocations are generally required in order to report a total asset value on a product-specific basis.

²² ***. Email from ***, July 19, 2022. *** stated that its ***, contributed to its high ROA. Email from ***, July 24, 2022.

Table VI-9
Steel nails: U.S. producers' total net assets, by firm and period

Value in 1,000 dollars

Firm	2019	2020	2021
ITW	***	***	***
Kyocera	***	***	***
Legacy	***	***	***
Mar-Mac	***	***	***
Maze	***	***	***
Mid Continent	***	***	***
Pneu-fast	***	***	***
Simpson	***	***	***
Tree Island	***	***	***
All firms	272,612	286,192	329,212

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

Table VI-10
Steel nails: U.S. producers' ROA, by firm and period

Ratio in percent

Firm	2019	2020	2021
ITW	***	***	***
Kyocera	***	***	***
Legacy	***	***	***
Mar-Mac	***	***	***
Maze	***	***	***
Mid Continent	***	***	***
Pneu-fast	***	***	***
Simpson	***	***	***
Tree Island	***	***	***
All firms	4.4	6.4	13.5

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

Table VI-11

Steel nails: Narrative descriptions of U.S. producers' total net assets, by firm

Firm	Narrative on assets
ITW	***
Kyocera	***
Legacy	***
Mar-Mac	***
Maze	***
Mid Continent	***
Pneu-fast	***
Simpson	***
Tree Island	***

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

Capital and investment

The Commission requested U.S. producers of steel nails to describe any actual or potential negative effects of imports of steel nails from India, Oman, Sri Lanka, Thailand, and Turkey on their firms' growth, investment, ability to raise capital, development and production efforts, or the scale of capital investments. Table VI-12 presents the number of firms reporting an impact in each category and table VI-13 provides the U.S. producers' narrative responses.

Table VI-12
Steel nails: Count of firms indicating actual and anticipated negative effects of imports from subject sources on investment, growth, and development since January 1, 2019, by effect

Number of firms reporting

Effect	Category	Count
Cancellation, postponement, or rejection of expansion projects	Investment	4
Denial or rejection of investment proposal	Investment	0
Reduction in the size of capital investments	Investment	4
Return on specific investments negatively impacted	Investment	1
Other investment effects	Investment	1
Any negative effects on investment	Investment	6
Rejection of bank loans	Growth	0
Lowering of credit rating	Growth	0
Problem related to the issue of stocks or bonds	Growth	0
Ability to service debt	Growth	0
Other growth and development effects	Growth	5
Any negative effects on growth and development	Growth	5
Anticipated negative effects of imports	Future	8

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

Note: ***.

Table VI-13**Steel nails: Narratives relating to actual and anticipated negative effects of imports on investment, growth, and development, since January 1, 2019**

Item	Firm name and narrative on impact of imports
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Cancellation, postponement, or rejection of expansion projects	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Reduction in the size of capital investments	***
Return on specific investments negatively impacted	***
Other negative effects on investments	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***
Other effects on growth and development	***

Item	Firm name and narrative on impact of imports
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***
Anticipated effects of imports	***

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

COVID-19 impact

The Commission requested U.S. producers of steel nails to describe if the COVID-19 pandemic or any government action taken to contain the spread of the COVID-19 virus affected their financial performance on steel nails operations. Table VI-14 provides the U.S. producers' narrative responses.

Table VI-14
Steel nails: Narratives relating to COVID-19's impact on the financial performance of U.S. producers

Firm	Narrative
***	***
***	***
***	***
***	***
***	***
***	***

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

Part VII: Threat considerations and information on nonsubject countries

Section 771(7)(F)(i) of the Act (19 U.S.C. § 1677(7)(F)(i)) provides that—

In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors¹--

- (I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,*
- (II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,*
- (III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,*
- (IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,*
- (V) inventories of the subject merchandise,*

¹ Section 771(7)(F)(ii) of the Act (19 U.S.C. § 1677(7)(F)(ii)) provides that “The Commission shall consider {these factors} . . . as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this title. The presence or absence of any factor which the Commission is required to consider . . . shall not necessarily give decisive guidance with respect to the determination. Such a determination may not be made on the basis of mere conjecture or supposition.”

- (VI) *the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,*
- (VII) *in any investigation under this title which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 705(b)(1) or 735(b)(1) with respect to either the raw agricultural product or the processed agricultural product (but not both),*
- (VIII) *the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and*
- (IX) *any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).²*

Information on the nature of the subsidies was presented earlier in this report; information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part VI. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows. Also presented in this section of the report is information obtained for consideration by the Commission on nonsubject countries.

² Section 771(7)(F)(iii) of the Act (19 U.S.C. § 1677(7)(F)(iii)) further provides that, in antidumping investigations, ". . . the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry."

The industry in India

The Commission issued foreign producers' or exporters' questionnaires to 11 firms believed to produce and/or export steel nails from India.³ Usable responses to the Commission's questionnaire were received from four firms: Alsons Manufacturing India LLP ("Alsons"), Astrotech Steels Private Limited ("Astrotech"), Geekay Wires Limited ("Geekay"),⁴ and Pan Chem Corporation ("Pan Chem"). These firms' exports to the United States were equivalent to *** percent of U.S. imports of steel nails from India in 2021. According to estimates requested of the responding producers in India, the production of steel nails in India reported in questionnaires accounts for more than *** of overall production of steel nails in India.⁵ Table VII-1 presents information on the steel nails operations of the responding producers and exporters in India.

³ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

⁴ According to its website, Geekay Wires has an overall production capacity of approximately 22,000 short tons, annually. <https://www.geekaywires.com/profile.php>.

⁵ ***. *** foreign producer questionnaire response, section II-6a.

Table VII-1
Steel nails: Summary data for producers in India, 2021

Quantity in short tons; share in percent

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Alsons	***	***	***	***	***	***
Astrotech	***	***	***	***	***	***
Geekay	***	***	***	***	***	***
Pan Chem	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Changes in operations

As presented in table VII-2 producers in India reported several operational and organizational changes since January 1, 2019.

Table VII-2
Steel nails: Reported changes in operations in India since January 1, 2019, by firm

Item	Firm name and accompanying narrative response
Prolonged shutdowns	***
Production curtailments	***
Relocations	***
Expansions	***

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

Operations on steel nails

Table VII-3 presents information on the steel nails operations of the responding producers and exporters in India. During 2019-21, the Indian producers' capacity increased by *** percent, and was higher during the interim period of January-March 2022 ("interim 2022") compared to the interim period of January-March 2021 ("interim 2021") by *** percent. During 2019-21, the Indian producers' production increased by *** percent overall, and was *** percent higher during interim 2022 than in interim 2021. During 2019-21, the Indian producers'

end-of-period inventories increased by *** percent, but were lower during January-March 2022 than in January-March 2021 by *** percent. The Indian producers reported ***, while home market shipments were *** during 2019-21 and the interim periods. During 2019-21, exports to the United States increased by *** percent, and were higher by *** percent during interim 2022 than during interim 2021.

The Indian producers' capacity utilization increased by *** percentage points during 2019-21, and was higher during interim 2022 than during interim 2021 by *** percentage points. *** during 2019-21. The Indian producers' adjusted share of total shipments exported to the United States decreased by *** percentage points during 2019-21, but was higher by *** percentage points during interim 2022 than during interim 2021.

Indian producers' 2022 and 2023 capacity and production are projected to increase. The Indian producers' exports to all other markets and exports to the United States are projected to both increase, respectively, compared to 2021.

Table VII-3
Steel nails: Data on the industry in India, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued.

Table VII-3 Continued
Steel nails: Data on the industry in India, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***

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

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

Steel nails production by type

Table VII-4 presents data on responding producers' production of steel nails in India by product type. Collated nails accounted for the majority of total steel nails production between *** percent and *** percent during 2019-21. Bulk nails accounted between (*** percent and *** percent) of total steel nails production during 2019-21.

Indian producers' production of collated nails decreased by *** percent from 2019 to 2020 and then increased by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Indian production of collated nails was *** percent higher in January-March 2022 compared with January-March 2021. Indian producers' production of bulk nails increased by *** percent from 2019 to 2020 and then decreased by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Indian production of bulk nails was *** percent higher in January-March 2022 compared with January-March 2021.

Table VII-4
Steel nails: Indian producers' production, by type and period

Quantities in short tons; shares in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	***	***	***	***	***
Bulk	Quantity	***	***	***	***	***
All steel nails	Quantity	***	***	***	***	***
Collated	Share	***	***	***	***	***
Bulk	Share	***	***	***	***	***
All steel nails	Share	***	***	***	***	***

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

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

Alternative products

As shown in table VII-5, responding firms in India produced other products on the same equipment and machinery used to produce steel nails. One firm ***, reported production of other products on the same equipment that they used to produce steel nails. ***. Out-of-scope production on the same equipment used to produce steel nails accounted for *** of the overall production by the steel nails producers in India.

Table VII-5
Steel nails: Indian producers' overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratios and shares in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	***	***	***	***	***
Practical overall capacity	Quantity	***	***	***	***	***
Steel nails production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Exports

According to GTA, the leading export markets for steel nails from India are the United States and the United Arab Emirates (table VII-6). During 2021, the United States was the largest export market for steel nails from India, accounting for 72.1 percent of exports. The United Arab Emirates was the second-largest export destination, accounting for 7.5 percent of exports in 2021.

Table VII-6
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from India, by destination market and period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2019	2020	2021
United States	Quantity	20,368	17,406	31,500
United Arab Emirates	Quantity	843	940	3,264
Haiti	Quantity	---	---	1,190
Liberia	Quantity	138	202	903
United Kingdom	Quantity	708	511	888
Kuwait	Quantity	2	13	792
Canada	Quantity	435	297	703
Sierra Leone	Quantity	59	45	679
Nepal	Quantity	645	546	510
All other destination markets	Quantity	2,243	1,768	3,236
All destination markets	Quantity	25,442	21,728	43,664
United States	Value	35,993	26,314	50,710
United Arab Emirates	Value	935	1,793	3,924
Haiti	Value	---	---	903
Liberia	Value	104	138	755
United Kingdom	Value	2,233	1,840	2,454
Kuwait	Value	3	9	657
Canada	Value	869	854	1,162
Sierra Leone	Value	43	33	677
Nepal	Value	667	504	569
All other destination markets	Value	4,606	3,667	6,082
All destination markets	Value	45,453	35,152	67,892

Table continued.

Table VII-6 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from India, by destination market and period

Unit values in dollars per short ton; shares in percent

Destination market	Measure	2019	2020	2021
United States	Unit value	1,767	1,512	1,610
United Arab Emirates	Unit value	1,108	1,907	1,202
Haiti	Unit value	---	---	759
Liberia	Unit value	755	685	836
United Kingdom	Unit value	3,152	3,603	2,763
Kuwait	Unit value	1,660	689	829
Canada	Unit value	1,997	2,874	1,652
Sierra Leone	Unit value	726	722	997
Nepal	Unit value	1,035	924	1,117
All other destination markets	Unit value	2,053	2,073	1,879
All destination markets	Unit value	1,787	1,618	1,555
United States	Share of quantity	80.1	80.1	72.1
United Arab Emirates	Share of quantity	3.3	4.3	7.5
Haiti	Share of quantity	---	---	2.7
Liberia	Share of quantity	0.5	0.9	2.1
United Kingdom	Share of quantity	2.8	2.4	2.0
Kuwait	Share of quantity	0.0	0.1	1.8
Canada	Share of quantity	1.7	1.4	1.6
Sierra Leone	Share of quantity	0.2	0.2	1.6
Nepal	Share of quantity	2.5	2.5	1.2
All other destination markets	Share of quantity	8.8	8.1	7.4
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7317.00 as reported by the Indian Ministry of Commerce in the Global Trade Atlas database, accessed August 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2021 data. These data are believed to be overstated as HS subheading 7317.00 contains products outside the scope of these investigations (e.g., thumb tacks).

The industry in Oman

The Commission issued foreign producers' or exporters' questionnaires to four firms believed to produce and/or export steel nails from Oman.⁶ One firm responded to the Commission's questionnaire: Oman Fasteners Company LLC ("Oman Fasteners"). This firm's exports to the United States were equivalent to *** of U.S. imports of steel nails from Oman in 2021. According to estimates requested of the responding producer in Oman, the production of steel nails in Oman reported in its questionnaire accounts for approximately *** percent of overall production of steel nails in Oman during 2021. Table VII-7 presents information on the steel nails operations of the responding producer in Oman.

Table VII-7
Steel nails: Summary data for Oman Fasteners, 2021

Quantity in short tons; share in percent

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Oman Fasteners	***	***	***	***	***	***

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

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

⁶ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Changes in operations

As presented in table VII-8, Oman Fasteners reported *** change since January 1, 2019.

Table VII-8

Steel nails: Reported changes in operations by Oman Fasteners since January 1, 2019

Item	Firm name and accompanying narrative response
Expansions	***

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

Operations on steel nails

Table VII-9 presents information on the steel nails operations of Oman Fasteners. During 2019-21, Oman Fasteners' capacity increased by *** percent, and was higher interim 2022 than during interim 2021 by *** percent. During 2019-21, Oman Fasteners' production increased by *** percent, and was higher by *** percent during interim 2022 than during interim 2021. During 2019-21, Oman Fasteners' end-of-period inventories increased by *** percent, but were lower by *** percent during interim 2022 than in interim 2021. Oman Fasteners reported ***, while home market shipments were *** during 2019-21 and the interim periods. During 2019-21, exports to the United States increased by *** percent, and were higher during *** percent during interim 2022 than during interim 2021.

Oman Fastener's capacity utilization increased by *** percentage points during 2019-21, but was lower during interim 2022 than during interim 2021 by *** percentage points. The vast majority of Oman Fasteners' shipments were exported to the United States, accounting for at least *** percent of total shipments in each period

Projections for Oman Fasteners' 2022 and 2023 capacity ***, while its production ***.
***. 7

⁷ ***. Foreign Producer Questionnaire, II-9.

Table VII-9
Steel nails: Data for Oman Fasteners, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued.

Table VII-9 Continued
Steel nails: Data for Oman Fasteners, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***

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

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

Steel nails production by type

Table VII-10 presents data on responding producers' production of steel nails in Oman by product type. Collated nails accounted for the majority of total steel nails production (between *** percent and *** percent) during 2019-21. Bulk nails accounted for (***) percent of total steel nails production during 2019-21.

Oman Fasteners' production of collated nails increased by *** percent from 2019 to 2020 and then increased by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Oman Fasteners' production of collated nails was *** percent higher in January-March 2022 compared with January-March 2021.

Table VII-10
Steel nails: Oman Fasteners' production, by type and period

Quantity in short tons; shares in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	***	***	***	***	***
Bulk	Quantity	***	***	***	***	***
All steel nails	Quantity	***	***	***	***	***
Collated	Share	***	***	***	***	***
Bulk	Share	***	***	***	***	***
All steel nails	Share	***	***	***	***	***

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

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

Alternative products

As shown in table VII-11, Oman Fasteners ***.

Table VII-11**Steel nails: Oman Fasteners' overall capacity and production on the same equipment as subject production, by period**

Quantity in short tons; ratios and share in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	***	***	***	***	***
Practical overall capacity	Quantity	***	***	***	***	***
Steel nails production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Exports

According to GTA, the leading export markets for steel nails from Oman are the United States and the United Kingdom (table VII-12). During 2021, the United States was the largest export market for steel nails from Oman, accounting for 97.7 percent of exports. The United Kingdom, the next largest export destination, accounting for 1.2 percent of exports in 2021.

Table VII-12
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Oman, by destination market and by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2019	2020	2021
United States	Quantity	73,189	72,119	90,554
United Kingdom	Quantity	1,994	830	1,127
Canada	Quantity	1,148	660	525
Germany	Quantity	---	77	168
Netherlands	Quantity	161	131	150
Ireland	Quantity	---	48	92
Japan	Quantity	1	8	17
China	Quantity	2	5	15
Denmark	Quantity	---	---	9
All other destination markets	Quantity	1,694	1,004	13
All destination markets	Quantity	78,189	74,881	92,672
United States	Value	88,493	82,900	120,001
United Kingdom	Value	2,764	1,271	1,948
Canada	Value	1,918	1,440	1,851
Germany	Value	---	87	256
Netherlands	Value	218	167	255
Ireland	Value	---	95	211
Japan	Value	13	12	35
China	Value	16	7	95
Denmark	Value	---	---	8
All other destination markets	Value	1,822	953	353
All destination markets	Value	95,244	86,933	125,014

Table continued.

Table VII-12 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Oman, by destination market and by period

Unit value in dollars per short ton; share in percent

Destination market	Measure	2019	2020	2021
United States	Unit value	1,209	1,149	1,325
United Kingdom	Unit value	1,386	1,531	1,728
Canada	Unit value	1,671	2,181	3,522
Germany	Unit value	---	1,136	1,526
Netherlands	Unit value	1,353	1,276	1,699
Ireland	Unit value	---	1,999	2,291
Japan	Unit value	10,611	1,520	2,042
China	Unit value	6,626	1,587	6,145
Denmark	Unit value	---	---	874
All other destination markets	Unit value	1,075	949	27,557
All destination markets	Unit value	1,218	1,161	1,349
United States	Share of quantity	93.6	96.3	97.7
United Kingdom	Share of quantity	2.6	1.1	1.2
Canada	Share of quantity	1.5	0.9	0.6
Germany	Share of quantity	---	0.1	0.2
Netherlands	Share of quantity	0.2	0.2	0.2
Ireland	Share of quantity	---	0.1	0.1
Japan	Share of quantity	0.0	0.0	0.0
China	Share of quantity	0.0	0.0	0.0
Denmark	Share of quantity	---	---	0.0
All other destination markets	Share of quantity	2.2	1.3	0.0
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official imports statistics of imports from Oman (constructed export statistics for Oman) under HS subheading 7317.00 as reported by various statistical reporting authorities in the Global Trade Atlas database, accessed August 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2021 data. These data are believed to be overstated as HS subheading 7317.00 contains products outside the scope of these investigations (e.g., thumb tacks).

The industry in Sri Lanka

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export steel nails in Sri Lanka.⁸ One firm responded to the Commission's questionnaire: Trinity Steel (Pvt) Ltd. ("Trinity"). This firm's exports to the United States were equivalent to *** of U.S. imports of steel nails from Sri Lanka in 2020. According to estimates requested of the responding producer in Sri Lanka, the production of steel nails in Sri Lanka reported in its questionnaire accounted for approximately *** percent of overall production of steel nails in Sri Lanka during 2021. Table VII-13 presents information on the steel nails operations of the responding producer in Sri Lanka.

Table VII-13
Steel nails: Summary data for Trinity, 2021

Quantity in short tons; share in percent

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Trinity	***	***	***	***	***	***

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

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

Changes in operations

As presented in table VII-14, Trinity reported *** since January 1, 2019.

⁸ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

Table VII-14

Steel nails: Reported changes in operations by Trinity since January 1, 2019

Item	Firm name and accompanying narrative response
Prolonged shutdowns	***
Expansions	***

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

Operations on steel nails

Table VII-15 presents information on the steel nails operations of Trinity. During 2019-21, Trinity’s capacity increased by *** percent, and remained the same in interim 2022 as in interim 2021. During 2019-21, Trinity’s production increased by *** percent, but was lower by *** percent during interim 2022 than during interim 2021. During 2019-21, Trinity’s end-of-period inventories decreased by *** percent, and were lower by *** percent during interim 2022 than in interim 2021. Trinity’s reported ***, while home market shipments were *** during 2019-21 and the interim periods. During 2019-21, exports to the United States increased by *** percent, but were *** percent lower during interim 2022 than in interim 2021.

Trinity’s capacity utilization increased by *** percentage points during 2019-21, but was lower during interim 2022 than during interim 2021 by *** percentage points. *** during 2019-21. Trinity’s exports to the United States, as a share of total shipments, *** in each period.

Projections for Trinity’s 2022 and 2023’s capacity ***, while its production ***. In addition, ***.

Table VII-15
Steel nails: Data for Trinity, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued.

Table VII-15 Continued
Steel nails: Data for Trinity, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires

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

Steel nails production by type

Table VII-16 presents data on responding producers' production of steel nails in Sri Lanka by product type. Collated nails accounted for the majority of total steel nails production (between *** percent and *** percent) during 2019-21. Bulk nails accounted for (***) percent of total steel nails production during 2019-21.

Trinity's production of collated nails increased by *** percent from 2019 to 2020 and by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Trinity's production of collated nails was *** percent lower in January-March 2022 compared with January-March 2021.

Table VII-16
Steel nails: Trinity’s production, by type and period

Quantities in short tons; shares and ratios in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	***	***	***	***	***
Bulk	Quantity	***	***	***	***	***
All steel nails	Quantity	***	***	***	***	***
Collated	Share	***	***	***	***	***
Bulk	Share	***	***	***	***	***
All steel nails	Share	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires

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

Alternative products

As shown in table VII-17, Trinity *** on the same equipment and machinery used to produce steel nails.

Table VII-17
Steel nails: Trinity's overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratio and share in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	***	***	***	***	***
Practical overall capacity	Quantity	***	***	***	***	***
Steel nails production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Exports

According to GTA, the leading export markets for steel nails from Sri Lanka are the United States, Bangladesh, and New Zealand (table VII-18). During 2021, the United States was the largest export market for steel nails from Sri Lanka, accounting for 98.4 percent. Bangladesh, and New Zealand, accounting for 1.2 percent and 0.2 percent of 2021 exports, respectively, were the next largest export markets.

Table VII-18
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Sri Lanka, by destination market and by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2019	2020	2021
United States	Quantity	29,398	30,197	33,512
Bangladesh	Quantity	379	274	406
New Zealand	Quantity	---	2	67
India	Quantity	37	18	29
Austria	Quantity	---	---	20
Pakistan	Quantity	23	1	14
Myanmar	Quantity	---	---	3
Cambodia	Quantity	---	---	1
Madagascar	Quantity	---	---	1
All other destination markets	Quantity	13	13	0
All destination markets	Quantity	29,850	30,504	34,053
United States	Value	31,526	26,756	37,301
Bangladesh	Value	7,155	5,603	8,342
New Zealand	Value	---	2	66
India	Value	642	336	557
Austria	Value	---	---	19
Pakistan	Value	379	21	274
Myanmar	Value	---	---	56
Cambodia	Value	---	---	23
Madagascar	Value	---	---	9
All other destination markets	Value	22	1,255	13
All destination markets	Value	39,725	33,973	46,660

Table continued.

Table VII-18 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Sri Lanka, by destination market and by period

Unit values in dollars per short ton; shares in percent

Destination market	Measure	2019	2020	2021
United States	Unit value	1,072	886	1,113
Bangladesh	Unit value	18,875	20,449	20,539
New Zealand	Unit value	---	795	983
India	Unit value	17,343	19,158	19,403
Austria	Unit value	---	---	939
Pakistan	Unit value	16,475	21,007	19,712
Myanmar	Unit value	---	---	20,555
Cambodia	Unit value	---	---	21,303
Madagascar	Unit value	---	---	16,821
All other destination markets	Unit value	1,751	100,290	27,886
All destination markets	Unit value	1,331	1,114	1,370
United States	Share of quantity	98.5	99.0	98.4
Bangladesh	Share of quantity	1.3	0.9	1.2
New Zealand	Share of quantity	---	0.0	0.2
India	Share of quantity	0.1	0.1	0.1
Austria	Share of quantity	---	---	0.1
Pakistan	Share of quantity	0.1	0.0	0.0
Myanmar	Share of quantity	---	---	0.0
Cambodia	Share of quantity	---	---	0.0
Madagascar	Share of quantity	---	---	0.0
All other destination markets	Share of quantity	0.0	0.0	0.0
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7317.00 as reported by Sri Lanka Customs in the Global Trade Atlas database, accessed August 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2021 data. These data are believed to be overstated as HS subheading 7317.00 contains products outside the scope of these investigations (e.g., thumb tacks).

The industry in Thailand

The Commission issued foreign producers' or exporters' questionnaires to five firms believed to produce and/or export steel nails from Thailand.⁹ Usable responses to the Commission's questionnaire were received from five firms: Chia Pao Metal Co., Ltd. ("Chia Pao"),¹⁰ Comebest (Thailand) Co., Ltd. ("Come Best"), Jinhai Hardware Co. Ltd. ("Jinhai"), Siam Fastener Industry Co., Ltd. ("Siam Fastener"),¹¹ and Win Fasteners Manufactory (Thailand) Co., Ltd ("Win Fasteners").¹² These firms' exports to the United States were equivalent to *** percent of U.S. imports of steel nails from Thailand in 2021. Responding firms estimate that they accounted for approximately *** percent of overall production of steel nails in Thailand 2021. Table VII-19 presents information on the steel nails operations of the responding producers in Thailand. Table VII-20 presents summary data for resellers in Thailand during 2021.

⁹ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

¹⁰ According to its website, Chia Pao is the largest nails and staples manufacturer in Thailand. http://www.chiapao.co.th/index.php?option=com_content&view=article&id=78&Itemid=75.

¹¹ According to its website, Siam Fastener has an annual steel nails production capacity of 5,000 tons. <http://thai-hardware.com/>.

¹² Win Fasteners ***. Win indicated that "***." *** foreign producer questionnaire response, section II-11.

Table VII-19
Steel nails: Summary data for producers in Thailand, 2021

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Chia Pao	***	***	***	***	***	***
Come Best	***	***	***	***	***	***
Jinhai	***	***	***	***	***	***
Siam	***	***	***	***	***	***
Win	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Table VII-20
Steel nails: Summary data for resellers in Thailand, 2021

Firm	Resales exported to United States (short tons)	Share of reported resales exported to United States (percent)
Jinhai	***	***
Win	***	***
All firms	***	***

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

Changes in operations

As presented in table VII-21 producers in Thailand reported *** operational and organizational changes since January 1, 2019.

Table VII-21
Steel nails: Reported changes in operations in Thailand since January 1, 2019, by firm

Item	Firm name and accompanying narrative response
Plant openings	***
Expansions	***

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

Operations on steel nails

Table VII-22 presents information on the steel nails operations of the responding producers and exporters in Thailand. During 2019-21, the Thai producers' capacity increased by *** percent, and were higher by *** percent during interim 2022 than in interim 2021. During 2019-21, the Thai producers' production increased by *** percent overall, and was higher by *** percent during interim 2022 than during interim 2021. During 2019-21, the Thai producers' end-of-period inventories increased by *** percent, and were higher during interim 2022 than in interim 2021 by *** percent.

The Thai producers' capacity utilization increased by *** percentage points during 2019-21, and was higher during interim 2022 than in interim 2021 by *** percentage points. The Thai producers home market shipments were *** during 2019-21 and the interim periods. *** during 2019-21. During 2019-21, exports to the United States increased by *** percent, and were higher by *** percent in interim 2022 than during interim 2021.

Thai producers' 2022 and 2023's capacity ***, while production ***. Thai producers' export shipments and exports to the United States are projected to decrease overall compared to 2021 levels.

Table VII-22
Steel nails: Data on the industry in Thailand, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Total exports to the United States	***	***	***	***	***	***	***

Table continued.

Table VII-22 Continued
Steel nails: Data on the industry in Thailand, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***
Exports by producers' share of total exports to the United States	***	***	***	***	***	***	***
Exports by resellers' share of total exports to the United States	***	***	***	***	***	***	***
Adjusted share of total shipments exported to the United States	***	***	***	***	***	***	***

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

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

Steel nails production by type

Table VII-23 presents data on responding producers' production of steel nails in Thailand by product type. Collated nails accounted for the majority of total steel nails production (between *** percent and *** percent) during 2019-21. Bulk nails accounted for between (*** percent and *** percent) of total steel nails production during 2019-21.

Thai producers' production of collated nails increased by *** percent from 2019 to 2020 and by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Thai production of collated nails was *** percent higher in January-March 2022 compared with January-March 2021. Thai producers' production of bulk nails increased by ***

percent from 2019 to 2020 and then by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. U.S. production of bulk nails was *** percent higher in January-March 2022 compared with January-March 2021.

Table VII-23
Steel nails: Thailand’s producers’ production, by type and period

Quantities in short tons; shares and ratios in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	***	***	***	***	***
Bulk	Quantity	***	***	***	***	***
All steel nails	Quantity	***	***	***	***	***
Collated	Share	***	***	***	***	***
Bulk	Share	***	***	***	***	***
All steel nails	Share	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires

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

Alternative products

As shown in table VII-24, no responding firms in Thailand produced other products on the same equipment and machinery used to produce steel nails.

Table VII-24**Steel nails: Thai producers' overall capacity and production on the same equipment as subject production, by period**

Quantity in short tons; ratio and share in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	***	***	***	***	***
Practical overall capacity	Quantity	***	***	***	***	***
Steel nails production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Exports

According to GTA, the leading export markets for steel nails from Thailand are the United States, Myanmar, and New Zealand (table VII-25). During 2021, the United States was the leading export market for steel nails from Thailand, accounting for 84.1 percent. Myanmar and New Zealand, accounting for 5.9 percent and 4.0 percent of 2021 exports, respectively, were the next largest export destinations.

Table VII-25
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Thailand, by destination market and by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2019	2020	2021
United States	Quantity	40,812	49,332	61,756
Myanmar	Quantity	3,752	3,699	4,365
New Zealand	Quantity	2,127	2,328	2,940
Laos	Quantity	3,924	3,196	2,512
Japan	Quantity	1,089	1,175	1,251
Canada	Quantity	21	56	140
Samoa	Quantity	---	---	139
Indonesia	Quantity	108	49	77
Cambodia	Quantity	36	60	59
All other destination markets	Quantity	124	115	163
All destination markets	Quantity	51,993	60,009	73,402
United States	Value	44,223	51,900	73,336
Myanmar	Value	3,236	2,979	4,001
New Zealand	Value	2,101	2,207	3,264
Laos	Value	2,985	2,292	2,173
Japan	Value	3,816	3,492	4,080
Canada	Value	17	47	136
Samoa	Value	---	---	116
Indonesia	Value	118	50	90
Cambodia	Value	282	265	304
All other destination markets	Value	727	268	234
All destination markets	Value	57,506	63,500	87,734

Table continued.

Table VII-25 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Thailand, by destination market and by period

Unit values in dollars per short ton; shares in percent

Destination market	Measure	2019	2020	2021
United States	Unit value	1,084	1,052	1,188
Myanmar	Unit value	863	805	917
New Zealand	Unit value	988	948	1,110
Laos	Unit value	761	717	865
Japan	Unit value	3,505	2,972	3,261
Canada	Unit value	816	844	976
Samoa	Unit value	---	---	840
Indonesia	Unit value	1,092	1,029	1,170
Cambodia	Unit value	7,788	4,397	5,150
All other destination markets	Unit value	5,879	2,324	1,435
All destination markets	Unit value	1,106	1,058	1,195
United States	Share of quantity	78.5	82.2	84.1
Myanmar	Share of quantity	7.2	6.2	5.9
New Zealand	Share of quantity	4.1	3.9	4.0
Laos	Share of quantity	7.5	5.3	3.4
Japan	Share of quantity	2.1	2.0	1.7
Canada	Share of quantity	0.0	0.1	0.2
Samoa	Share of quantity	---	---	0.2
Indonesia	Share of quantity	0.2	0.1	0.1
Cambodia	Share of quantity	0.1	0.1	0.1
All other destination markets	Share of quantity	0.2	0.2	0.2
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7317.00 as reported by Thai Customs Department in the Global Trade Atlas database, accessed August 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2021 data. These data are believed to be overstated as HS subheading 7317.00 contains products outside the scope of these investigations (e.g., thumb tacks).

The industry in Turkey

The Commission issued foreign producers' or exporters' questionnaires to six firms believed to produce and/or export steel nails from Turkey.¹³ Usable responses to the Commission's questionnaire were received from two firms: Aslanbas Civi Tel Celik Hasir A.S. ("Aslanbas Civi"), and Guney Celik Hasir Ve Demir Mam. San. Tic. A.S ("Guney Celik"). These firms' exports to the United States were equivalent to *** percent of U.S. imports of steel nails from Turkey in 2021. According to estimates requested of the responding producers in Turkey, the production of steel nails in Turkey reported in questionnaires accounts for approximately *** percent of overall production of steel nails in Turkey. Table VII-26 presents information on the steel nails operations of the responding producers and exporters in Turkey.

There were an estimated 200 manufacturing facilities that produced fasteners, including steel nails, in 2016, but data since 2018 are not available.¹⁴ Major producers and exporters of steel nails to the United States include Akdeniz Civi Sanayi Ltd. (Akdeniz) and Sertel Vida A.S. (Sertel). According to petitioners, Akdeniz represents 70 percent of the Turkish fastener market and exports at least 40 containers per month, but industry research was not able to confirm these estimates. Public data shows that Sertel has an annual capacity of 100,000 metric tons, but this includes some nonsubjectproducts including screws and washers.¹⁵ Akdeniz and Sertel are both located in the city of Mersin. Additional producers of steel nails in Turkey include Güney Çelik, with plants located in the cities of Gebze and Adana, and Aslanbas Nail Wire and Steel Wire Mesh Co., with plants located in Adana and Ankara. According to its website, Güney Çelik has an annual steel treatment capacity of 350,000 metric tons, but this includes a large share of non-subject products including steel mesh and wire. In 2019, Güney Çelik began producing galvanized nail products under the trademarked brand, CIVIDA.¹⁶ Aslanbas advertises a production capacity of 5,000 tons, but this total includes non-subject products including steel wire.

¹³ These firms were identified through a review of information submitted in the petition and presented in third-party sources.

¹⁴ Petition, p. 38, Exh. I-19.

¹⁵ Petition, p. 39, Exh. I-19.

¹⁶ Petition, p. 39, Exh. I-19.

Table VII-26
Steel nails: Summary data for producers in Turkey, 2021

Firm	Production (short tons)	Share of reported production (percent)	Exports to the United States (short tons)	Share of reported exports to the United States (percent)	Total shipments (short tons)	Share of firm's total shipments exported to the United States (percent)
Aslanbas	***	***	***	***	***	***
Guney Celik	***	***	***	***	***	***
All firms	***	***	***	***	***	***

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

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

Changes in operations

As presented in table VII-27, producers in Turkey reported *** operational and organizational changes since January 1, 2019.

Table VII-27
Steel nails: Reported changes in operations in Turkey since January 1, 2019, by firm

Item	Firm name and accompanying narrative response
Plant openings	***
Prolonged shutdowns	***
Production curtailments	***
Expansions	***
Other	***

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

Operations on steel nails

Table VII-28 presents information on the steel nails operations of the responding producers and exporters in Turkey. During 2019-21, the Turkish producers' capacity increased by *** percent, and was higher during interim 2022 than during interim 2021 by *** percent. During 2019-21, the Turkish producers' production increased by *** percent overall, and was higher by *** percent during interim 2022 than during interim 2021. During 2019-21, the Turkish producers' end-of-period inventories increased by *** percent, and was higher during interim 2022 than during interim 2021 by *** percent. The Turkish producers' reported no internal consumption 2019-21. Home market shipments increased during 2019-21 by *** percent, and were higher during interim 2022 than during interim 2021 by *** percent. During

2019-21, exports to the United States increased by *** percent, and were higher by *** percent in interim 2022 than during interim 2021.

The Turkish producers' capacity utilization increased by *** percentage points during 2019-21, and were higher during interim 2022 than during interim 2021 by *** percentage points. Exports to the United States as a share of total shipments increased by *** percentage points during 2019-21, but was lower by *** percentage points during interim 2022 than during interim 2021. The Turkish producers' home market shipments share decreased by *** percentage points during 2019-21, but were higher during interim 2022 than during interim 2021 by ***. The Turkish producers' exports to all other markets ***.

Table VII-28
Steel nails: Data on industry in Turkey, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***

Table continued.

Table VII-28 Continued
Steel nails: Data on industry in Turkey, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***

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

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

Steel nails production by type

Table VII-29 presents data on responding producers’ production of steel nails in Turkey by product type. Collated nails accounted for the majority of total steel nails production (between *** percent and *** percent) during 2019-21. Bulk nails accounted for between (*** percent and *** percent) of total steel nails production during 2019-21.

Turkish producers’ production of collated nails increased by *** percent from 2019 to 2020 and by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. Turkish production of collated nails was *** percent higher in January-March 2022 compared with January-March 2021. Turkish producers’ production of bulk nails increased by *** percent from 2019 to 2020 and then increased by *** percent from 2020 to 2021, increasing overall by *** percent between 2019 and 2021. U.S. production of bulk nails was *** percent higher in January-March 2022 compared with January-March 2021.

Table VII-29
Steel nails: Turkish production, by type and period

Quantities in short tons; shares and ratios in percent

Production type	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Collated	Quantity	***	***	***	***	***
Bulk	Quantity	***	***	***	***	***
All steel nails	Quantity	***	***	***	***	***
Collated	Share	***	***	***	***	***
Bulk	Share	***	***	***	***	***
All steel nails	Share	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires

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

Alternative products

As shown in table VII-30, *** on the same equipment and machinery used to produce steel nails.

Table VII-30
Steel nails: Turkish producers' overall capacity and production on the same equipment as subject production, by period

Quantity in short tons; ratios and share in percent

Item	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Installed overall capacity	Quantity	***	***	***	***	***
Practical overall capacity	Quantity	***	***	***	***	***
Steel nails production	Quantity	***	***	***	***	***
Other production	Quantity	***	***	***	***	***
Total production	Quantity	***	***	***	***	***
Installed overall capacity utilization	Ratio	***	***	***	***	***
Practical overall capacity utilization	Ratio	***	***	***	***	***
Steel nails production	Share	***	***	***	***	***
Other production	Share	***	***	***	***	***
Total production	Share	***	***	***	***	***

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

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

Note: The Commission instructed producers to provide data as follows: Installed overall production capacity is the level of production that your establishment(s) could have attained, assuming your firm's optimal product mix, and based solely on existing capital investments, i.e., machinery and equipment that is in place and ready to operate. This capacity measure does not take into account other constraints to production such as existing workforce constraints, availability of raw materials, or downtime for maintenance, repair, and clean-up. This capacity measure is sometimes referred to as "nameplate" or "theoretical" capacity in some industries.

Note: The Commission instructed producers to provide data as follows: Practical overall production capacity is the level of production that your establishment(s) could reasonably have expected to attain, taking into account your firm's actual product mix over the period. This capacity measure is based on not only existing capital investments, i.e., machinery and equipment that is in place and ready to operate but also non-capital investment constraints, such as (1) normal operating conditions, including normal downtime for maintenance, repair, and cleanup; (2) your firm's existing in-place and readily available labor force; (3) availability of material inputs; and (4) any other constraints that may have limited your firm's ability to produce the reported products. Importantly, this capacity measure is the maximum "practical" production your firm could have achieved without hiring new personnel or expanding the number of shifts operated in the period.

Exports

According to GTA, the leading export markets for steel nails from Turkey are the United States, Israel, and Canada (table VII-31). During 2021, the United States was the top export market for steel nails from Turkey, accounting for 65.1 percent of 2021 exports., Israel and Canada, accounting for 8.9 percent and 5.1 percent of 2021 exports, respectively, were the next largest export destinations.

Table VII-31
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Turkey, by destination market and by period

Quantity in short tons; value in 1,000 dollars

Destination market	Measure	2019	2020	2021
United States	Quantity	50,662	52,870	64,965
Israel	Quantity	6,616	8,201	8,921
Canada	Quantity	1,660	2,555	5,072
Spain	Quantity	3,738	3,176	3,260
Georgia	Quantity	2,101	2,291	2,222
Chile	Quantity	0.2	205	1,928
United Kingdom	Quantity	1,900	1,868	1,636
Portugal	Quantity	1,502	1,119	1,559
Ireland	Quantity	828	703	824
All other destination markets	Quantity	9,431	12,526	9,400
All destination markets	Quantity	78,439	85,515	99,788
United States	Value	43,356	41,245	68,711
Israel	Value	4,477	5,265	7,920
Canada	Value	1,195	1,689	4,580
Spain	Value	2,576	2,200	3,294
Georgia	Value	1,249	1,352	1,916
Chile	Value	3	149	1,719
United Kingdom	Value	1,457	1,403	1,716
Portugal	Value	1,017	745	1,478
Ireland	Value	575	486	824
All other destination markets	Value	8,586	9,996	10,402
All destination markets	Value	64,490	64,530	102,559

Table continued.

Table VII-31 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Exports from Turkey, by destination market and by period

Unit values in dollars per short ton; shares in percent

Destination market	Measure	2019	2020	2021
United States	Unit value	856	780	1,058
Israel	Unit value	677	642	888
Canada	Unit value	720	661	903
Spain	Unit value	689	693	1,010
Georgia	Unit value	594	590	862
Chile	Unit value	16,154	729	892
United Kingdom	Unit value	767	751	1,049
Portugal	Unit value	677	665	948
Ireland	Unit value	694	691	999
All other destination markets	Unit value	910	798	1,107
All destination markets	Unit value	822	755	1,028
United States	Share of quantity	64.6	61.8	65.1
Israel	Share of quantity	8.4	9.6	8.9
Canada	Share of quantity	2.1	3.0	5.1
Spain	Share of quantity	4.8	3.7	3.3
Georgia	Share of quantity	2.7	2.7	2.2
Chile	Share of quantity	0.0	0.2	1.9
United Kingdom	Share of quantity	2.4	2.2	1.6
Portugal	Share of quantity	1.9	1.3	1.6
Ireland	Share of quantity	1.1	0.8	0.8
All other destination markets	Share of quantity	12.0	14.6	9.4
All destination markets	Share of quantity	100.0	100.0	100.0

Source: Official exports statistics under HS subheading 7317.00 as reported by State Institute of Statistics in the Global Trade Atlas database, accessed August 18, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". United States is shown at the top, all remaining top export destinations shown in descending order of 2021 data.

Subject countries combined

Table VII-32 presents summary data on steel nails operations of the reporting subject producers in the subject countries. During 2019-21, the combined subject countries' overall capacity increased by *** percent, and was higher by *** percent during interim 2022 than during interim 2021. During 2019-21, the combined subject countries' overall production of steel nails increased by *** percent, and was higher by *** percent during interim 2022 than during interim 2021.

Combined subject countries' capacity utilization increased by *** percentage points during 2019-21, and was higher during interim 2021 than during interim 2020 by *** percentage points. The majority of combined subject countries' shipments consisted of exports in each period. Total exports increased by *** percentage points during 2019-21 but were lower during interim 2022 than during interim 2021 by *** percentage points. Home market shipments increased by *** percent during 2019-21 and were higher during the interim 2022 than during interim 2021 by *** percent. Exports to the United States increased by *** percent between 2019 and 2021, and were higher during interim 2022 than during interim 2021 by *** percent. Combined subject countries' adjusted share of total shipments exported to the United States decreased by *** percentage points during 2019-21, and remained the same during interim 2022 than during interim 2021.

The combined subject countries' 2022 and 2023's capacity ***, while production ***. ***.

Table VII-32
Steel nails: Data on the industry in combined subject countries, by period

Quantity in short tons

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity	***	***	***	***	***	***	***
Production	***	***	***	***	***	***	***
End-of-period inventories	***	***	***	***	***	***	***
Internal consumption	***	***	***	***	***	***	***
Commercial home market shipments	***	***	***	***	***	***	***
Home market shipments	***	***	***	***	***	***	***
Exports to the United States	***	***	***	***	***	***	***
Exports to all other markets	***	***	***	***	***	***	***
Export shipments	***	***	***	***	***	***	***
Total shipments	***	***	***	***	***	***	***
Resales exported to the United States	***	***	***	***	***	***	***
Total exports to the United States	***	***	***	***	***	***	***

Table continued.

Table VII-32
Steel nails: Data on the industry in combined subject countries, by period

Shares and ratios in percent

Item	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022	Projection 2022	Projection 2023
Capacity utilization ratio	***	***	***	***	***	***	***
Inventory ratio to production	***	***	***	***	***	***	***
Inventory ratio to total shipments	***	***	***	***	***	***	***
Internal consumption share	***	***	***	***	***	***	***
Commercial home market shipments share	***	***	***	***	***	***	***
Home market shipments share	***	***	***	***	***	***	***
Exports to the United States share	***	***	***	***	***	***	***
Exports to all other markets share	***	***	***	***	***	***	***
Export shipments share	***	***	***	***	***	***	***
Total shipments share	***	***	***	***	***	***	***
Exports by producers' share of total exports to the United States	***	***	***	***	***	***	***
Exports by resellers' share of total exports to the United States	***	***	***	***	***	***	***
Adjusted share of total shipments exported to the United States	***	***	***	***	***	***	***

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

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

U.S. inventories of imported merchandise

Table VII-33 presents data on U.S. importers' reported inventories of steel nails. Inventories of subject imports decreased by *** percent between 2019 and 2021 and were *** percent lower in interim 2022 than in interim 2021. The ratio of subject importers' inventories to imports decreased from *** percent in 2019 to *** percent in 2021 and was lower in interim 2022 (*** percent) than in interim 2021 (*** percent).

Table VII-33**Steel nails: U.S. importers' inventories and their ratio to select items, by source and period**

Quantity in short tons; ratios in percent

Measure	Source	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Inventories quantity	India	***	***	***	***	***
Ratio to imports	India	***	***	***	***	***
Ratio to U.S. shipments of imports	India	***	***	***	***	***
Ratio to total shipments of imports	India	***	***	***	***	***
Inventories quantity	Oman	***	***	***	***	***
Ratio to imports	Oman	***	***	***	***	***
Ratio to U.S. shipments of imports	Oman	***	***	***	***	***
Ratio to total shipments of imports	Oman	***	***	***	***	***
Inventories quantity	Sri Lanka	***	***	***	***	***
Ratio to imports	Sri Lanka	***	***	***	***	***
Ratio to U.S. shipments of imports	Sri Lanka	***	***	***	***	***
Ratio to total shipments of imports	Sri Lanka	***	***	***	***	***
Inventories quantity	Thailand	***	***	***	***	***
Ratio to imports	Thailand	***	***	***	***	***
Ratio to U.S. shipments of imports	Thailand	***	***	***	***	***
Ratio to total shipments of imports	Thailand	***	***	***	***	***
Inventories quantity	Turkey	***	***	***	***	***
Ratio to imports	Turkey	***	***	***	***	***
Ratio to U.S. shipments of imports	Turkey	***	***	***	***	***
Ratio to total shipments of imports	Turkey	***	***	***	***	***

Table continued.

Table VII-33 Continued
Steel nails: U.S. importers' inventories and their ratio to select items, by source and period

Quantity in short tons; ratios in percent

Measure	Source	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Inventories quantity	Subject	***	***	***	***	***
Ratio to imports	Subject	***	***	***	***	***
Ratio to U.S. shipments of imports	Subject	***	***	***	***	***
Ratio to total shipments of imports	Subject	***	***	***	***	***
Inventories quantity	Nonsubject	***	***	***	***	***
Ratio to imports	Nonsubject	***	***	***	***	***
Ratio to U.S. shipments of imports	Nonsubject	***	***	***	***	***
Ratio to total shipments of imports	Nonsubject	***	***	***	***	***
Inventories quantity	All	***	***	***	***	***
Ratio to imports	All	***	***	***	***	***
Ratio to U.S. shipments of imports	All	***	***	***	***	***
Ratio to total shipments of imports	All	***	***	***	***	***

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

U.S. importers' outstanding orders

The Commission requested importers to indicate whether they imported or arranged for the importation of steel nails from India, Oman, Sri Lanka, Thailand, Turkey, and all other sources after September 30, 2021. Their reported data is presented in table VII-34. Twenty-two of 30 responding firms indicated that they had arranged such imports. All 15 firms reported arranged imports from subject sources, while 19 firms reported arranged imports from nonsubject sources.¹⁷

¹⁷ ***.

Table VII-34
Steel nails: U.S. importers' actual and arranged imports, by source and period

Quantity in short tons

Source	Apr-Jun 2022 (Actual)	Jul-Sep 2022 (Arranged)	Oct-Dec 2022 (Arranged)	Jan-Mar 2023 (Arranged)	Total
India	14,991	***	***	***	***
Oman	30,061	***	***	***	***
Sri Lanka	10,185	***	***	***	***
Thailand	19,310	***	***	***	***
Turkey	17,826	***	***	***	***
Subject sources	92,373	***	***	***	***
Nonsubject sources	168,359	***	***	***	***
All import sources	260,732	***	***	***	***

Source: Compiled from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022 for April to June 2022 data. Imports are based on the imports for consumption data series. Value data reflect landed duty-paid values. Also, compiled from data submitted in response to Commission questionnaires for July 2022 to March 2023 data.

Third-country trade actions

Based on available information,¹⁸ steel nails from India, Oman, Sri Lanka, Thailand, and Turkey have not been subject to antidumping or countervailing duty investigations outside the United States.¹⁹

¹⁸ World Trade Organization (“WTO”), “Anti-dumping,” https://www.wto.org/english/tratop_e/adp_e/adp_e.htm, retrieved January 25, 2022; and WTO, “Subsidies and Countervailing Measures,” https://www.wto.org/english/tratop_e/scm_e/scm_e.htm, retrieved January 25, 2022.

¹⁹ Conference transcript, p. 123 (Jeong).

Information on nonsubject countries

Industry research also found no sources for information on global prices or production of steel nails.

Table VII-35 presents global export data for HS 7317.00, a category that includes steel nails and out-of-scope products (by subject countries alphabetically and followed by nonsubject sources in descending order of quantity for 2021). The largest global exporter of steel nails is China, which represented 54.9 percent of global exports, by quantity, in 2021. Exports by the five subject countries represented 15.2 percent of all exports in 2021. Among nonsubject countries, Poland is the second largest supplier after China, representing 4.0 percent of global exports, by quantity, in 2021.

Table VII-35
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Global exports, by reporting country and by period

Quantity in short tons; Value in 1,000 dollars

Exporting country	Measure	2019	2020	2021
United States	Quantity	26,596	21,793	21,630
India	Quantity	25,442	21,728	43,664
Oman	Quantity	78,189	74,881	92,672
Sri Lanka	Quantity	29,850	30,504	34,053
Thailand	Quantity	51,993	60,009	73,402
Turkey	Quantity	78,439	85,515	99,788
Subject sources	Quantity	263,912	272,638	343,579
China	Quantity	1,078,487	1,095,740	1,237,928
Poland	Quantity	67,709	76,719	90,768
Taiwan	Quantity	66,948	56,630	64,651
Malaysia	Quantity	56,982	42,570	59,918
Lithuania	Quantity	41,182	42,647	56,351
Belarus	Quantity	49,171	53,031	55,855
South Korea	Quantity	49,642	51,624	54,301
Germany	Quantity	35,988	34,221	41,444
All other exporters	Quantity	278,387	347,087	249,996
All reporting exporters	Quantity	1,988,408	2,072,906	2,254,792
United States	Value	69,398	59,722	62,576
India	Value	45,453	35,152	67,892
Oman	Value	95,244	86,933	125,014
Sri Lanka	Value	39,725	33,973	46,660
Thailand	Value	57,506	63,500	87,734
Turkey	Value	64,490	64,530	102,559
Subject sources	Value	302,417	284,089	429,858
China	Value	1,517,736	1,621,792	1,999,335
Poland	Value	82,120	93,460	128,652
Taiwan	Value	100,196	85,234	106,611
Malaysia	Value	50,969	37,915	63,685
Lithuania	Value	36,518	35,545	72,742
Belarus	Value	31,748	30,867	50,425
South Korea	Value	60,455	59,599	81,973
Germany	Value	125,475	113,421	144,856
All other exporters	Value	719,250	724,120	845,795
All reporting exporters	Value	3,026,884	3,086,042	3,923,932

Table continued.

Table VII-28 Continued
Nails, Tacks, Drawing Pins, Staples (Other Than In Strips), And Similar Articles, Of Iron Or Steel:
Global exports, by reporting country and by period

Unit values in dollars per short ton; Shares in percent

Exporting country	Measure	2019	2020	2021
United States	Unit value	2,609	2,740	2,893
India	Unit value	1,787	1,618	1,555
Oman	Unit value	1,218	1,161	1,349
Sri Lanka	Unit value	1,331	1,114	1,370
Thailand	Unit value	1,106	1,058	1,195
Turkey	Unit value	822	755	1,028
Subject sources	Unit value	1,146	1,042	1,251
China	Unit value	1,407	1,480	1,615
Poland	Unit value	1,213	1,218	1,417
Taiwan	Unit value	1,497	1,505	1,649
Malaysia	Unit value	894	891	1,063
Lithuania	Unit value	887	833	1,291
Belarus	Unit value	646	582	903
South Korea	Unit value	1,218	1,154	1,510
Germany	Unit value	3,487	3,314	3,495
All other exporters	Unit value	2,584	2,086	3,383
All reporting exporters	Unit value	1,522	1,489	1,740
United States	Share of quantity	1.3	1.1	1.0
India	Share of quantity	1.3	1.0	1.9
Oman	Share of quantity	3.9	3.6	4.1
Sri Lanka	Share of quantity	1.5	1.5	1.5
Thailand	Share of quantity	2.6	2.9	3.3
Turkey	Share of quantity	3.9	4.1	4.4
Subject sources	Share of quantity	13.3	13.2	15.2
China	Share of quantity	54.2	52.9	54.9
Poland	Share of quantity	3.4	3.7	4.0
Taiwan	Share of quantity	3.4	2.7	2.9
Malaysia	Share of quantity	2.9	2.1	2.7
Lithuania	Share of quantity	2.1	2.1	2.5
Belarus	Share of quantity	2.5	2.6	2.5
South Korea	Share of quantity	2.5	2.5	2.4
Germany	Share of quantity	1.8	1.7	1.8
All other exporters	Share of quantity	14.0	16.7	11.1
All reporting exporters	Share of quantity	100.0	100.0	100.0

Source: Official export statistics under HS subheading 7317.00 reported by various national statistical authorities in the Global Trade Atlas database, accessed January 10, 2022 and official global import

statistics from Oman (constructed exports) under HS subheading 7317.00 as reported by various national statistical authorities in the Global Trade Atlas database, accessed July 14, 2022.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "--". United States is shown at the top followed by the countries under investigation, all remaining top exporting countries shown in descending order of 2021 data. These data are believed to be overstated as HS subheading 7317.00 contains products outside the scope of these investigations (e.g., thumb tacks).

APPENDIX A
FEDERAL REGISTER NOTICES

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

Citation	Title	Link
87 FR 997, January 7, 2022	<i>Steel Nails From India, Oman, Sri Lanka, Thailand, and Turkey; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2022-01-07/pdf/2022-00085.pdf
87 FR 3965, January 22, 2022	<i>Certain Steel Nails From India, Sri Lanka, Thailand, and the Republic of Turkey: Initiation of Less-Than-Fair-Value Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2022-01-26/pdf/2022-01494.pdf
87 FR 3970, January 22, 2022	<i>Certain Steel Nails From India, the Sultanate of Oman, Sri Lanka, Thailand, and the Republic of Turkey: Initiation of Countervailing Duty Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2022-01-26/pdf/2022-01509.pdf
87 FR 34654, June 7, 2022	<i>Certain Steel Nails From India: Preliminary Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-07/pdf/2022-12188.pdf
87 FR 34639, June 7, 2022	<i>Certain Steel Nails From the Sultanate of Oman: Preliminary Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-07/pdf/2022-12190.pdf
87 FR 34645, June 7, 2022	<i>Certain Steel Nails From Sri Lanka: Preliminary Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-07/pdf/2022-12189.pdf
87 FR 34651, June 7, 2022	<i>Certain Steel Nails From Thailand: Preliminary Negative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-07/pdf/2022-12187.pdf

Citation	Title	Link
87 FR 34649, June 7, 2022	<i>Certain Steel Nails From the Republic of Turkey: Preliminary Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-07/pdf/2022-12191.pdf
87 FR 36882, June 21, 2022	<i>Steel Nails From India, Oman, Sri Lanka, Thailand, and Turkey; Scheduling of the Final Phase of Countervailing Duty and Anti-Dumping Duty Investigations</i>	https://www.govinfo.gov/content/pkg/FR-2022-06-21/pdf/2022-12953.pdf
87 FR 47719, August 4, 2022	<i>Certain Steel Nails From India: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-04/pdf/2022-16723.pdf
87 FR 47701, August 4, 2022	<i>Certain Steel Nails From Sri Lanka: Preliminary Negative Determination of Sales at Less Than Fair Value and Postponement of Final Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-04/pdf/2022-16722.pdf
87 FR 47708, August 4, 2022	<i>Certain Steel Nails From Thailand: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-04/pdf/2022-16720.pdf
87 FR 47699, August 4, 2022	<i>Certain Steel Nails From the Republic of Turkey: Preliminary Affirmative Determination of Sales at Less Than Fair Value</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-04/pdf/2022-16721.pdf
87 FR 51333, August 22, 2022	<i>Certain Steel Nails From India: Final Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-22/pdf/2022-18045.pdf
87 FR 51335, August 22, 2022	<i>Certain Steel Nails From the Sultanate of Oman: Final Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-22/pdf/2022-18051.pdf
87 FR 51337, August 22, 2022	<i>Certain Steel Nails From Sri Lanka: Final Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-22/pdf/2022-18050.pdf

Citation	Title	Link
87 FR 51339, August 22, 2022	<i>Certain Steel Nails From the Republic of Turkey: Final Affirmative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-22/pdf/2022-18053.pdf
87 FR 51343, August 22, 2022	<i>Certain Steel Nails From Thailand: Final Negative Countervailing Duty Determination</i>	https://www.govinfo.gov/content/pkg/FR-2022-08-22/pdf/2022-18052.pdf
87 FR 55036, September 8, 2022	<i>Steel Nails From Thailand; Termination of Investigation</i>	https://www.govinfo.gov/content/pkg/FR-2022-09-08/pdf/2022-19428.pdf

APPENDIX B

LIST OF HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared in the United States International Trade Commission's hearing via videoconference:

Subject: Steel Nails from India, Oman, Sri Lanka, Thailand, and Turkey
Inv. Nos.: 701-TA-673-677 and 731-TA-1580-1583 (Final)
Date and Time: August 17, 2022 - 9:30 a.m.

FOREIGN GOVERNMENT WITNESS:

**The Republic of Turkey
Ministry of Trade**

Burak Güreşci, Head of Department, Directorate General for Imports

OPENING REMARKS:

In Support of Imposition (**Matthew L. Kanna**, Greenberg Traurig, LLP)
In Opposition to Imposition (**Nithya Nagarajan**, Husch Blackwell LLP)

In Support of Imposition of Antidumping and Countervailing Duty Orders:

Greenberg Traurig, LLP
Washington, DC
on behalf of

Mid Continent Steel & Wire Inc. ("Mid Continent")

Chris Pratt, U.S. Operations General Manager, Mid Continent

George Skarich, Vice President of Sales, Mid Continent

Vince Lockhart, Plant Manager, Mid Continent

Remy Stachowiak, President and Chief Operating Officer, Tree Island Steel

Chris Frantzen, Sales Manager, U.S. Residential Market, Tree Island Steel

**In Support of Imposition of
Antidumping and Countervailing Duty Orders (continued):**

Joe Faron, Vice President of North American Field Sales,
KYOCERA SENCO Industrial Tools, Inc.

Jennifer Lutz, Partner, ION Economics, LLC

Susannah Perkins, Economic Consultant, ION Economics, LLC

Rosa S. Jeong)
) – OF COUNSEL
Matthew L. Kanna)

**In Opposition to Imposition of
Antidumping and Countervailing Duty Orders:**

Husch Blackwell, LLP
Washington, DC
on behalf of

PrimeSource Building Products, Inc.
Steel & Wire Northeast, LP

Scott Smith, Chief Commercial Officer, PrimeSource Building Products, Inc.

Nikki Betts, Senior Director Global Sourcing, PrimeSource Building Products,
Inc.

Mark Buedel, President of Steel Products, Steel & Wire Northeast, LP

Thomas J. Prusa, Economic Consultant, Economic Consultant, Rutgers
University

Nithya Nagarajan)
) – OF COUNSEL
Jeffrey S. Neeley)

Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP
Washington, DC
on behalf of

Trinity Steel Pvt. Ltd. (“Trinity Steel”)
The Hillman Group

Arun Miranda, Managing Director, Trinity Steel

**In Opposition to Imposition of
Antidumping and Countervailing Duty Orders (continued):**

Meagan Jump, Trade and Customs Manager, The Hillman Group

Doug Rhodus, Senior Director of Sourcing, The Hillman Group

Ned H. Marshak)
) – OF COUNSEL
William F. Marshall)

REBUTTAL/CLOSING REMARKS:

In Support of Imposition (**Rosa S. Jeong**, Greenberg Traurig, LLP)

In Opposition to Imposition (**Jeffrey S. Neeley**, Husch Blackwell LLP)

-END-

APPENDIX C
SUMMARY DATA

Table C-1

Steel nails: Summary data concerning the U.S. market, by item and period

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

Item	Reported data					Period changes			
	Calendar year			Jan-Mar		Comparison years			Jan-Mar
	2019	2020	2021	2021	2022	2019-21	2019-20	2020-21	2021-22
U.S. consumption quantity:									
Amount.....	806,843	881,972	1,025,286	240,721	265,527	▲27.1	▲9.3	▲16.2	▲10.3
Producers' share (fn1).....	14.9	15.5	12.9	14.9	11.1	▼(2.0)	▲0.6	▼(2.6)	▼(3.8)
Importers' share (fn1):									
India.....	4.2	3.2	4.0	3.5	4.6	▼(0.2)	▼(1.0)	▲0.8	▲1.1
Oman.....	9.1	8.2	8.8	9.7	8.9	▼(0.2)	▼(0.9)	▲0.7	▼(0.8)
Sri Lanka.....	3.6	3.5	3.4	3.4	3.1	▼(0.2)	▼(0.1)	▼(0.1)	▼(0.3)
Thailand.....	5.0	5.5	5.6	4.5	5.3	▲0.6	▲0.6	▲0.1	▲0.8
Turkey.....	6.0	5.9	5.6	5.8	6.1	▼(0.4)	▼(0.1)	▼(0.3)	▲0.2
Subject sources.....	27.7	26.3	27.4	27.0	28.0	▼(0.3)	▼(1.4)	▲1.1	▲1.0
Subject sources less Sri Lanka.....	24.2	22.8	24.0	23.6	24.9	▼(0.1)	▼(1.4)	▲1.2	▲1.4
Nonsubject sources.....	57.3	58.2	59.7	58.1	60.9	▲2.3	▲0.8	▲1.5	▲2.8
Nonsubject sources plus Sri Lanka.....	60.9	61.7	63.1	61.5	64.0	▲2.2	▲0.8	▲1.4	▲2.5
All import sources.....	85.1	84.5	87.1	85.1	88.9	▲2.0	▼(0.6)	▲2.6	▲3.8
U.S. consumption value:									
Amount.....	1,102,753	1,124,036	1,604,000	315,911	516,879	▲45.5	▲1.9	▲42.7	▲63.6
Producers' share (fn1).....	19.1	19.7	17.6	20.2	15.5	▼(1.5)	▲0.6	▼(2.1)	▼(4.6)
Importers' share (fn1):									
India.....	3.6	2.6	3.3	2.8	3.8	▼(0.3)	▼(1.0)	▲0.7	▲1.0
Oman.....	8.9	8.3	8.3	9.2	8.4	▼(0.6)	▼(0.6)	▼(0.0)	▼(0.8)
Sri Lanka.....	2.9	2.6	2.4	2.6	2.4	▼(0.6)	▼(0.3)	▼(0.2)	▼(0.2)
Thailand.....	4.3	5.3	5.1	4.3	4.9	▲0.8	▲0.9	▼(0.1)	▲0.6
Turkey.....	4.5	4.6	4.7	4.6	5.2	▲0.2	▲0.1	▲0.1	▲0.6
Subject sources.....	24.3	23.4	23.8	23.4	24.7	▼(0.5)	▼(0.9)	▲0.4	▲1.3
Subject sources less Sri Lanka.....	21.3	20.8	21.4	20.9	22.3	▲0.0	▼(0.6)	▲0.6	▲1.5
Nonsubject sources.....	56.7	56.9	58.7	56.4	59.8	▲2.0	▲0.3	▲1.8	▲3.3
Nonsubject sources plus Sri Lanka.....	59.6	59.6	61.1	59.0	62.2	▲1.5	▼(0.0)	▲1.5	▲3.2
All import sources.....	80.9	80.3	82.4	79.8	84.5	▲1.5	▼(0.6)	▲2.1	▲4.6
U.S. imports from:									
India:									
Quantity.....	33,690	28,443	41,174	8,356	12,183	▲22.2	▼(15.6)	▲44.8	▲45.8
Value.....	39,613	29,313	52,419	8,810	19,827	▲32.3	▼(26.0)	▲78.8	▲125.0
Unit value.....	\$1,176	\$1,031	\$1,273	\$1,054	\$1,627	▲8.3	▼(12.4)	▲23.5	▲54.4
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Oman:									
Quantity.....	73,189	72,119	90,554	23,407	23,761	▲23.7	▼(1.5)	▲25.6	▲1.5
Value.....	98,308	93,133	132,805	28,997	43,160	▲35.1	▼(5.3)	▲42.6	▲48.8
Unit value.....	\$1,343	\$1,291	\$1,467	\$1,239	\$1,816	▲9.2	▼(3.9)	▲13.6	▲46.6
Ending inventory quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Sri Lanka:									
Quantity.....	28,746	30,891	34,631	8,170	8,177	▲20.5	▲7.5	▲12.1	▲0.1
Value.....	32,507	29,671	38,432	8,070	12,311	▲18.2	▼(8.7)	▲29.5	▲52.6
Unit value.....	\$1,131	\$960	\$1,110	\$988	\$1,505	▼(1.9)	▼(15.1)	▲15.5	▲52.4
Ending inventory quantity.....	***	***	***	***	***	▼***	▲***	▼***	▼***
Thailand:									
Quantity.....	40,035	48,715	57,365	10,927	14,196	▲43.3	▲21.7	▲17.8	▲29.9
Value.....	47,869	59,139	82,479	13,669	25,548	▲72.3	▲23.5	▲39.5	▲86.9
Unit value.....	\$1,196	\$1,214	\$1,438	\$1,251	\$1,800	▲20.2	▲1.5	▲18.4	▲43.9
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▲***
Turkey:									
Quantity.....	48,164	51,758	57,320	14,072	16,093	▲19.0	▲7.5	▲10.7	▲14.4
Value.....	49,338	51,768	75,044	14,425	26,958	▲52.1	▲4.9	▲45.0	▲86.9
Unit value.....	\$1,024	\$1,000	\$1,309	\$1,025	\$1,675	▲27.8	▼(2.4)	▲30.9	▲63.4
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***

Table continued.

Table C-1 Continued
Steel nails: Summary data concerning the U.S. market, by item and period

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

Item	Reported data					Period changes			
	Calendar year			Jan-Mar		Comparison years			Jan-Mar
	2019	2020	2021	2021	2022	2019-21	2019-20	2020-21	2021-22
U.S. imports from:--Continued									
Subject sources:									
Quantity.....	223,822	231,925	281,044	64,932	74,410	▲25.6	▲3.6	▲21.2	▲14.6
Value.....	267,634	263,024	381,180	73,970	127,803	▲42.4	▼(1.7)	▲44.9	▲72.8
Unit value.....	\$1,196	\$1,134	\$1,356	\$1,139	\$1,718	▲13.4	▼(5.2)	▲19.6	▲50.8
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Subject sources less Sri Lanka:									
Quantity.....	195,077	201,034	246,413	56,763	66,232	▲26.3	▲3.1	▲22.6	▲16.7
Value.....	235,127	233,353	342,747	65,900	115,492	▲45.8	▼(0.8)	▲46.9	▲75.3
Unit value.....	\$1,205	\$1,161	\$1,391	\$1,161	\$1,744	▲15.4	▼(3.7)	▲19.8	▲50.2
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▼***	▼***
Nonsubject sources:									
Quantity.....	462,687	513,192	611,955	139,922	161,734	▲32.3	▲10.9	▲19.2	▲15.6
Value.....	624,765	639,870	941,317	178,280	308,938	▲50.7	▲2.4	▲47.1	▲73.3
Unit value.....	\$1,350	\$1,247	\$1,538	\$1,274	\$1,910	▲13.9	▼(7.7)	▲23.4	▲49.9
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Nonsubject sources plus Sri Lanka:									
Quantity.....	491,433	544,083	646,586	148,092	169,911	▲31.6	▲10.7	▲18.8	▲14.7
Value.....	657,273	669,540	979,749	186,349	321,248	▲49.1	▲1.9	▲46.3	▲72.4
Unit value.....	\$1,337	\$1,231	\$1,515	\$1,258	\$1,891	▲13.3	▼(8.0)	▲23.1	▲50.3
Ending inventory quantity.....	***	***	***	***	***	▲***	▼***	▲***	▲***
All import sources:									
Quantity.....	686,510	745,117	892,999	204,855	236,144	▲30.1	▲8.5	▲19.8	▲15.3
Value.....	892,399	902,894	1,322,497	252,250	436,741	▲48.2	▲1.2	▲46.5	▲73.1
Unit value.....	\$1,300	\$1,212	\$1,481	\$1,231	\$1,849	▲13.9	▼(6.8)	▲22.2	▲50.2
Ending inventory quantity.....	***	***	***	***	***	▼***	▼***	▲***	▲***
U.S. producers':									
Average capacity quantity.....	182,291	149,362	158,238	39,223	42,043	▼(13.2)	▼(18.1)	▲5.9	▲7.2
Production quantity.....	120,782	135,410	131,039	34,321	32,481	▲8.5	▲12.1	▼(3.2)	▼(5.4)
Capacity utilization (fn1).....	66.3	90.7	82.8	87.5	77.3	▲16.6	▲24.4	▼(7.8)	▼(10.2)
U.S. shipments:									
Quantity.....	120,333	136,855	132,287	35,866	29,383	▲9.9	▲13.7	▼(3.3)	▼(18.1)
Value.....	210,354	221,142	281,503	63,661	80,138	▲33.8	▲5.1	▲27.3	▲25.9
Unit value.....	\$1,748	\$1,616	\$2,128	\$1,775	\$2,727	▲21.7	▼(7.6)	▲31.7	▲53.7
Export shipments:									
Quantity.....	***	***	***	***	***	▲***	▲***	▲***	▼***
Value.....	***	***	***	***	***	▲***	▲***	▲***	▲***
Unit value.....	***	***	***	***	***	▲***	▼***	▲***	▲***
Ending inventory quantity.....	21,562	18,626	15,792	16,573	18,817	▼(26.8)	▼(13.6)	▼(15.2)	▲13.5
Inventories/total shipments (fn1).....	***	***	***	***	***	▼***	▼***	▼***	▲***
Production workers.....	796	711	736	754	725	▼(7.5)	▼(10.7)	▲3.5	▼(3.8)
Hours worked (1,000s).....	1,484	1,549	1,605	415	384	▲8.2	▲4.4	▲3.6	▼(7.5)
Wages paid (\$1,000).....	24,777	25,075	28,209	7,292	7,206	▲13.9	▲1.2	▲12.5	▼(1.2)
Hourly wages (dollars per hour).....	\$16.70	\$16.19	\$17.58	\$17.57	\$18.77	▲5.3	▼(3.0)	▲8.6	▲6.8
Productivity (short tons per 1,000 hours).....	81.4	87.4	81.6	82.7	84.6	▲0.3	▲7.4	▼(6.6)	▲2.3
Unit labor costs.....	\$205	\$185	\$215	\$212	\$222	▲4.9	▼(9.7)	▲16.3	▲4.4

Table continued.

Table C-1 Continued

Steel nails: Summary data concerning the U.S. market, by period

Quantity=short tons; Value=1,000 dollars; Unit values, unit labor costs, and unit expenses=dollars per short ton; Period changes=percent--exceptions noted

	Reported data					Period changes			
	Calendar year			Jan-Mar		Comparison years			Jan-Mar
	2019	2020	2021	2021	2022	2019-21	2019-20	2020-21	2021-22
U.S. producers'--Continued									
Net sales:									
Quantity.....	121,487	138,264	133,731	36,429	29,723	▲10.1	▲13.8	▼(3.3)	▼(18.4)
Value.....	214,984	226,645	288,235	65,531	82,171	▲34.1	▲5.4	▲27.2	▲25.4
Unit value.....	\$1,770	\$1,639	\$2,155	\$1,799	\$2,765	▲21.8	▼(7.4)	▲31.5	▲53.7
Cost of goods sold (COGS).....	176,105	183,056	215,200	50,052	59,723	▲22.2	▲3.9	▲17.6	▲19.3
Gross profit or (loss) (fn2).....	38,879	43,589	73,035	15,479	22,448	▲87.9	▲12.1	▲67.6	▲45.0
SG&A expenses.....	26,793	25,300	28,664	6,531	7,411	▲7.0	▼(5.6)	▲13.3	▲13.5
Operating income or (loss) (fn2).....	12,086	18,289	44,371	8,948	15,037	▲267.1	▲51.3	▲142.6	▲68.0
Net income or (loss) (fn2).....	12,631	18,858	44,970	9,424	15,295	▲256.0	▲49.3	▲138.5	▲62.3
Unit COGS.....	\$1,450	\$1,324	\$1,609	\$1,374	\$2,009	▲11.0	▼(8.7)	▲21.5	▲46.2
Unit SG&A expenses.....	\$221	\$183	\$214	\$179	\$249	▼(2.8)	▼(17.0)	▲17.1	▲39.1
Unit operating income or (loss) (fn2).....	\$99	\$132	\$332	\$246	\$506	▲233.5	▲33.0	▲150.8	▲106.0
Unit net income or (loss) (fn2).....	\$104	\$136	\$336	\$259	\$515	▲223.4	▲31.2	▲146.5	▲98.9
COGS/sales (fn1).....	81.9	80.8	74.7	76.4	72.7	▼(7.3)	▼(1.1)	▼(6.1)	▼(3.7)
Operating income or (loss)/sales (fn1)....	5.6	8.1	15.4	13.7	18.3	▲9.8	▲2.4	▲7.3	▲4.6
Net income or (loss)/sales (fn1).....	5.9	8.3	15.6	14.4	18.6	▲9.7	▲2.4	▲7.3	▲4.2
Capital expenditures.....	5,119	7,448	6,854	***	1,726	▲33.9	▲45.5	▼(8.0)	▲***
Research and development expenses....	***	***	***	***	***	▲***	▲***	▲***	▲***
Net assets.....	272,612	286,192	329,212	NA	NA	▲20.8	▲5.0	▲15.0	NA

Note.--Shares and ratios shown as "0.0" percent represent non-zero values less than "0.05" percent (if positive) and greater than "(0.05)" percent (if negative). Zeroes, null values, and undefined calculations are suppressed and shown as "--". Period changes preceded by a "▲" represent an increase, while period changes preceded by a "▼" represent a decrease.

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

fn2.--Percent changes only calculated when both comparison values represent profits; The directional change in profitability provided when one or both comparison values represent a loss.

Source: Compiled from data submitted in response to Commission questionnaires and from official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed August 18, 2022. Imports are based on the imports for consumption data series. Imports value data reflect landed duty-paid values. 508-compliant tables containing these data are contained in parts III, IV, VI, and VII of this report.

APPENDIX D
SECTION 232 ACTIONS

Table D-1
Section 232 national-security tariff actions: Presidential proclamations affecting imports of steel articles, since April 2017

Trade partner	Effective date and duration	Tariff action	Federal Register Notice
Not applicable	April 19, 2017	The U.S. Department of Commerce (“Commerce”) announced the institution of an investigation, by its U.S. Bureau of Industry and Security (“BIS”), into the potential impact of imported steel mill products on national security under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862).	82 FR 19205
Not applicable	January 11, 2018	The Secretary of Commerce submitted the BIS Section 232 steel imports report to the President.	83 FR 11625
General action	March 23, 2018, to present	The President imposed 25 percent ad valorem national-security duties on U.S. steel imports.	83 FR 11625
Argentina	March 23, 2018, to April 30, 2018	Exempted from duties.	83 FR 13361
Argentina	May 1, 2018, to May 31, 2018	Exemption from duties continued.	83 FR 20683
Argentina	June 1, 2018, to present	Exemption from duties continued, but subject to annual absolute quota limits.	83 FR 25857
Australia	March 23, 2018, to April 30, 2018	Exempted from duties.	83 FR 13361
Australia	May 1, 2018, to May 31, 2018	Exemption from duties continued.	83 FR 20683
Australia	June 1, 2018, to present	Exemption from duties continued.	83 FR 40429
Brazil	March 23, 2018, to April 30, 2018	Exempted from duties.	83 FR 13361
Brazil	May 1, 2018, to May 31, 2018	Exemption from duties continued.	83 FR 20683
Brazil	June 1, 2018, to present	Exemption from duties continued, but subject to annual absolute quota limits.	83 FR 25857
Canada	March 23, 2018, to May 31, 2018	Exempted from duties.	83 FR 11625
Canada	June 1, 2018, to May 19, 2019	Exemption from duties not continued.	83 FR 20683
Canada	May 20, 2019, to present	Exemption from duties reinstated.	84 FR 23987
European Union (“EU”) member countries	March 23, 2018, to April 30, 2018	Exempted from duties.	83 FR 13361
EU member countries	May 1, 2018, to May 31, 2018	Exemption from duties continued.	83 FR 20683
EU member countries	June 1, 2018, to December 31, 2021	Exemption from duties not continued.	83 FR 20683
EU member countries	January 1, 2022, to December 31, 2023	Exempted from duties, but each EU member country subject to individual tariff rate quotas and a “melt and pour” requirement.	87 FR 11

Table D-1 continued

Section 232 national-security tariff actions: Presidential proclamations affecting imports of steel articles, since April 2017

Trade partner	Effective date and duration	Tariff action	Federal Register Notice
Japan	April 1, 2022, to present	Exempted from duties, but subject to tariff rate quotas and a “melt and pour” requirement.	87 FR 19351
Mexico	March 23, 2018, to May 31, 2018	Exempted from duties.	83 FR 11625
Mexico	June 1, 2018, to May 19, 2019	Exemption from duties not continued.	83 FR 20683
Mexico	May 20, 2019, to present	Exemption from duties reinstated.	84 FR 23987
South Korea	March 23, 2018, to April 30, 2018	Exempted from duties.	83 FR 13361
South Korea	May 1, 2018, to present	Exemption from duties continued, but subject to annual absolute quota limits.	83 FR 20683
Turkey	August 13, 2018, to May 20, 2019	Duty rate doubled to 50 percent ad valorem.	83 FR 40429
Turkey	May 21, 2019, to present	Duty rate reduced from 50 percent to 25 percent ad valorem.	84 FR 23421
Ukraine	June 1, 2022, to June 1, 2023	Exempted from duties for one year.	87 FR 33407
United Kingdom	March 23, 2018, to April 30, 2018	Exempted from duties for EU member countries including the United Kingdom.	83 FR 13361
United Kingdom	May 1, 2018, to May 31, 2018	Exemption from duties continued for EU member countries including the United Kingdom.	83 FR 20683
United Kingdom	June 1, 2018 to May 31, 2022	Exemption from duties not continued for EU member countries including the United Kingdom.	83 FR 20683
United Kingdom	June 1, 2022, to present	Exemption from duties reinstated, but subject to tariff rate quotas and a “melt and pour” requirement.	87 FR 33591

Sources: *Notice Request for Public Comments and Public Hearing on Section 232 National Security Investigation of Imports of Steel*, 82 FR 19205, April 26, 2017.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9705, March 8, 2018, 83 FR 11625, March 15, 2018.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9711, March 22, 2018, 83 FR 13361, March 28, 2018.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9740, April 30, 2018, 83 FR 20683, May 7, 2018.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9759, May 31, 2018, 83 FR 25857, June 5, 2018.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9772, August 10, 2018, 83 FR 40429, August 15, 2018.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9886, May 16, 2019, 84 FR 23421, May 21, 2019.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 9894, May 19, 2019, 84 FR 23987, May 23, 2019.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 10328, December 27, 2021, 87 FR 11, January 3, 2022.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 10356, March 31, 2022, 87 FR 19351, April 1, 2022.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 10403, May 27, 2022, 87 FR 33407, June 2, 2022.

Adjusting Imports of Steel Into the United States, Presidential Proclamation 10406, May 31, 2022, 87 FR 33591, June 3, 2022.

Note 1: Presidential Proclamation 9705 (clause (1)) defined "steel articles" at the Harmonized Tariff Schedule of the United States ("HTS") 6-digit level as: 7206.10 through 7216.50, 7216.99 through 7301.10, 7302.10, 7302.40 through 7302.90, and 7304.10 through 7306.90, including any subsequent revisions to these HTS classifications.

Note 2: The United Kingdom officially completed its withdrawal from EU membership on January 31, 2021. EU, "Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community," *Official Journal of the European Union*, L 29/7, January 31, 2020, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12020W/TXT>.

Note 3: Presidential Proclamation 9705, March 8, 2018, granted the Secretary of Commerce the authority to exclude steel articles for which there is a lack of domestic production, or to exclude steel articles from such restrictions for specific national security considerations (83 FR 11625, March 15, 2018). The BIS published an interim final rule establishing this exclusion process (83 FR 46026, September 11, 2018).

Note 4: Presidential Proclamation 9980, January 24, 2020, expanded the scope of the Section 232 measures to include imports of certain derivative (fabricated) steel articles, effective February 8, 2020 (85 FR 5281, January 29, 2020).

Note 5: Presidential Proclamation 10328, December 27, 2021, specified that steel articles must be "melted and poured" in an EU member country to qualify for duty-free in-quota treatment (87 FR 11, January 3, 2022).

Note 6: Presidential Proclamation 10356, March 31, 2022, specified that steel articles must be "melted and poured" in Japan to qualify for duty-free in-quota treatment (87 FR 19351, April 1, 2022).

Note 7: Presidential Proclamation 10406, May 31, 2022, specified that steel articles must be "melted and poured" in the United Kingdom ("UK") to qualify for duty-free in-quota treatment. Steel articles originating in an EU member country, but contains steel melted and poured in the United Kingdom, can qualify for duty-free in-UK sub-quota treatment (87 FR 33591, June 3, 2022).

APPENDIX E

**ADDITIONAL TABLES REGARDING SUPPLY, DEMAND,
AND COUNTRY-SOURCE COMPARISONS**

This appendix contains tables related to supply, demand, and country-source comparisons that were referenced in Part II. Tables E-1, E-2, and E-3 present firm-specific responses describing supply constraints in the steel nails market. Table E-4 presents data used to create figure II-4 concerning housing under construction and table E-5 presents data used to create figure II-5 concerning GDP growth rates. Finally, Table E-6 presents comparisons regarding product from subject countries and nonsubject countries on the 16 factors presented in Part II.

Table E-1 (for Figure II-1)**Unfulfilled purchases: Count of purchasers reporting unfulfilled purchases, by unfulfilled percentage, January 2019- June 2022 (June numbers are preliminary)**

Percent of desired but unfulfilled purchases	2019	2020	2021	Jan – Mar 2022
0.0 percent	37	34	25	22
0.1 to 5.0 percent	2	0	2	3
5.1 to 10.0 percent	2	2	3	4
10.1 to 15.0 percent	1	2	2	2
15.1 to 20.0 percent	1	2	5	4
20.1 to 25.0 percent	1	2	4	3
More than 25.0 percent	0	3	4	6

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

Table E-2: (for Figure II-2)**Supply constraints: Count of purchasers reporting frequency of domestic supply constraints, by specific period**

Period	Firm type	Frequently	Occasionally	Infrequently	Never
2017-18	Purchasers	8	3	5	24
2019 H1	Purchasers	10	2	5	24
2019 H2	Purchasers	10	3	7	20
2020 H1	Purchasers	12	7	5	17
2020 H2	Purchasers	17	7	5	13
2021 H1	Purchasers	22	7	3	10
2021 H2	Purchasers	21	10	0	11
2022 YTD	Purchasers	21	8	1	12
2017-18	Producers	0	0	2	7
2019 H1	Producers	1	0	1	7
2019 H2	Producers	1	0	1	7
2020 H1	Producers	0	0	3	6
2020 H2	Producers	1	2	3	3
2021 H1	Producers	3	2	2	2
2021 H2	Producers	3	3	2	1
2022 YTD	Producers	2	4	1	2

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

Table E-3: (for Figure II-3)**Supply constraints: Count of purchasers reporting frequency of subject source supply constraints, by specific period**

Period	Firm type	Frequently	Occasionally	Infrequently	Never
2017-18	Purchasers	0	3	7	28
2019 H1	Purchasers	0	3	8	27
2019 H2	Purchasers	0	3	8	27
2020 H1	Purchasers	4	7	5	23
2020 H2	Purchasers	10	6	7	17
2021 H1	Purchasers	14	8	3	15
2021 H2	Purchasers	16	9	0	15
2022 YTD	Purchasers	12	9	3	14
2017-18	Importers	1	1	5	17
2019 H1	Importers	0	1	7	14
2019 H2	Importers	0	1	7	15
2020 H1	Importers	2	3	6	12
2020 H2	Importers	6	3	4	11
2021 H1	Importers	8	3	2	11
2021 H2	Importers	7	4	2	11
2022 YTD	Importers	7	3	3	10

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

Table E-4: (for Figure II-4)**Supply constraints: Count of purchasers reporting frequency of nonsubject source supply constraints, by specific period**

Period	Firm type	Frequently	Occasionally	Infrequently	Never
2017-18	Purchasers	0	1	7	30
2019 H1	Purchasers	0	1	7	30
2019 H2	Purchasers	0	1	7	30
2020 H1	Purchasers	5	4	8	22
2020 H2	Purchasers	7	5	8	20
2021 H1	Purchasers	11	9	6	15
2021 H2	Purchasers	16	8	3	13
2022 YTD	Purchasers	13	10	2	16
2017-18	Importers	0	1	6	19
2019 H1	Importers	0	1	7	18
2019 H2	Importers	0	1	7	18
2020 H1	Importers	3	3	6	14
2020 H2	Importers	6	5	4	12
2021 H1	Importers	9	5	1	12
2021 H2	Importers	8	6	1	12
2022 YTD	Importers	8	5	2	12

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

Table E-5
Steel nails: Firms' descriptions regarding domestic supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***
***	Producer	***

Table continued.

Table E-5 Continued

Steel nails: Firms' descriptions regarding domestic supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

Table continued.

Table E-5 Continued
Steel nails: Firms' descriptions regarding domestic supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

Table continued.

Table E-5 Continued**Steel nails: Firms' descriptions regarding domestic supply constraints during select periods**

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

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

Table E-6**Steel nails: Firms' descriptions regarding subject import supply constraints during select periods**

Firm	Firm type	Description of supply constraints
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***

Table continued.

Table E-6 Continued

Steel nails: Firms' descriptions regarding subject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***

Table continued.

Table E-6 Continued

Steel nails: Firms' descriptions regarding subject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

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

Table E-7
Steel nails: Firms’ descriptions regarding nonsubject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***

Table continued.

Table E-7 Continued
Steel nails: Firms' descriptions regarding nonsubject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Importer	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

Table continued.

Table E-7 Continued

Steel nails: Firms' descriptions regarding nonsubject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
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***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

Table continued.

Table E-7 Continued
Steel nails: Firms' descriptions regarding nonsubject import supply constraints during select periods

Firm	Firm type	Description of supply constraints
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***
***	Purchaser	***

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

Table E-8 (for Figure II-5)**Housing under construction: New privately owned housing units under construction, monthly, seasonally adjusted annual rate, January 2019- June 2022**

Year	Month	Thousand Units under construction
2019	January	1,154
2019	February	1,142
2019	March	1,125
2019	April	1,122
2019	May	1,131
2019	June	1,143
2019	July	1,143
2019	August	1,151
2019	September	1,160
2019	October	1,160
2019	November	1,166
2019	December	1,179
2020	January	1,196
2020	February	1,216
2020	March	1,215
2020	April	1,194
2020	May	1,179
2020	June	1,187
2020	July	1,199
2020	August	1,212
2020	September	1,218
2020	October	1,228
2020	November	1,247
2020	December	1,264
2021	January	1,284
2021	February	1,289
2021	March	1,307
2021	April	1,324
2021	May	1,339
2021	June	1,372
2021	July	1,386
2021	August	1,413
2021	September	1,437
2021	October	1,465
2021	November	1,493
2021	December	1,525
2022	January	1,553
2022	February	1,582
2022	March	1,629
2022	April	1,668
2022	May	1,677
2022	June	1,680

Source: U.S. Census Bureau, found at <https://www.census.gov/construction/nrc/index.html>, retrieved August 30, 2022.

Table E-9 (for Figure II-6)**Real U.S. GDP growth: Percentage change, quarterly, first quarter 2019 to first quarter 2022**

Year	Quarter	Percent change in Real GDP
2019	1	2.4
2019	2	3.2
2019	3	2.8
2019	4	1.9
2020	1	(5.1)
2020	2	(31.2)
2020	3	33.8
2020	4	4.5
2021	1	6.3
2021	2	6.7
2021	3	2.3
2021	4	6.9
2022	1	(1.6)
2022	2	(0.6)

Source: U.S. Bureau of Economic Analysis, found at <https://www.bea.gov/data/gdp/gross-domestic-product#gdp>, retrieved July 22, 2022

Table E-10**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	India vs. Oman	1	10	2
Product consistency	India vs. Oman	0	9	4
Quality meets industry standards	India vs. Oman	0	12	1
Reliability of supply	India vs. Oman	0	10	2
Delivery time	India vs. Oman	0	10	2
Price	India vs. Oman	1	12	0
Product range	India vs. Oman	1	8	3
Delivery terms	India vs. Oman	1	10	1
Quality exceeds industry standards	India vs. Oman	0	12	1
Packaging	India vs. Oman	0	9	3
Technical support/service	India vs. Oman	0	9	3
Availability of private labeling	India vs. Oman	0	11	1
Payment terms	India vs. Oman	2	10	0
U.S. transportation costs	India vs. Oman	1	11	0
Discounts offered	India vs. Oman	0	12	0
Minimum quantity requirements	India vs. Oman	0	12	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	India vs. Sri Lanka	1	7	0
Product consistency	India vs. Sri Lanka	0	8	0
Quality meets industry standards	India vs. Sri Lanka	0	7	0
Reliability of supply	India vs. Sri Lanka	0	7	0
Delivery time	India vs. Sri Lanka	0	7	0
Price	India vs. Sri Lanka	0	7	0
Product range	India vs. Sri Lanka	0	7	0
Delivery terms	India vs. Sri Lanka	0	7	0
Quality exceeds industry standards	India vs. Sri Lanka	0	8	0
Packaging	India vs. Sri Lanka	0	7	0
Technical support/service	India vs. Sri Lanka	0	7	0
Availability of private labeling	India vs. Sri Lanka	0	7	0
Payment terms	India vs. Sri Lanka	0	7	0
U.S. transportation costs	India vs. Sri Lanka	0	7	0
Discounts offered	India vs. Sri Lanka	0	6	0
Minimum quantity requirements	India vs. Sri Lanka	0	7	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	India vs Thailand	3	10	2
Product consistency	India vs Thailand	0	14	1
Quality meets industry standards	India vs Thailand	0	15	0
Reliability of supply	India vs Thailand	2	12	1
Delivery time	India vs Thailand	2	12	1
Price	India vs Thailand	0	13	2
Product range	India vs Thailand	4	9	2
Delivery terms	India vs Thailand	2	12	1
Quality exceeds industry standards	India vs Thailand	1	12	1
Packaging	India vs Thailand	1	11	3
Technical support/service	India vs Thailand	1	12	1
Availability of private labeling	India vs Thailand	2	12	1
Payment terms	India vs Thailand	0	15	0
U.S. transportation costs	India vs Thailand	0	15	0
Discounts offered	India vs Thailand	0	12	2
Minimum quantity requirements	India vs Thailand	0	14	1

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	India vs Turkey	3	12	4
Product consistency	India vs Turkey	3	15	1
Quality meets industry standards	India vs Turkey	1	18	0
Reliability of supply	India vs Turkey	3	16	0
Delivery time	India vs Turkey	1	14	3
Price	India vs Turkey	0	16	3
Product range	India vs Turkey	3	15	0
Delivery terms	India vs Turkey	2	16	1
Quality exceeds industry standards	India vs Turkey	1	17	0
Packaging	India vs Turkey	1	16	2
Technical support/service	India vs Turkey	4	15	0
Availability of private labeling	India vs Turkey	0	17	2
Payment terms	India vs Turkey	2	16	1
U.S. transportation costs	India vs Turkey	1	16	1
Discounts offered	India vs Turkey	0	16	2
Minimum quantity requirements	India vs Turkey	0	19	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	India vs Nonsubject	0	16	2
Product consistency	India vs Nonsubject	0	16	2
Quality meets industry standards	India vs Nonsubject	0	16	1
Reliability of supply	India vs Nonsubject	0	16	2
Delivery time	India vs Nonsubject	0	13	4
Price	India vs Nonsubject	0	17	1
Product range	India vs Nonsubject	2	13	2
Delivery terms	India vs Nonsubject	0	16	1
Quality exceeds industry standards	India vs Nonsubject	0	16	1
Packaging	India vs Nonsubject	0	17	1
Technical support/service	India vs Nonsubject	1	17	0
Availability of private labeling	India vs Nonsubject	0	17	1
Payment terms	India vs Nonsubject	1	17	0
U.S. transportation costs	India vs Nonsubject	0	17	1
Discounts offered	India vs Nonsubject	0	18	0
Minimum quantity requirements	India vs Nonsubject	0	18	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Oman vs Sri Lanka	1	5	0
Product consistency	Oman vs Sri Lanka	1	5	0
Quality meets industry standards	Oman vs Sri Lanka	0	6	0
Reliability of supply	Oman vs Sri Lanka	1	5	0
Delivery time	Oman vs Sri Lanka	1	5	0
Price	Oman vs Sri Lanka	0	6	0
Product range	Oman vs Sri Lanka	1	5	0
Delivery terms	Oman vs Sri Lanka	1	5	0
Quality exceeds industry standards	Oman vs Sri Lanka	0	6	0
Packaging	Oman vs Sri Lanka	1	5	0
Technical support/service	Oman vs Sri Lanka	1	5	0
Availability of private labeling	Oman vs Sri Lanka	0	6	0
Payment terms	Oman vs Sri Lanka	0	5	1
U.S. transportation costs	Oman vs Sri Lanka	0	5	1
Discounts offered	Oman vs Sri Lanka	0	6	0
Minimum quantity requirements	Oman vs Sri Lanka	0	6	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Oman vs. Thailand	2	8	1
Product consistency	Oman vs. Thailand	1	9	0
Quality meets industry standards	Oman vs. Thailand	1	9	0
Reliability of supply	Oman vs. Thailand	1	9	0
Delivery time	Oman vs. Thailand	2	8	0
Price	Oman vs. Thailand	0	9	1
Product range	Oman vs. Thailand	1	9	0
Delivery terms	Oman vs. Thailand	2	8	0
Quality exceeds industry standards	Oman vs. Thailand	0	10	0
Packaging	Oman vs. Thailand	1	9	0
Technical support/service	Oman vs. Thailand	1	9	0
Availability of private labeling	Oman vs. Thailand	0	10	0
Payment terms	Oman vs. Thailand	0	9	1
U.S. transportation costs	Oman vs. Thailand	0	10	0
Discounts offered	Oman vs. Thailand	1	9	0
Minimum quantity requirements	Oman vs. Thailand	0	9	1

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Oman vs. Turkey	2	11	1
Product consistency	Oman vs. Turkey	4	9	0
Quality meets industry standards	Oman vs. Turkey	3	10	0
Reliability of supply	Oman vs. Turkey	3	9	1
Delivery time	Oman vs. Turkey	2	10	1
Price	Oman vs. Turkey	0	11	2
Product range	Oman vs. Turkey	3	10	0
Delivery terms	Oman vs. Turkey	1	12	0
Quality exceeds industry standards	Oman vs. Turkey	2	11	0
Packaging	Oman vs. Turkey	3	10	0
Technical support/service	Oman vs. Turkey	3	10	0
Availability of private labeling	Oman vs. Turkey	0	13	0
Payment terms	Oman vs. Turkey	1	10	2
U.S. transportation costs	Oman vs. Turkey	2	11	0
Discounts offered	Oman vs. Turkey	0	12	1
Minimum quantity requirements	Oman vs. Turkey	0	13	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Oman vs. Nonsubject	2	13	2
Product consistency	Oman vs. Nonsubject	3	13	0
Quality meets industry standards	Oman vs. Nonsubject	2	14	0
Reliability of supply	Oman vs. Nonsubject	2	13	1
Delivery time	Oman vs. Nonsubject	1	11	4
Price	Oman vs. Nonsubject	0	13	3
Product range	Oman vs. Nonsubject	4	12	0
Delivery terms	Oman vs. Nonsubject	0	16	0
Quality exceeds industry standards	Oman vs. Nonsubject	1	15	0
Packaging	Oman vs. Nonsubject	2	14	0
Technical support/service	Oman vs. Nonsubject	3	13	0
Availability of private labeling	Oman vs. Nonsubject	0	16	0
Payment terms	Oman vs. Nonsubject	0	12	4
U.S. transportation costs	Oman vs. Nonsubject	0	15	1
Discounts offered	Oman vs. Nonsubject	0	16	0
Minimum quantity requirements	Oman vs. Nonsubject	0	16	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Sri Lanka vs. Thailand	1	5	1
Product consistency	Sri Lanka vs. Thailand	0	6	0
Quality meets industry standards	Sri Lanka vs. Thailand	1	5	0
Reliability of supply	Sri Lanka vs. Thailand	1	5	0
Delivery time	Sri Lanka vs. Thailand	1	5	0
Price	Sri Lanka vs. Thailand	0	5	1
Product range	Sri Lanka vs. Thailand	1	5	0
Delivery terms	Sri Lanka vs. Thailand	1	5	0
Quality exceeds industry standards	Sri Lanka vs. Thailand	0	6	0
Packaging	Sri Lanka vs. Thailand	0	6	0
Technical support/service	Sri Lanka vs. Thailand	1	5	0
Availability of private labeling	Sri Lanka vs. Thailand	0	6	0
Payment terms	Sri Lanka vs. Thailand	0	6	0
U.S. transportation costs	Sri Lanka vs. Thailand	0	6	0
Discounts offered	Sri Lanka vs. Thailand	0	6	0
Minimum quantity requirements	Sri Lanka vs. Thailand	0	6	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Sri Lanka vs. Turkey	1	4	2
Product consistency	Sri Lanka vs. Turkey	1	5	0
Quality meets industry standards	Sri Lanka vs. Turkey	1	5	0
Reliability of supply	Sri Lanka vs. Turkey	1	5	0
Delivery time	Sri Lanka vs. Turkey	0	5	1
Price	Sri Lanka vs. Turkey	0	5	1
Product range	Sri Lanka vs. Turkey	2	4	0
Delivery terms	Sri Lanka vs. Turkey	0	6	0
Quality exceeds industry standards	Sri Lanka vs. Turkey	1	5	0
Packaging	Sri Lanka vs. Turkey	0	6	0
Technical support/service	Sri Lanka vs. Turkey	2	4	0
Availability of private labeling	Sri Lanka vs. Turkey	0	6	0
Payment terms	Sri Lanka vs. Turkey	0	5	1
U.S. transportation costs	Sri Lanka vs. Turkey	1	5	0
Discounts offered	Sri Lanka vs. Turkey	0	5	1
Minimum quantity requirements	Sri Lanka vs. Turkey	0	6	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Sri Lanka vs. Nonsubject	1	6	1
Product consistency	Sri Lanka vs. Nonsubject	0	7	0
Quality meets industry standards	Sri Lanka vs. Nonsubject	0	7	0
Reliability of supply	Sri Lanka vs. Nonsubject	1	7	0
Delivery time	Sri Lanka vs. Nonsubject	0	7	0
Price	Sri Lanka vs. Nonsubject	0	7	0
Product range	Sri Lanka vs. Nonsubject	1	6	0
Delivery terms	Sri Lanka vs. Nonsubject	0	7	0
Quality exceeds industry standards	Sri Lanka vs. Nonsubject	0	7	0
Packaging	Sri Lanka vs. Nonsubject	0	7	0
Technical support/service	Sri Lanka vs. Nonsubject	1	6	0
Availability of private labeling	Sri Lanka vs. Nonsubject	0	7	0
Payment terms	Sri Lanka vs. Nonsubject	0	7	0
U.S. transportation costs	Sri Lanka vs. Nonsubject	0	7	0
Discounts offered	Sri Lanka vs. Nonsubject	0	7	0
Minimum quantity requirements	Sri Lanka vs. Nonsubject	0	7	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Thailand vs. Turkey	2	11	3
Product consistency	Thailand vs. Turkey	4	12	0
Quality meets industry standards	Thailand vs. Turkey	4	11	0
Reliability of supply	Thailand vs. Turkey	1	13	2
Delivery time	Thailand vs. Turkey	2	11	3
Price	Thailand vs. Turkey	1	13	2
Product range	Thailand vs. Turkey	2	11	2
Delivery terms	Thailand vs. Turkey	1	12	3
Quality exceeds industry standards	Thailand vs. Turkey	3	12	0
Packaging	Thailand vs. Turkey	3	13	0
Technical support/service	Thailand vs. Turkey	2	12	1
Availability of private labeling	Thailand vs. Turkey	0	15	1
Payment terms	Thailand vs. Turkey	1	15	0
U.S. transportation costs	Thailand vs. Turkey	1	14	1
Discounts offered	Thailand vs. Turkey	0	14	1
Minimum quantity requirements	Thailand vs. Turkey	1	15	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Thailand vs. Nonsubject	0	14	4
Product consistency	Thailand vs. Nonsubject	0	18	0
Quality meets industry standards	Thailand vs. Nonsubject	0	18	0
Reliability of supply	Thailand vs. Nonsubject	0	16	2
Delivery time	Thailand vs. Nonsubject	0	13	5
Price	Thailand vs. Nonsubject	1	16	1
Product range	Thailand vs. Nonsubject	0	16	2
Delivery terms	Thailand vs. Nonsubject	0	16	2
Quality exceeds industry standards	Thailand vs. Nonsubject	0	17	0
Packaging	Thailand vs. Nonsubject	0	18	0
Technical support/service	Thailand vs. Nonsubject	0	17	1
Availability of private labeling	Thailand vs. Nonsubject	0	17	1
Payment terms	Thailand vs. Nonsubject	0	18	0
U.S. transportation costs	Thailand vs. Nonsubject	0	17	1
Discounts offered	Thailand vs. Nonsubject	0	17	1
Minimum quantity requirements	Thailand vs. Nonsubject	1	17	0

Table continued.

Table E-10 Continued**Steel nails: Count of purchasers' responses comparing imported product, by factor and country pair**

Factor	Country pair	Superior	Comparable	Inferior
Availability	Turkey vs. Nonsubject	3	15	4
Product consistency	Turkey vs. Nonsubject	1	18	3
Quality meets industry standards	Turkey vs. Nonsubject	0	18	4
Reliability of supply	Turkey vs. Nonsubject	3	17	2
Delivery time	Turkey vs. Nonsubject	3	15	4
Price	Turkey vs. Nonsubject	4	17	0
Product range	Turkey vs. Nonsubject	2	18	2
Delivery terms	Turkey vs. Nonsubject	2	17	3
Quality exceeds industry standards	Turkey vs. Nonsubject	0	16	5
Packaging	Turkey vs. Nonsubject	1	19	2
Technical support/service	Turkey vs. Nonsubject	1	19	2
Availability of private labeling	Turkey vs. Nonsubject	0	20	2
Payment terms	Turkey vs. Nonsubject	0	20	2
U.S. transportation costs	Turkey vs. Nonsubject	1	20	1
Discounts offered	Turkey vs. Nonsubject	2	18	1
Minimum quantity requirements	Turkey vs. Nonsubject	0	21	1

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

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

APPENDIX F

U.S. SHIPMENTS BY TYPE AND FINISH

Table F-1
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by product type and finish, 2021

Quantity in short tons; value in 1,000 dollars

Source	Measure	Collated bright	Collated galvanized	Collated other	Bulk bright	Bulk galvanized	Bulk other	All product types
U.S. producers	Quantity	***	***	***	***	***	***	***
India	Quantity	***	***	***	***	***	***	***
Oman	Quantity	***	***	***	***	***	***	***
Sri Lanka	Quantity	***	***	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***	***	***
Subject sources	Quantity	***	***	***	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***	***	***	***
All import sources	Quantity	***	***	***	***	***	***	***
All sources	Quantity	***	***	***	***	***	***	***
U.S. producers	Value	***	***	***	***	***	***	***
India	Value	***	***	***	***	***	***	***
Oman	Value	***	***	***	***	***	***	***
Sri Lanka	Value	***	***	***	***	***	***	***
Thailand	Value	***	***	***	***	***	***	***
Turkey	Value	***	***	***	***	***	***	***
Subject sources	Value	***	***	***	***	***	***	***
Nonsubject sources	Value	***	***	***	***	***	***	***
All import sources	Value	***	***	***	***	***	***	***
All sources	Value	***	***	***	***	***	***	***

Table continued.

Table F-1 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by product type and finish, 2021

Unit values in dollars per short ton

Source	Measure	Collated bright	Collated galvanized	Collated other	Bulk bright	Bulk galvanized	Bulk other	All product types
U.S. producers	Unit value	***	***	***	***	***	***	***
India	Unit value	***	***	***	***	***	***	***
Oman	Unit value	***	***	***	***	***	***	***
Sri Lanka	Unit value	***	***	***	***	***	***	***
Thailand	Unit value	***	***	***	***	***	***	***
Turkey	Unit value	***	***	***	***	***	***	***
Subject sources	Unit value	***	***	***	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***	***	***	***
All import sources	Unit value	***	***	***	***	***	***	***
All sources	Unit value	***	***	***	***	***	***	***

Table continued.

Table F-1 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by product type and finish, 2021

Shares in percent

Source	Measure	Collated bright	Collated galvanized	Collated other	Bulk bright	Bulk galvanized	Bulk other	All product types
U.S. producers	Share of quantity	***	***	***	***	***	***	***
India	Share of quantity	***	***	***	***	***	***	***
Oman	Share of quantity	***	***	***	***	***	***	***
Sri Lanka	Share of quantity	***	***	***	***	***	***	***
Thailand	Share of quantity	***	***	***	***	***	***	***
Turkey	Share of quantity	***	***	***	***	***	***	***
Subject sources	Share of quantity	***	***	***	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***	***	***	***
All import sources	Share of quantity	***	***	***	***	***	***	***
All sources	Share of quantity	***	***	***	***	***	***	***
U.S. producers	Share of value	***	***	***	***	***	***	***
India	Share of value	***	***	***	***	***	***	***
Oman	Share of value	***	***	***	***	***	***	***
Sri Lanka	Share of value	***	***	***	***	***	***	***
Thailand	Share of value	***	***	***	***	***	***	***
Turkey	Share of value	***	***	***	***	***	***	***
Subject sources	Share of value	***	***	***	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***	***	***	***
All import sources	Share of value	***	***	***	***	***	***	***
All sources	Share of value	***	***	***	***	***	***	***

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

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

Table F-2
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and type, 2021

Quantity in short tons; value in 1,000 dollars

Source	Measure	Collated	Bulk	All types
U.S. producers	Quantity	***	***	***
India	Quantity	***	***	***
Oman	Quantity	***	***	***
Sri Lanka	Quantity	***	***	***
Thailand	Quantity	***	***	***
Turkey	Quantity	***	***	***
Subject sources	Quantity	***	***	***
Nonsubject sources	Quantity	***	***	***
All import sources	Quantity	***	***	***
All sources	Quantity	***	***	***
U.S. producers	Value	***	***	***
India	Value	***	***	***
Oman	Value	***	***	***
Sri Lanka	Value	***	***	***
Thailand	Value	***	***	***
Turkey	Value	***	***	***
Subject sources	Value	***	***	***
Nonsubject sources	Value	***	***	***
All import sources	Value	***	***	***
All sources	Value	***	***	***

Table continued.

Table F-2 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and type, 2021

Unit values in dollars per short ton

Source	Measure	Collated	Bulk	All types
U.S. producers	Unit value	***	***	***
India	Unit value	***	***	***
Oman	Unit value	***	***	***
Sri Lanka	Unit value	***	***	***
Thailand	Unit value	***	***	***
Turkey	Unit value	***	***	***
Subject sources	Unit value	***	***	***
Nonsubject sources	Unit value	***	***	***
All import sources	Unit value	***	***	***
All sources	Unit value	***	***	***

Table continued.

Table F-2 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and type, 2021

Share in percent

Source	Measure	Collated	Bulk	All types
U.S. producers	Share of quantity	***	***	***
India	Share of quantity	***	***	***
Oman	Share of quantity	***	***	***
Sri Lanka	Share of quantity	***	***	***
Thailand	Share of quantity	***	***	***
Turkey	Share of quantity	***	***	***
Subject sources	Share of quantity	***	***	***
Nonsubject sources	Share of quantity	***	***	***
All import sources	Share of quantity	***	***	***
All sources	Share of quantity	***	***	***
U.S. producers	Share of value	***	***	***
India	Share of value	***	***	***
Oman	Share of value	***	***	***
Sri Lanka	Share of value	***	***	***
Thailand	Share of value	***	***	***
Turkey	Share of value	***	***	***
Subject sources	Share of value	***	***	***
Nonsubject sources	Share of value	***	***	***
All import sources	Share of value	***	***	***
All sources	Share of value	***	***	***

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

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

Table F-3
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2021

Quantity in short tons; value in 1,000 dollars

Source	Measure	Bright	Galvanized	Other	All finishes
U.S. producers	Quantity	***	***	***	***
India	Quantity	***	***	***	***
Oman	Quantity	***	***	***	***
Sri Lanka	Quantity	***	***	***	***
Thailand	Quantity	***	***	***	***
Turkey	Quantity	***	***	***	***
Subject sources	Quantity	***	***	***	***
Nonsubject sources	Quantity	***	***	***	***
All import sources	Quantity	***	***	***	***
All sources	Quantity	***	***	***	***
U.S. producers	Value	***	***	***	***
India	Value	***	***	***	***
Oman	Value	***	***	***	***
Sri Lanka	Value	***	***	***	***
Thailand	Value	***	***	***	***
Turkey	Value	***	***	***	***
Subject sources	Value	***	***	***	***
Nonsubject sources	Value	***	***	***	***
All import sources	Value	***	***	***	***
All sources	Value	***	***	***	***

Table continued.

Table F-3 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2021

Unit values in dollars per short ton

Source	Measure	Bright	Galvanized	Other	All finishes
U.S. producers	Unit value	***	***	***	***
India	Unit value	***	***	***	***
Oman	Unit value	***	***	***	***
Sri Lanka	Unit value	***	***	***	***
Thailand	Unit value	***	***	***	***
Turkey	Unit value	***	***	***	***
Subject sources	Unit value	***	***	***	***
Nonsubject sources	Unit value	***	***	***	***
All import sources	Unit value	***	***	***	***
All sources	Unit value	***	***	***	***

Table Continued.

Table F-3 Continued
Steel nails: U.S. producers' and U.S. importers' U.S. shipments, by source and finish, 2021

Share in percent

Source	Measure	Bright	Galvanized	Other	All finishes
U.S. producers	Share of quantity	***	***	***	***
India	Share of quantity	***	***	***	***
Oman	Share of quantity	***	***	***	***
Sri Lanka	Share of quantity	***	***	***	***
Thailand	Share of quantity	***	***	***	***
Turkey	Share of quantity	***	***	***	***
Subject sources	Share of quantity	***	***	***	***
Nonsubject sources	Share of quantity	***	***	***	***
All import sources	Share of quantity	***	***	***	***
All sources	Share of quantity	***	***	***	***
U.S. producers	Share of value	***	***	***	***
India	Share of value	***	***	***	***
Oman	Share of value	***	***	***	***
Sri Lanka	Share of value	***	***	***	***
Thailand	Share of value	***	***	***	***
Turkey	Share of value	***	***	***	***
Subject sources	Share of value	***	***	***	***
Nonsubject sources	Share of value	***	***	***	***
All import sources	Share of value	***	***	***	***
All sources	Share of value	***	***	***	***

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

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

APPENDIX G

U.S. SHIPMENTS BY DISTRIBUTION AND PERIOD

Table G-1
Steel nails: U.S. producers' U.S. shipments, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	77,580	90,783	87,045	23,149	17,569
Retailers	Quantity	7,844	9,251	7,817	2,472	2,246
End users	Quantity	34,909	36,821	37,425	10,244	9,568
All channels	Quantity	120,333	136,855	132,287	35,865	29,383
Distributors	Value	140,056	147,586	183,758	42,168	47,464
Retailers	Value	15,510	19,067	19,880	5,192	6,309
End users	Value	54,788	54,488	77,866	16,300	26,365
All channels	Value	210,354	221,141	281,504	63,660	80,138
Distributors	Unit value	1,805	1,626	2,111	1,822	2,702
Retailers	Unit value	1,977	2,061	2,543	2,100	2,809
End users	Unit value	1,569	1,480	2,081	1,591	2,756
All channels	Unit value	1,748	1,616	2,128	1,775	2,727
Distributors	Share of quantity	64.5	66.3	65.8	64.5	59.8
Retailers	Share of quantity	6.5	6.8	5.9	6.9	7.6
End users	Share of quantity	29.0	26.9	28.3	28.6	32.6
All channels	Share of quantity	100.0	100.0	100.0	100.0	100.0
Distributors	Share of value	66.6	66.7	65.3	66.2	59.2
Retailers	Share of value	7.4	8.6	7.1	8.2	7.9
End users	Share of value	26.0	24.6	27.7	25.6	32.9
All channels	Share of value	100.0	100.0	100.0	100.0	100.0

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

Table G-2
Steel nails: U.S. importers' U.S. shipments of imports from India, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	***	***	***	***	***
Retailers	Quantity	***	***	***	***	***
End users	Quantity	***	***	***	***	***
All channels	Quantity	***	***	***	***	***
Distributors	Value	***	***	***	***	***
Retailers	Value	***	***	***	***	***
End users	Value	***	***	***	***	***
All channels	Value	***	***	***	***	***
Distributors	Unit value	***	***	***	***	***
Retailers	Unit value	***	***	***	***	***
End users	Unit value	***	***	***	***	***
All channels	Unit value	***	***	***	***	***
Distributors	Share of quantity	***	***	***	***	***
Retailers	Share of quantity	***	***	***	***	***
End users	Share of quantity	***	***	***	***	***
All channels	Share of quantity	***	***	***	***	***
Distributors	Share of value	***	***	***	***	***
Retailers	Share of value	***	***	***	***	***
End users	Share of value	***	***	***	***	***
All channels	Share of value	***	***	***	***	***

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

Table G-3
Steel nails: U.S. importers' U.S. shipments of imports from Oman, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	***	***	***	***	***
Retailers	Quantity	***	***	***	***	***
End users	Quantity	***	***	***	***	***
All channels	Quantity	***	***	***	***	***
Distributors	Value	***	***	***	***	***
Retailers	Value	***	***	***	***	***
End users	Value	***	***	***	***	***
All channels	Value	***	***	***	***	***
Distributors	Unit value	***	***	***	***	***
Retailers	Unit value	***	***	***	***	***
End users	Unit value	***	***	***	***	***
All channels	Unit value	***	***	***	***	***
Distributors	Share of quantity	***	***	***	***	***
Retailers	Share of quantity	***	***	***	***	***
End users	Share of quantity	***	***	***	***	***
All channels	Share of quantity	***	***	***	***	***
Distributors	Share of value	***	***	***	***	***
Retailers	Share of value	***	***	***	***	***
End users	Share of value	***	***	***	***	***
All channels	Share of value	***	***	***	***	***

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

Table G-4
Steel nails: U.S. importers' U.S. shipments of imports from Sri Lanka, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	***	***	***	***	***
Retailers	Quantity	***	***	***	***	***
End users	Quantity	***	***	***	***	***
All channels	Quantity	***	***	***	***	***
Distributors	Value	***	***	***	***	***
Retailers	Value	***	***	***	***	***
End users	Value	***	***	***	***	***
All channels	Value	***	***	***	***	***
Distributors	Unit value	***	***	***	***	***
Retailers	Unit value	***	***	***	***	***
End users	Unit value	***	***	***	***	***
All channels	Unit value	***	***	***	***	***
Distributors	Share of quantity	***	***	***	***	***
Retailers	Share of quantity	***	***	***	***	***
End users	Share of quantity	***	***	***	***	***
All channels	Share of quantity	***	***	***	***	***
Distributors	Share of value	***	***	***	***	***
Retailers	Share of value	***	***	***	***	***
End users	Share of value	***	***	***	***	***
All channels	Share of value	***	***	***	***	***

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

Table G-5
Steel nails: U.S. importers' U.S. shipments of imports from Thailand, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	***	***	***	***	***
Retailers	Quantity	***	***	***	***	***
End users	Quantity	***	***	***	***	***
All channels	Quantity	***	***	***	***	***
Distributors	Value	***	***	***	***	***
Retailers	Value	***	***	***	***	***
End users	Value	***	***	***	***	***
All channels	Value	***	***	***	***	***
Distributors	Unit value	***	***	***	***	***
Retailers	Unit value	***	***	***	***	***
End users	Unit value	***	***	***	***	***
All channels	Unit value	***	***	***	***	***
Distributors	Share of quantity	***	***	***	***	***
Retailers	Share of quantity	***	***	***	***	***
End users	Share of quantity	***	***	***	***	***
All channels	Share of quantity	***	***	***	***	***
Distributors	Share of value	***	***	***	***	***
Retailers	Share of value	***	***	***	***	***
End users	Share of value	***	***	***	***	***
All channels	Share of value	***	***	***	***	***

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

Table G-6
Steel nails: U.S. importers' U.S. shipments of imports from Turkey, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	***	***	***	***	***
Retailers	Quantity	***	***	***	***	***
End users	Quantity	***	***	***	***	***
All channels	Quantity	***	***	***	***	***
Distributors	Value	***	***	***	***	***
Retailers	Value	***	***	***	***	***
End users	Value	***	***	***	***	***
All channels	Value	***	***	***	***	***
Distributors	Unit value	***	***	***	***	***
Retailers	Unit value	***	***	***	***	***
End users	Unit value	***	***	***	***	***
All channels	Unit value	***	***	***	***	***
Distributors	Share of quantity	***	***	***	***	***
Retailers	Share of quantity	***	***	***	***	***
End users	Share of quantity	***	***	***	***	***
All channels	Share of quantity	***	***	***	***	***
Distributors	Share of value	***	***	***	***	***
Retailers	Share of value	***	***	***	***	***
End users	Share of value	***	***	***	***	***
All channels	Share of value	***	***	***	***	***

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

Table G-7
Steel nails: U.S. importers' U.S. shipments of imports from subject sources, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	130,109	129,867	164,610	40,104	42,319
Retailers	Quantity	70,879	82,751	84,916	21,890	17,866
End users	Quantity	5,946	9,502	4,832	1,108	1,997
All channels	Quantity	206,934	222,120	254,358	63,102	62,182
Distributors	Value	151,046	157,280	224,816	43,781	83,845
Retailers	Value	82,707	101,723	114,006	25,657	30,424
End users	Value	14,562	12,861	10,567	1,998	5,163
All channels	Value	248,315	271,864	349,389	71,436	119,432
Distributors	Unit value	1,161	1,211	1,366	1,092	1,981
Retailers	Unit value	1,167	1,229	1,343	1,172	1,703
End users	Unit value	2,449	1,354	2,187	1,803	2,585
All channels	Unit value	1,200	1,224	1,374	1,132	1,921
Distributors	Share of quantity	62.9	58.5	64.7	63.6	68.1
Retailers	Share of quantity	34.3	37.3	33.4	34.7	28.7
End users	Share of quantity	2.9	4.3	1.9	1.8	3.2
All channels	Share of quantity	100.0	100.0	100.0	100.0	100.0
Distributors	Share of value	60.8	57.9	64.3	61.3	70.2
Retailers	Share of value	33.3	37.4	32.6	35.9	25.5
End users	Share of value	5.9	4.7	3.0	2.8	4.3
All channels	Share of value	100.0	100.0	100.0	100.0	100.0

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

Table G-8
Steel nails: U.S. importers' U.S. shipments of imports from nonsubject sources, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	108,707	121,501	173,353	34,909	37,698
Retailers	Quantity	171,107	175,474	183,530	38,986	40,224
End users	Quantity	24,228	18,634	21,963	5,213	7,225
All channels	Quantity	304,042	315,609	378,846	79,108	85,147
Distributors	Value	143,001	176,143	296,916	52,353	74,156
Retailers	Value	254,574	234,164	278,109	57,727	82,523
End users	Value	50,309	27,807	45,954	9,004	19,410
All channels	Value	447,884	438,114	620,979	119,084	176,089
Distributors	Unit value	1,315	1,450	1,713	1,500	1,967
Retailers	Unit value	1,488	1,334	1,515	1,481	2,052
End users	Unit value	2,076	1,492	2,092	1,727	2,687
All channels	Unit value	1,473	1,388	1,639	1,505	2,068
Distributors	Share of quantity	35.8	38.5	45.8	44.1	44.3
Retailers	Share of quantity	56.3	55.6	48.4	49.3	47.2
End users	Share of quantity	8.0	5.9	5.8	6.6	8.5
All channels	Share of quantity	100.0	100.0	100.0	100.0	100.0
Distributors	Share of value	31.9	40.2	47.8	44.0	42.1
Retailers	Share of value	56.8	53.4	44.8	48.5	46.9
End users	Share of value	11.2	6.3	7.4	7.6	11.0
All channels	Share of value	100.0	100.0	100.0	100.0	100.0

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

Table G-9
Steel nails: U.S. importers' U.S. shipments of imports from all sources, by channels of distribution and period

Quantity in short tons; value in 1,000 dollars; unit values in dollars per short ton; share in percent

Distribution channel	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
Distributors	Quantity	238,816	251,368	337,963	75,013	80,017
Retailers	Quantity	241,986	258,225	268,446	60,876	58,090
End users	Quantity	30,174	28,136	26,795	6,321	9,222
All channels	Quantity	510,976	537,729	633,204	142,210	147,329
Distributors	Value	294,047	333,423	521,732	96,134	158,001
Retailers	Value	337,281	335,887	392,115	83,384	112,947
End users	Value	64,871	40,668	56,521	11,002	24,573
All channels	Value	696,199	709,978	970,368	190,520	295,521
Distributors	Unit value	1,231	1,326	1,544	1,282	1,975
Retailers	Unit value	1,394	1,301	1,461	1,370	1,944
End users	Unit value	2,150	1,445	2,109	1,741	2,665
All channels	Unit value	1,362	1,320	1,532	1,340	2,006
Distributors	Share of quantity	46.7	46.7	53.4	52.7	54.3
Retailers	Share of quantity	47.4	48.0	42.4	42.8	39.4
End users	Share of quantity	5.9	5.2	4.2	4.4	6.3
All channels	Share of quantity	100.0	100.0	100.0	100.0	100.0
Distributors	Share of value	42.2	47.0	53.8	50.5	53.5
Retailers	Share of value	48.4	47.3	40.4	43.8	38.2
End users	Share of value	9.3	5.7	5.8	5.8	8.3
All channels	Share of value	100.0	100.0	100.0	100.0	100.0

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

Table G-10
Steel nails: U.S. shipments to distributors, source and period

Quantity in short tons; share in percent; ratio to U.S. production

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. producers	Quantity	77,580	90,783	87,045	23,149	17,569
India	Quantity	***	***	***	***	***
Oman	Quantity	***	***	***	***	***
Sri Lanka	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Subject sources	Quantity	130,109	129,867	164,610	40,104	42,319
Nonsubject sources	Quantity	108,707	121,501	173,353	34,909	37,698
All import sources	Quantity	238,816	251,368	337,963	75,013	80,017
All sources	Quantity	316,396	342,151	425,008	98,162	97,586
U.S. producers	Share	24.5	26.5	20.5	23.6	18.0
India	Share	***	***	***	***	***
Oman	Share	***	***	***	***	***
Sri Lanka	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Subject sources	Share	41.1	38.0	38.7	40.9	43.4
Nonsubject sources	Share	34.4	35.5	40.8	35.6	38.6
All import sources	Share	75.5	73.5	79.5	76.4	82.0
All sources	Share	100.0	100.0	100.0	100.0	100.0
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Oman	Ratio	***	***	***	***	***
Sri Lanka	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed July 14, 2022. Imports are based on the imports for consumption data series.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Ratios are ratio to overall apparent consumption quantity as presented in Part IV of the report.

Table G-11
Steel nails: U.S. shipments to retailers, source and period

Quantity in short tons; share in percent; ratio to U.S. production

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. producers	Quantity	7,844	9,251	7,817	2,472	2,246
India	Quantity	***	***	***	***	***
Oman	Quantity	***	***	***	***	***
Sri Lanka	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Subject sources	Quantity	70,879	82,751	84,916	21,890	17,866
Nonsubject sources	Quantity	171,107	175,474	183,530	38,986	40,224
All import sources	Quantity	241,986	258,225	268,446	60,876	58,090
All sources	Quantity	249,830	267,476	276,263	63,348	60,336
U.S. producers	Share	3.1	3.5	2.8	3.9	3.7
India	Share	***	***	***	***	***
Oman	Share	***	***	***	***	***
Sri Lanka	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Subject sources	Share	28.4	30.9	30.7	34.6	29.6
Nonsubject sources	Share	68.5	65.6	66.4	61.5	66.7
All import sources	Share	96.9	96.5	97.2	96.1	96.3
All sources	Share	100.0	100.0	100.0	100.0	100.0
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Oman	Ratio	***	***	***	***	***
Sri Lanka	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed July 14, 2022. Imports are based on the imports for consumption data series.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Ratios are ratio to overall apparent consumption quantity as presented in Part IV of the report.

Table G-12
Steel nails: U.S. shipments to end users, source and period

Quantity in short tons; share and ratio in percent

Source	Measure	2019	2020	2021	Jan-Mar 2021	Jan-Mar 2022
U.S. producers	Quantity	34,909	36,821	37,425	10,244	9,568
India	Quantity	***	***	***	***	***
Oman	Quantity	***	***	***	***	***
Sri Lanka	Quantity	***	***	***	***	***
Thailand	Quantity	***	***	***	***	***
Turkey	Quantity	***	***	***	***	***
Subject sources	Quantity	5,946	9,502	4,832	1,108	1,997
Nonsubject sources	Quantity	24,228	18,634	21,963	5,213	7,225
All import sources	Quantity	30,174	28,136	26,795	6,321	9,222
All sources	Quantity	65,083	64,957	64,220	16,565	18,790
U.S. producers	Share	53.6	56.7	58.3	61.8	50.9
India	Share	***	***	***	***	***
Oman	Share	***	***	***	***	***
Sri Lanka	Share	***	***	***	***	***
Thailand	Share	***	***	***	***	***
Turkey	Share	***	***	***	***	***
Subject sources	Share	9.1	14.6	7.5	6.7	10.6
Nonsubject sources	Share	37.2	28.7	34.2	31.5	38.5
All import sources	Share	46.4	43.3	41.7	38.2	49.1
All sources	Share	100.0	100.0	100.0	100.0	100.0
U.S. producers	Ratio	***	***	***	***	***
India	Ratio	***	***	***	***	***
Oman	Ratio	***	***	***	***	***
Sri Lanka	Ratio	***	***	***	***	***
Thailand	Ratio	***	***	***	***	***
Turkey	Ratio	***	***	***	***	***
Subject sources	Ratio	***	***	***	***	***
Nonsubject sources	Ratio	***	***	***	***	***
All import sources	Ratio	***	***	***	***	***
All sources	Ratio	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires and official U.S. import statistics of the U.S. Department of Commerce Census Bureau using statistical reporting numbers 7317.00.5501, 7317.00.5502, 7317.00.5503, 7317.00.5505, 7317.00.5507, 7317.00.5508, 7317.00.5511, 7317.00.5518, 7317.00.5519, 7317.00.5520, 7317.00.5530, 7317.00.5540, 7317.00.5550, 7317.00.5560, 7317.00.5570, 7317.00.5580, 7317.00.5590, 7317.00.6530, 7317.00.6560, and 7317.00.7500, accessed July 14, 2022. Imports are based on the imports for consumption data series.

Note: Shares and ratios shown as "0.0" represent values greater than zero, but less than "0.05" percent. Zeroes, null values, and undefined calculations are suppressed and shown as "---". Ratios are ratio to overall apparent consumption quantity as presented in Part IV of the report.

APPENDIX H

NONSUBJECT COUNTRY PRICE DATA

Ten importers reported price data for imports from nonsubject sources. Data was collected separately for China and Mexico, and collectively for Malaysia, South Korea, and Taiwan. These importers reported price data for products 1, 2, 5, and 6 from China, product 5 from Mexico, and for all products for Malaysia, South Korea, and Taiwan. Reported data for these countries comprised a combined 17.8 percent of nonsubject imports in 2021. These price items and accompanying data are comparable to those presented in tables V-6 to V-12. Price and quantity data for the nonsubject countries are shown in tables H-1 to H-7 and in figures H-1 to H-7 (with domestic and subject sources).

In comparing nonsubject country pricing data with U.S. producer pricing data, prices for product imported from China were higher than prices for U.S.-produced product in all 39 instances and in 45 of 70 instances for product imported from Malaysia, South Korea, and Taiwan.¹ No directly comparable pricing was received for steel nails from Mexico.² In comparing nonsubject country pricing data with subject country pricing data, prices for product imported from China were higher than prices for product imported from subject countries in 174 instances and lower in 20 instances. Prices for product imported from Malaysia, South Korea, and Taiwan were higher than prices for product imported from subject countries in 214 instances and lower in 22 instances. A summary of price differentials is presented in table H-8.

¹ Imports from China, Malaysia, South Korea, and Taiwan were subject to trade remedies throughout the period for which data was collected.

² Data for Mexico were received by the Commission. These data, which were all submitted with respect to the product sold to retailers (product 5) ***. Mid Continent stated that its sales of steel nails imported from Mexico were sold at the same price as those it produced in the United States. Hearing transcript, p. 67 (Skarich). The data for sales of product 5 imported from Mexico were provided by ***.

Table H-1
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 1, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	China price	China quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***

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

Note: Product 1: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Table H-2
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 2, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	China price	China quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	***	***	***	***	***	***
2019 Q2	***	***	***	***	***	***
2019 Q3	***	***	***	***	***	***
2019 Q4	***	***	***	***	***	***
2020 Q1	***	***	***	***	***	***
2020 Q2	***	***	***	***	***	***
2020 Q3	***	***	***	***	***	***
2020 Q4	***	***	***	***	***	***
2021 Q1	***	***	***	***	***	***
2021 Q2	***	***	***	***	***	***
2021 Q3	***	***	***	***	***	***
2021 Q4	***	***	***	***	***	***
2022 Q1	***	***	***	***	***	***

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

Note: Product 2: Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Table H-3
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 3, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***

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

Note: Product 3: Nominal 2" x 0.099" (12.5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors.

Table H-4
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 4, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	--	0	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	--	0	***	***
2021 Q3	***	***	***	***
2021 Q4	--	0	***	***
2022 Q1	--	0	--	0

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

Note: Product 4: Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors.

Table H-5
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 5, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	China price	China quantity
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***

Period	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity	Mexico price	Mexico quantity
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***

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

Note: Product 5: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers.

Table H-6
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 6, by quarter

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	U.S. price	U.S. quantity	China price	China quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	--	0	***	***	***	***
2019 Q2	--	0	***	***	***	***
2019 Q3	--	0	***	***	***	***
2019 Q4	--	0	***	***	***	***
2020 Q1	--	0	***	***	***	***
2020 Q2	--	0	***	***	***	***
2020 Q3	--	0	***	***	***	***
2020 Q4	--	0	***	***	***	***
2021 Q1	--	0	***	***	***	***
2021 Q2	--	0	***	***	***	***
2021 Q3	--	0	***	***	***	***
2021 Q4	--	0	***	***	***	***
2022 Q1	--	0	***	***	***	***

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

Note: Product 6: Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers.

Table H-7
Steel nails: Weighted-average f.o.b. prices and quantities of domestic and imported product 7, by quarter

Price in dollars per short tons, quantity in short tons.

Period	U.S. price	U.S. quantity	Malaysia, South Korea, and Taiwan price	Malaysia, South Korea, and Taiwan quantity
2019 Q1	***	***	--	0
2019 Q2	***	***	--	0
2019 Q3	***	***	--	0
2019 Q4	***	***	--	0
2020 Q1	***	***	***	***
2020 Q2	***	***	***	***
2020 Q3	***	***	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	***	***	***	***
2021 Q3	***	***	***	***
2021 Q4	***	***	***	***
2022 Q1	***	***	***	***

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

Note: Product 7: Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users.

Figure H-1
Steel nails: Weighted-average prices and quantities of domestic and imported product 1, by source and quarter

Price of product 1

* * * * *

Volume of product 1

* * * * *

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

Note: Product 1: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Figure H-2
Steel nails: Weighted-average prices and quantities of domestic and imported product 2, by source and quarter

Price of product 2

* * * * *

Volume of product 2

* * * * *

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

Note: Product 2: Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Figure H-3
Steel nails: Weighted-average prices and quantities of domestic and imported product 3, by source and quarter

Price of product 3

* * * * *

Volume of product 3

* * * * *

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

Note: Product 3: Nominal 2" x 0.099" (12. 5 gauge), bright screw (threaded), 15 degree wire coil collated nails sold to distributors.

Figure H-4
Steel nails: Weighted-average prices and quantities of domestic and imported product 4, by source and quarter

Price of product 4

* * * * *

Volume of product 4

* * * * *

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

Note: Product 4: Nominal 3" x 0.131" (10.25 gauge), stainless steel, ring shank, 20-22 degree plastic-strip collated and uncollated nails sold to distributors.

Figure H-5
Steel nails: Weighted-average prices and quantities of domestic and imported product 5, by source and quarter

Price of product 5

* * * * *

Volume of product 5

* * * * *

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

Note: Product 5: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to retailers.

Figure H-6
Steel nails: Weighted-average prices and quantities of domestic and imported product 6, by source and quarter

Price of product 6

* * * * *

Volume of product 6

* * * * *

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

Note: Product 6: Nominal 1-1/4" x 0.120" smooth shank galvanized wire welded roofing coil nails sold to retailers.

Figure H-7
Steel nails: Weighted-average prices and quantities of domestic and imported product 7, by source and quarter

Price of product 7

* * * * *

Volume of product 7

* * * * *

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

Note: Product 7: Nominal 2" x 0.113" (11.5 gauge), bright drive screw (threaded) shank, machine grade bulk nails sold to end users.

Table H-8
Steel nails: Summary of higher/lower unit values of nonsubject sources, by source, January 2019-
March 2022

Comparison source	Benchmark source	Number of quarters lower	Quantity lower (1,000 nails)	Number of quarters higher	Quantity higher (1,000 nails)
China	United States	***	***	***	***
Malaysia, South Korea, and Taiwan	United States	***	***	***	***
Mexico	United States	***	***	***	***
China	India	***	***	***	***
Malaysia, South Korea, and Taiwan	India	***	***	***	***
Mexico	India	***	***	***	***
China	Oman	***	***	***	***
Malaysia, South Korea, and Taiwan	Oman	***	***	***	***
Mexico	Oman	***	***	***	***
China	Sri Lanka	***	***	***	***
Malaysia, South Korea, and Taiwan	Sri Lanka	***	***	***	***
Mexico	Sri Lanka	***	***	***	***
China	Thailand	***	***	***	***
Malaysia, South Korea, and Taiwan	Thailand	***	***	***	***
Mexico	Thailand	***	***	***	***
China	Turkey	***	***	***	***
Malaysia, South Korea, and Taiwan	Turkey	***	***	***	***
Mexico	Turkey	***	***	***	***

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

Note: Comparisons for product 7 were included in the numbers of quarters higher and lower in the table, but the quantities were not because data for product 7 was collected in short tons. As a result, there were an additional *** short tons that would be included in the “Quantity lower” for Malaysia, South Korea, and Taiwan compared with the United States, *** short tons that would be included in the “Quantity higher” for Malaysia, South Korea, and Taiwan compared with the United States, and *** short tons that would be included in the “Quantity lower” for Malaysia, South Korea, and Taiwan compared with India that could not be aggregated with the data tabulations.

Note: See footnote 2 regarding data for Mexico.

Finalized pricing data submitted by *** for its imports from Mexico was received by the Commission the same day that the staff report was submitted to the Commission.³

Table H-9
Steel nails: Weighted-average f.o.b. prices and quantities of products 1 and 2 imported from Mexico by *, by quarter**

Price in dollars per 1,000 nails, quantity in 1,000 nails.

Period	Product 1 price	Product 1 quantity	Product 2 price	Product 2 quantity
2019 Q1	***	***	***	***
2019 Q2	***	***	***	***
2019 Q3	***	***	***	***
2019 Q4	***	***	***	***
2020 Q1	--	0	***	***
2020 Q2	--	0	***	***
2020 Q3	--	0	***	***
2020 Q4	***	***	***	***
2021 Q1	***	***	***	***
2021 Q2	--	0	***	***
2021 Q3	--	0	***	***
2021 Q4	--	0	--	0
2022 Q1	***	***	***	***

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

Note: Product 1: Nominal 3" x 0.131" (10.25 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

Note: Product 2: Nominal 3" x 0.120" (11 gauge), bright smooth shank, 20-22 degree plastic-strip collated nails sold to distributors.

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